



Department of Economic Affairs & Tourism

Annual Report
2004/2005



Mr O.P. Dikgetsi
MEC for Finance & Economic Affairs

Annual Report 2004/2005

I have the honour to hereby formally submit to you, the Annual Report of the Department of Economic Affairs for the period 1 April 2004 to 31 March 2005.



Mr. P.M. Seboko
HOD for Economic Affairs & Tourism



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PART 1 : GENERAL INFORMATION

1.1 Submission of the annual report to the executive authority

The Accounting Officer hereby formally submits the Annual Report of the department of Economic Affairs and Tourism to the Executing Authority for Finance and Economic Affairs in the Northern Cape, Mr O.P. Dikgetsi for his approval.

1.2 Foreword by the Head of the Department

The past year has been a momentous one for the Department of Economic Affairs. Firstly, the Ten Year Review and the start of the second decade of democratic governance allowed us to reflect on the past and plan for a better future, specifically in terms of economic growth and development for the Northern Cape and the role of the Department in this process. Simultaneously, the previous Department of Economic Affairs & Tourism was split into two separate components and the Tourism component was added to another Department, whereupon the previous Department of Finance was merged with Economic Affairs to become the Department of Finance and Economic Affairs. Later in the year, the Department was split into two separate departments again.

During and after this process, the Department was also engaged in intensive restructuring, following the outcomes and recommendations of the Ten Year Review for the Northern Cape. The major elements of restructuring included the creation of a significant number of new posts for key functions not previously catered for in the Department, the establishment of a programme for Policy, Planning & Research, re-alignment of functions to improve organizational efficiency and the creation and filling of new senior management posts. New senior managers were appointed in the past year as part of this process.

A major achievement for the Department that is not reflected in the delivery tables in this report, is the development of the Northern Cape Growth & Development Strategy (NCPGDS), with its related sector strategies (of economic and social nature). The Department managed the process and developed the discussion documents and strategies on behalf of the Premier. Buy-in from civil society, labour, organised business and the rest of the public sector was achieved through agreement at the Provincial Growth & Development Summit, preceded by extensive pre-summit consultation and solidified with post summit agreements. The NCPGDS and its related sector strategies were launched by the Premier at a gala event on 27 January 2005 and the Department continues to play a major role in planning for and implementation of these strategies, as well as monitoring and evaluation of the economic aspects of the NCPGDS and its implementation.

Besides this major achievement, the Department also produced quarterly trade and investment promotion articles in magazines like "Black Business Quarterly", "SA Provinces, Cities & Towns" & "Trade & Investment SA on-line (monthly publication)" and printed and distributed an investment promotion pamphlet, highlighting the many investment opportunities across our province.

At the end of this year, we look back with pride to confirm that we have established a new, functional structure for the organization, we have addressed the concerns of our clients and stakeholders as echoed in the Ten Year Review to a large degree and we have put plans in place to build on these bold steps in the coming year to ensure successful metamorphosis of the Department into an efficient, effective, economical driver of socio-economic growth and development in the Northern Cape.

The organization has committed itself to excellence in pursuance of the implementation of its mandate and if the achievements in 2004-2005 are anything to go by, the coming financial year should prove to bear even more exciting results than this year.

In considering the achievements of the Department for the past year, it would be wrong of us not to acknowledge the role of different stakeholders of the Department in achieving this turn-around from a department in turmoil and crisis to a confident, structured and focused organization. To all those who assisted and supported us in this process, our deepest gratitude.



PATRICK M. SEBOKO
Head Of Department



1.3 Information on the Ministry

The Ministry of Economic Affairs and Tourism (as it was formerly called) was plagued by turbulence in its leadership. In May 2004, the position was taken up by honourable Mr. O.P. Dikgetsi, who has brought progress and stability to the Department in a time when the start of the second decade of democracy placed major challenges on government in terms of economic growth and development.

The Member of the Executive Council for Economic Affairs is supported by a small ministerial staff complement, which is mainly responsible for ministerial administrative support, executive parliamentary, constituency / community and media liaison and interaction.

The sub-programme "Office of the MEC" is primarily responsible for the development and monitoring of the implementation of policies aimed at creating enabling environment for sustainable economic growth and transformation in the Northern Cape. It is within this context that this sub-programme oversaw and directed the formulation and launch of the Northern Cape Provincial Growth and Development Strategy, which is a sustainable growth and development plan jointly determined by stakeholders from the public, private and parastatal sectors together with labour and civil society. The Northern Cape Gambling bill was tabled to the provincial legislature while the Northern Cape Liquor Bill is in the advanced phase of formulation.

Institutions reporting to the Executive Authority:

The following agencies report to the MEC for Economic Affairs:

- Northern Cape Economic Development Agency;
- Fishing and Mariculture Development Agency;
- Northern Cape Manufacturing Advisory Centre;
- Northern Cape Gambling Board; and
- Northern Cape Liquor Board.

The sub-programme also managed and oversaw the process of integrating Local Business Service Centers to the Small Enterprises Development Agency process.

Trips undertaken by the Executive Authority:

Due to the serious nature of challenges faced by the Department in this year and the fact that an HOD for Economic Affairs was only appointed in November 2004, the MEC opted not to travel abroad in this financial year.

1.4 Vision

To create a growing sustainable Provincial economy.

1.5 Mission

This department's mission is to create an enabling environment for the achievement of sustainable economic growth and development in order to achieve the economic empowerment of the people, particularly historically disadvantaged individuals, of the Northern Cape.

1.6 Legislative Mandate

This Department is responsible for ensuring that existing and aspirant entrepreneurs throughout the Province have access to quality non-financial business support services which are rendered through a co-ordinated provincial service provider's network. Facilitate the expansion of existing and new finance institutions into areas of the Northern Cape where access to finance for SMMEs is lacking.

Marketing the Province is also one of the responsibilities performed by the Department. This is done by intensifying exposure of tourism both nationally and internationally.

Promoting and positioning the Northern Cape by networking for the attraction of investment. There is an annual international and investment expo where countries are invited to represent their countries. This is mainly to put the Province on the map and also attract investment.

The Department derives its responsibilities from the following national and provincial objectives and see its primary mandate relating to:

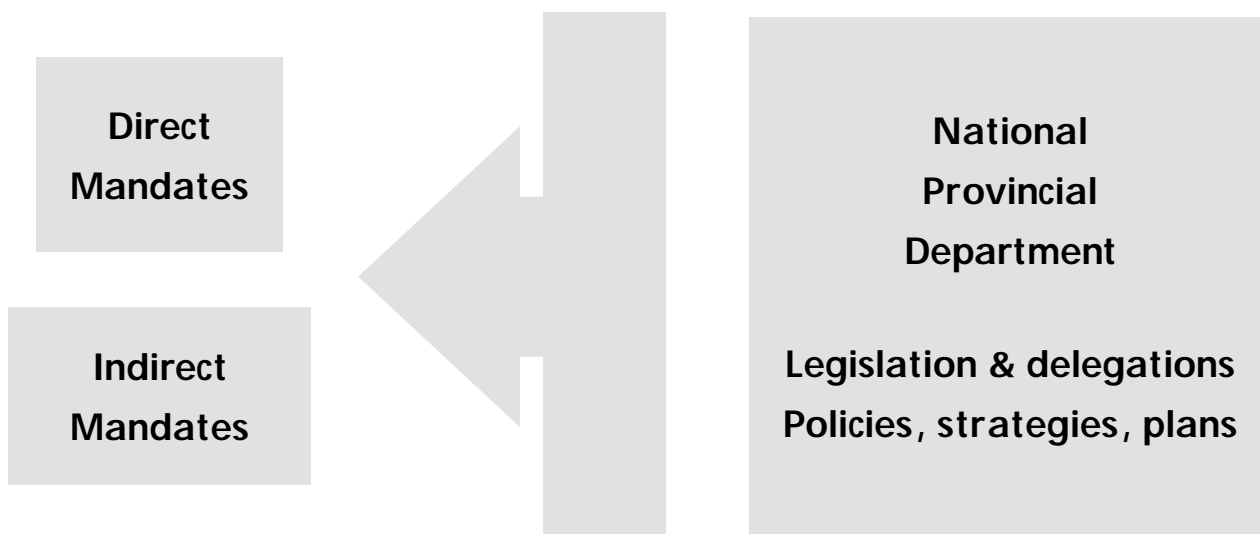


- Stimulating economic growth in the Province;
- Investment creation;
- Marketing the Province;
- Skills development in the SMME sector.

As illustrated in the diagram below, the Department derives direct and indirect mandates from national, provincial legislation and national, provincial and departmental policies, strategies, plans and delegations. The Department derives its core mandate from the Constitution, which mandates Government to “create an enabling environment for economic growth and development”. This implies that the Department of Economic Affairs must be the principal economic policy formulation driver in the Province. The Department also derives its mandate from the Northern Cape Growth and Development Strategy (NCPGDS) and its related sector strategies.

Figure 1: From where does the Departmental mandates arise?

More specifically, the Department derives its mandate primarily from the following sources:



- National legislation (bills, acts, regulations, charters), of which the following are the most important:
 - Constitution of RSA, 1996 (Chapters 2, 3, 6, 7, 9, 10, 13, 14, Schedule 4-6);
 - Entire PSA, PSR, as amended;
 - Entire PFMA & TR, as amended;
 - Division of Revenue Act;
 - Relevant line function legislation and regulations (National and Provincial, e.g. legislation pertaining to small businesses, companies, competition, gambling, liquor, consumer protection, local government, inter-governmental relations, development and planning, mining, minerals, manufacturing, empowerment, fishing, marine resources, environment, financing and development funding, health, environmental and other standards and procedures, statistics, information, security, human resource management and development, labour, etc., including court decisions).
- National and Provincial Government policies (White papers, Green papers, Frameworks, Guidelines, Manuals, etc.), Strategies and Plans, for example:
 - National Government Programme of Action, People’s Contract, White Paper of Transformation in the Public Service, State of Nation Address by the President, State of the Province Address by the Premier, National and Provincial Budget speeches, Cabinet resolutions, management decisions endorsed by the Executing Authority, Northern Cape Innovation Fund policy, Departmental policies on security, information management, HIV and AIDS, etc.;
 - National Spatial Development Perspective, Medium-Term Strategic Framework, Broad-Based Black Economic Empowerment Framework, Northern Cape Fishing and Mariculture Strategy, Departmental Human Resource Development Strategy, etc.
 - Provincial and Departmental Medium-Term Expenditure Framework, existing Strategic plans, Employment Equity plans, etc.
 - High level priorities offset by National Departments Co-ordinating Programmes in which the Department has a co-



responsibility, e.g. the Presidency (harmonisation of the NSDP, NCPGDS's and IDP's and National Programme of Action), National Treasury (Budget priorities and medium- to long -term financial and Corporate Planning and Performance Management), the DTI, SMME development and support, economic empowerment of PDI's, trade zones, development corridors and nodes, trade controls, etc.

- International, National and local Multi-party Agreements and Memoranda of Understanding, e.g.:
 - African Growth And Opportunities Act;
 - South Africa - China trade agreements;
 - Africa - Brazil - India Free Trade Agreement;
 - Hunan-Northern Cape Provinces Friendship Agreement;
 - Sweden - South Africa city-to-city twinning agreement;
 - UNOPS - Department of Economic Affairs' Memorandum of Understanding;
 - TISA - Department of Economic Affairs' Memorandum of Understanding.

1.7 External Environment

The economy of the Northern Cape Province faces enormous challenges in several areas amongst which the following are most the critical:

- There is urgent need to alleviate absolute poverty in the medium term and eradicate poverty in the long term. However, poverty in the Northern Cape has been rising since 1995.
- The reduction of extreme income and wealth inequalities between households; spatially between urban and rural as well as between the first and second economies.
- It is also critical for the economy to reduce unemployment in the province. Currently unemployment in the province is 37% (using the expanded definition).
- Unemployment has been rising in the province; 32.9% in 2000 and 37% in 2003. These levels of unemployment are higher among the youth. 66% of the youth in the province are unemployed.
- Other concomitant challenges are associated with raising household incomes to expand the domestic markets for durable and semi durable goods. 48% of households in the Northern Cape Province earn R800 or below R800 per month.
- There is a critical challenge to improve and develop skills required to grow and maintain sustainable economic growth. Close to 80% of the labour force in Northern Cape is engaged in semi and unskilled occupations.

To address the above challenges there is need to create sustainable economic growth above 4 % annually as well as transform the economy to embrace all the productive economic resources in the province. The Northern Cape Province has over the past years grown at very low rates. The economic growth of the province was 1.3% in 2002 and 1.8% in 2003 - these are low rates of growth compared to the rest of the provinces in South Africa.

The Northern Cape provincial economy is largely dependant on the primary sector (mining & quarrying, agriculture) that is in decline. This requires that provincial economy be transformed from depending on the primary sector to one diversified at both secondary and tertiary to contribute to sustainable economic growth in the province.

The provincial economy of the Northern Cape has made tremendous strides in the provision of social services to its people. 92.6% of the population has access to telephone, 83% have access to Sanitation, 96% have access to portable and clean water, 77% have access to electricity and 74 % have refuse removal services.



PART 2 : PROGRAMME PERFORMANCE

2.1 VOTED FUNDS

Appropriation after adjustments and Virement by Vote: R 47 269 000
Statutory Appropriation: R 780 000
Responsible Executive Authority: MEC for Finance and Economic Affairs
Administering Department: Department of Economic Affairs & Tourism
Accounting Officer: HOD for Economic Affairs & Tourism

2.2 AIM OF THE VOTE

The aim of the vote is to create an enabling environment for the achievement of economic growth and development in the Northern Cape Province based on the following:

- Diversification
- Empowerment
- Employment
- Business Creation
- Sustainable Development

2.3 KEY OBJECTIVES

In order to achieve our mission, we believe we must:

- Enhance the regulatory framework;
- Facilitate job creation;
- Tourism development and promotion;
- Marketing the Province;
- Research, development and information communication technology (ICT);
- Optimising revenue collection;
- SMME promotion and development;
- Industrial development and investment promotion;
- Women in economic empowerment.

STRATEGIC OVERVIEW AND KEY POLICY DEVELOPMENTS : PERIOD COVERED BY THE ANNUAL REPORT (2004 / 05)

2.4 SUMMARY OF PROGRAMMES

The activities of the Department of Economic affairs and Tourism are organised in the following five programmes:

Programme 1: Administration

Programme 2: SMME Development & Business Regulation

Programme 3: Economic Development Services

Programme 4: Consumer Protection and Board Support Services

Programme 5: Auxiliary and Associate Services

2.4.1 PROGRAMME 1 : ADMINISTRATION

Aim: Programme 1

To ensure overall efficient, effective and orderly conduct of business.

Aim: Programme 5

The aim of this programme is to render auxiliary services and services associated with the Department.



The purpose of these two programmes is to provide for the determination of political priorities, special projects and policy formulation by the Member of the Executive Committee as well as management within the department tasked with the effective, efficient and economic implementation of such policies. The main aim of this programme is to provide management and administration direction to the department according to the Public Service Act and Public Finance Management Act.

This is the programme that was most significantly affected by the merging of the two departments of Finance and Economic affairs & Tourism and the separation of the Tourism component from this new Department, together with the subsequent separation of the Department into two separate departments for Finance and Economic Affairs later in the year.

This programme consists of the following sub – programmes:

- Office of the MEC
- Management
- Corporate Services

The sub – programme, Office of the MEC has ensured and overseen that policies of the National Government that affect the Provincial Government directly are implemented.

The sub – programme Management ensured that the policy directives that were issued by the executing authority are implemented. The Department was faced with the problems of high turnover in top management but it managed to develop into a more focused entity in collaboration with its internal and external partners. The appointment of the HOD in November 2004 also contributed to the clear leadership direction that the department received.

The sub – programme Corporate services is made up of Human Resources, Finance, Communication, security services and other support services. The new organizational structure that is informed by the departments` s strategic plan was designed. Draft documents on Human Resources Plan, Employment equity and Recruitment Strategy were completed. Processes to address capacity problems have started. National Treasury guidelines with respect to Strategic Plans, Budgets, Financial Statements and reporting has been adhered to. Legal services unit has been established to ensure that the department adheres to the relevant legal requirements.

PROGRAMME 2: SMME DEVELOPMENT AND BUSINESS REGULATIONS

The aim of the programme is to stimulate sustainable economic growth and SMME development and provide SMME support and Tourism Promotion. This programme consists of the following sub-programmes:-

- SMME Enterprises
- Tourism Promotion
- Innovation Fund

The Small Medium and Micro Enterprises Development and Business Regulations programme identified the following as its key objectives:

- Increase access to marketing and business linkages;
- Develop Community Tourism in the Northern Cape;
- Facilitate access to Finance;
- Increase the level of productivity of SMME's;
- Facilitate Infrastructural Development for SMME's;
- Strengthen co-operation with donor Agencies;
- Facilitate SMME service providers capacity programme;
- Increase the rate of growth of existing SMME's.



Strategy (How)	Output (Actual Achievement)	Performance Measure (unit of measurement e.g. quality, quantity, timeframes)	Actual Performance	Reason for Deviation
Establishment of offices in Springbok, Siyanda and De Aar	Ensuring that services of the Directorate are rendered at district level	Fully fledged regional offices in springbok, Siyanda and De Aar established by November 2007	Office established in Siyanda.	Subsequent to announcement of SEDA process rollout in all districts of the province, district office need for SMME support to be reviewed.
Create funding instruments for SMME Develop capacity building and marketing strategy for SMME	Create competitive SMME's to enter the export market	10% of existing SMME businesses to be capacitated by June 2004	Refer to report lower down on micro-credit scheme of SIYEDA as one example of funding instrument for SMME's 25 Businesses received training Sponsored 10 business people to display their products at the SMME EXPO SUMMIT of 2004 Sponsored 10 people to participate in the International Council for Small Business World Conference 2004	None. Actual performance cannot be calculated in terms of percentage, due to the absence of complete SMME database.
Research and capture information on SMMEs relevant to the database	Database on SMME businesses in the province	Integrated SMME database by end of 2004	SMME data base initiated, but incomplete. Project distribution on GIS completed. 10 Database courses (In Touch) were delivered to all LBSC's.	CSIR In Touch system for SMME data base not implemented, due to system being under review.
Unlock economic potential for women entrepreneurs	Women Empowerment Strategy	Empowerment strategy document by end of 2004	Empowerment strategy document not initiated, but some initiative to support women's organizations were facilitated, namely: <ul style="list-style-type: none"> Partnered with DTI in funding & coordinating the launch of the provincial SAWEN chapter Funded the launch of the provincial chapter of SAWIM Arts & crafts producers & marketers consulted on establishment of an association fro the industry for extraction of greater economic benefit. 	Focus in the organization was redirected to development of the NCPGDS and internal restructuring.



Strategy (How)	Output (Actual Achievement)	Performance Measure (unit of measurement e.g. quality, quantity, timeframes)	Actual Performance	Reason for Deviation
<p>Establish required processes to propel BEE</p> <p>Engage in 5 regional workshops</p> <p>Analysis of the current economic scenario</p>	Transformed economic situation and redressing the past imbalances	<p>40% transformation in the following areas:</p> <ul style="list-style-type: none"> • Skills transfer • Equity • Market accessibility • By the end of 2007 	<p>1 Provincial workshop conducted in Kimberley for all five districts.</p> <p>Contract between Standard Bank & Dept. Economic Affairs signed on SMME empowerment & preferential procurement in mining.</p> <p>Supported 7 businesses that are operating successfully, 5 are based in Kimberley & 2 in Douglas (e.g. Heat Wave Pty., Siyaya Coffin Manufacturers, Yawa Garments, Tsepe Uniforms, Disabead, Thapelo Gold School & Jewellery Manufacturers).</p> <p>Held discussions with Ntsika & CSIR in connection with ICT support.</p> <p>Analysis on socio-economic profile of province completed and published as part of the NCPGDS.</p>	Target was unrealistic, considering that the target is 40% over 2 years, whereas the national programme of action target is 30% over 10 years.
<p>Conduct sector workshops</p> <p>Develop BEE database</p> <p>Research studies</p>	Consolidated BEE strategy document	<p>Draft document by end 2004.</p> <p>Final document by end 2005.</p>	Draft strategy produced in 2004.	Draft strategy not approved yet. Data base reprioritised in favour of internal restructuring.
<p>Provision for operational and capacity building requirement</p> <p>Further sustenance of SIYEDA at the end of UNOPS contract</p>	Fully functional SIYEDA (Economic Development Agency)	One municipality assisted.	<p>LEDA (SIYEDA) launched & 80 % of staff appointed.</p> <p>SIYEDA (LEDA) micro-credit scheme launched & is operational in Siyanda district municipality.</p>	SIYEDA license with MFRC not approved yet, therefore no disbursement of funds took place.
<p>Identify beneficiaries</p> <p>Conduct sector study</p> <p>Formalisation of relations between departments, stakeholders and beneficiaries</p>	Formulation of a provincial co-ordinating forum	Functional provincial co-ordinating forum by the end of 2004	<p>Forum between Dept. and IDP & LED managers established.</p> <p>Relationship with provincial IDP co-ordinator formalized.</p>	None.



Strategy (How)	Output (Actual Achievement)	Performance Measure (unit of measurement e.g. quality, quantity, timeframes)	Actual Performance	Reason for Deviation
Engage in sectoral consultation processes Conduct 5 x workshops	Existence of 4 (four) registered co-operatives	By the end of 2005	2 Co-operatives were registered in Siyanda (1 in Eksteenskuil & 1 in Upington) & 2 were registered in Frances Baard (1 in Barkly West & 1 in Kimberley). 2 Officials were trained by DTI to capacitate them for the establishment of co-operatives. Process is still unfolding. Workshops held jointly with DTI & NCASA (5 in Kimberley).	None.
Consult DBSA, NGO's	Provincial LED Strategy	End of 2004/05.	Consultation with DBSA took place. DBSA agreed to fund Tourism Master Plan, but required the NCPGDS to be developed prior to the funding of the LED strategy.	The NCPGDS was launched only in 2005.
Review provincial and national legislations	Provincial co-operatives strategy	Final strategy by end of 2005	Strategy not initiated. Dept. participated in the review of the national legislation around co-operatives and the Small Business Amendment Act. Regions were workshopped on the new proposed legislation & strategy on co-operatives.	None.
Review existing policies and strategies Conduct 5 (five) workshops Package investment ready tourism products	Tourism investment strategy	Integrated tourism investment	The tourism master plan could not be concluded during December 2004 due to the significance of the public participation process to solicit input from relevant stakeholders and interested parties. It was a mammoth task to get stakeholders and interested parties together due to their own workload. Master Plan was completed in 2005. The Department participated by making input into the Provincial Growth Plan.	Completion of plan delayed due to magnitude of task and multitude of stakeholders involved.
Increase marketing capabilities in the tourism industry Increase volume and spend in the province	50% increase in tourism volume and spend	Turning the Northern Cape into one of the preferred tourism destinations	Six international media groups visited the province. These were targeted media groups with the intention of building a long term relationship.	None.



Strategy (How)	Output (Actual Achievement)	Performance Measure (unit of measurement e.g. quality, quantity, timeframes)	Actual Performance	Reason for Deviation
Development of a tourism road signage strategy Conduct 5 (five) workshops in the province Packaging of tourism routes	Packaged tourism routes	Existence of six (six) tourism routes by end of March 2004	None.	Delayed, due to the delay in the finalization of the Tourism Master Plan.
Consultation with private sector to leverage funding Development of a criteria to clarify access	Community Tourism Fund	Increased participation of tourism SMMEs by the end of 2004	20 tourism SMME's were funded to participate in the Cape and Johannesburg getaway exhibitions. 30 SMME participated at the annual Tourism Indaba in Durban. The Department conducted training for the SMME to empower them to handle the pressures of Indaba which included Networking, Selling of the products and business linkages.	None.
Conduct market research • Packaging of tourism products for the international market	Marketing strategy	A viable marketing strategy by the end of November 2004	The VEZA CD has been upgraded and distributed to embassies that have relevance to our work. This CD roms were also instrumental in promoting the image of the Northern Cape at the Brussels exhibition.	None.
Northern Cape Trade Exhibition.	Sell the NC as a tourism destination and mobilized investment opportunities for the NC.	20 Tourism SMME to participate in NC Trade Exhibition.	Northern Cape Trade Exhibition did not materialize and was replaced with the Provincial Growth and Development Summit. The Department participated by making input into the Provincial Growth Plan. However 20 tourism products were funded to participate in the Cape and Johannesburg Getaway exhibitions.	None.



PROGRAMME 3: ECONOMIC DEVELOPMENT SERVICES

Aim

It is the aim of this programme to create an enabling environment, to facilitate funding strategies for economic development and to stimulate provincial investment and trade.

The programme consists of the following sub programmes:

- Economic Policy Planning
- Industrial Development, Investment and Trade Promotion
- Development Information Services
- Trade Expo

The objectives of the sub-programmes are reflected in the delivery table below:

Strategy (How)	Output (Actual Achievement)	Performance Measure (quality, quantity, time)	Actual Performance	Reason for Deviation
To establish sectoral plans to optimize trade and investment with / international role players in line with the Provincial Growth & Development Strategy	Database for export and investment information and sectoral opportunities established and disseminated	Provincial strategies developed for 3 sectors with highest growth potential 12 new projects identified and researched for current and next financial year	A team was established which served as a secretariat to the Growth & Development Strategy inter-dept reference group, technical support groups, consultants, etc. and developed the NCPGDS. Developed strategies on manufacturing, mining and mineral processing and fishing and mariculture, as well as other sectors. Anchor and flagship projects identified and Trade and investment booklet with trade and investment opportunities developed and printed.	None.



Strategy (How)	Output (Actual Achievement)	Performance Measure (quality, quantity, time)	Actual Performance	Reason for Deviation
Collaborate with DTI / TISA in improving economic growth in the province in line with the opportunities identified in the Provincial Growth & Development Strategy and foreign demand	Memorandum of Understanding signed and implemented to improve monitoring, evaluation and pace of economic development	TISA systems implemented on running projects and 4 officials trained in effective implementation management Projects for 2003/04 implemented according to business plans and TISA advice (on time, budget) Interventions implemented (where indicated) through timeous monitoring and evaluation	TISA systems workshopped with provinces, but not implemented. Chinese investors assisted to investigate copper, granite & diamond industry in NC Consultant appointed to find new markets in Asia for food, wine, beverages, meat & crafts Chinese diamond importers assisted with the purchasing of diamonds Participating in the SAITEX exhibition Marketed the NC Wine Association with the assistance of DTI/TISA & Wines SA & Malaysian marketing consultant for Asia Assisted NC Wine Association to export 60 000 litres of NC wine to China, Hong Kong & Malaysia Special bottled edition of NC wine, celebrating 10 years of freedom with a message from ex-Premier Dipico was released in Malaysia with help of our consultant based in Asia	System not adopted by provinces.
Develop material related to knowledge and information management and dissemination	Set up research archives; develop material for DIS publications and provincial website, etc.	Research information on all opportunities for the NC as identified in the Growth and Development Strategy and DTI surveys available on short notice Provincial web page updated regularly with current information Information related to economy of NC compiled quarterly for publication	Produced booklet on cost of doing business in Northern Cape. Published articles promoting Northern Cape as investment destination in SA Cities & Towns, Mining Weekly, Succeed, Trade & Invest SA, Invest Online, Black Business SA, etc. Database and 2 Bi-annual reports compiled.	Unit posts vacant, except for statistician. Work load over-whelming. Specialist skills required which are not in the Department.



Strategy (How)	Output (Actual Achievement)	Performance Measure (quality, quantity, time)	Actual Performance	Reason for Deviation
Improve internal systems i.t.o. planning, delivery and reporting	Establish system of interaction and integration of provincial, district and local plans and priorities, (including IDP's, economic growth plans, etc.)	4 meetings per annum with all municipalities (32) and all relevant provincial depts. and offices of national depts. (15) Contributions by NC DEAT included in the reviews of development plans of national and provincial dept. and district municipalities	None, on this issue. In addition, the NCPGDS was developed, aligned with the NSDP, IDP's and Strategic Plans of provincial departments.	Process interrupted by internal restructuring and strategy replaced by NCPGDS harmonization initiative.
	Set up systems and plans in line with the PSR requirements & Wintershoek reporting model to ensure integrated planning, budgeting, implementation and reporting	90% compliance with the PSR Audit (as per IIP) Wintershoek database populated with current data on all projects Monthly & quarterly reports on economic development activities drafted and distributed	None. Data base not maintained, due to discontinuation of system. Monthly reports produced in programmes. 4 quarterly reports produced by the Department.	Internal restructuring and transformation was taking place. Systems has since been put in place. Wintershoek system discontinued.



Strategy (How)	Output (Actual Achievement)	Performance Measure (quality, quantity, time)	Actual Performance	Reason for Deviation
	Establish linkages with public, parastatal and private institutions to facilitate support, knowledge and skills transfer to the province's people and the department on economic development matters	Establish and maintain relationships with and access products and support from: CSIR, DBSA, Landbank, tertiary education institutions, IDC, Reserve Bank, DME, DTI, TISA, Dept. of Agriculture, ARC, sector forums, NGOs, etc.	Relationships established and maintained through the development of the NCPGDS & the implementation of the NCPGDS. Stakeholders include public, parastatal and private institutions, organized business, labour, research institutions, financing institutions, national departments, sector forums, etc.	None.



PROGRAMME 4: CONSUMER PROTECTION AND BOARD SUPPORT

Aim

The programme aims to ensure consumer protection and education, regulate trade through inspectorate services and regulate liquor licensing and gambling.

The programme aims to ensure consumer protection and education, to provide for trade regulation through inspectorate services and to regulate gambling and liquor licensing.

The sub-programmes of this programme are:

- Consumer Education;
- Consumer Advisory Services;
- Liquor Board Support
- Gambling Board.

CONSUMER PROTECTION AND BOARD SUPPORT

Situation Analysis Report

In terms of the provisions of the constitution, the provincial government is, concurrently with the national sphere of government, responsible for consumer protection. An analysis of the demographic profile of the consumers and the distribution of consumers in the province has been conducted to determine the focus of the required service. The Northern Cape Consumer Affairs (Unfair Business Practices) Act No7, of 1996 was passed and the subsequent structures, Consumer Tribunal was established. The appointment of the Consumer Protector and the office of the Consumer Protector will be established in the next financial year. A Network of advice offices located in throughout the province were used to provide consumer advice and assistance services. An extensive public information and education campaign was conducted.

The provisions of the constitution the Provincial government is exclusively responsible for the licensing of the retail trade and micro manufacturing. The National Liquor Act No. 59 of 2003 came into effect on 13 August 2004. Before Proclamation, Provincial Liquor Authorities were responsible for the regulation of all the value chain categories of the Liquor Industry. The Act provides for manufacturing and distribution of liquor to be regulated at a national level, while micro manufacturing and retailing continue to be regulated at Provincial level.

An important aspect of the new Act is social responsibility. Those wishing to register must set out their commitment to Black Economic Empowerment, and their proposed contribution to combating alcohol abuse, as well as how they will promote job creation, diversity of ownership, exports, competition, new entrants to the industry and efficiency of operation. Failing to meet these commitments can result in a review of or placing new conditions on registrations.

The policy and legislation provides for the establishment of an independent statutory body that will regulate the retail and micro manufacturing of liquor through the issuing of licenses and the enforcement of license conditions and the legislation by a system of inspectors and designated liquor officers in SAPS. A training and education programme for license holders relating to the sale of liquor will be developed and implemented. The ability to conduct research and to take preventative and remedial measures to combat the negative social effects of the sale of liquor has been established but must be expanded upon.

The Northern Cape government introduced its first gambling legislation in 1996 under Act No.5 of 1996. Since then there has been numerous amendments pertaining to the said legislation, culminating in the repeal of the previous Act No. 3 of 2001. The 2001 Act brought about substantial amendments to the previous legislation, with the view of aligning it with the gambling legislation of other provinces for purposes of uniformity. However notwithstanding that exercise, there were still some discrepancies between the 2001 Act and those of other provinces.

Schedule 4 of the constitution of the Republic of South Africa establishes that casinos, racing gambling and wagering are matters of concurrent National and Provincial legislative competence. In fulfillment of this constitutional mandate, the National Department of Trade and Industry introduced a new National Gambling Act 2004 (Act No. 7 of 2004) which repealed the then National Gambling Act 1996. The main object of this new National Act was to establish uniform norms and standards pertaining to national and provincial regulation and licensing of gambling activities. The introduction of the new gambling Act has accordingly necessitated the review of provincial gambling Acts so that they can be in line with the national legislation. As an example, the National Act introduced new types of licenses, i.e. national licenses that were not catered for in any of the existing provincial Acts.



The policy and legislation provides for the establishment of an independent statutory body that will regulate the Gambling industry through the issuing of licenses and the enforcement of license conditions and the legislation by a system of inspectors. Through the implementation of the Act and its regulations, provision is also made for revenue collection, and compliance auditing.

Bi-monthly financial and compliance audits were conducted, although proper records were not kept due to a lack of proper record management system. Problems were experienced with the Desert Palace Upington Casino License; hence as a result it affected the rollout of the Limited Pay out Machines. The process of the issuing of the third casino license was also halted because of the Desert Palace problems.

Strategy (How)	Output (Actual Achievement)	Performance Measure (unit of measurement e.g. quality, quantity, timeframes)	Actual Performance	Reason for Deviation
Engage stakeholders in education ventures	Pay point visits	Monthly pay point visits	Visited pay points in De Aar, Colesberg, Richmond, Noupoort, Kuruman, Postmasburg, Danielskuil & Springbok.	None.
	Roll out train the trainer programme	Train Consumer staff and consumers on how to train on Micro Finance Skills before the end of the financial year	On 4-5 August 2004 all consumer staff received training on Micro Finance Skills	None.
			Between 1 October 2004 to 31 December 2004, consumer staff trained 250 people on Micro Finance Skills	None.
			Successfully celebrated World Consumer Rights Day on 15 March 2005.	None.
To establish a regulatory framework necessary for the resolution of consumer complaints	A regulatory framework for the resolution of consumer complaints	Establish a consumer court by the end of the financial year	Appointed the members of the consumer court	The operation of Court not implemented, due to legislative changes to be effected to the Northern Cape Unfair Business Practices Act.



Strategy (How)	Output (Actual Achievement)	Performance Measure (unit of measurement e.g. quality, quantity, timeframes)	Actual Performance	Reason for Deviation
Optimise revenue collection	Conduct financial and compliance audits for the Gambling Board	Bi-monthly financial and compliance audit reports	Bi-monthly financial and compliance audits were conducted although proper records were not kept	Proper records were not kept due to a lack of a proper record management system
	Roll out 1500 limited pay out machines	At least 1500 limited pay out machines rolled out by 31 March 2004	No limited pay out machines were rolled out	Due to problems experienced with the Upington Casino, Cabinet froze the roll out of limited pay out machines.
	Province to have another casino license	Issuing of a third casino license by 31 March 2005	The process of issuing the third casino license in the Province was halted	Due to problems experienced with the Upington Casino, Cabinet froze the third casino license
	Conduct financial and compliance inspections for the Liquor Board	Bi-monthly financial and compliance inspection reports	There were no inspectors, therefore there were no inspections done.	The two contract workers that were in the liquor unit were placed under the supervision of the chief legal advisor in the Office of the Premier to perform administrative duties. Furthermore, the liquor board underwent a restructuring process, which is still continuing.



PART 3: REPORT OF THE AUDIT COMMITTEE

AUDIT COMMITTEE REPORT

DEPARTMENT OF ECONOMIC AFFAIRS

The Northern Cape Provincial Administration constituted a Shared Audit Committee in January 2005. The Department of Economic Affairs 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
Independent members:	
Prof. JE Kleynhans (Chair)	2 of 2
Ms K.M Mogotsi (Member)	2 of 2
Mr G. Oberholster (Member)	1 of 2
Mr. H. Ramage (Member)	1 of 2
Internal members:	
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 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 Provincial Legislature 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 Department of Economic Affairs 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.

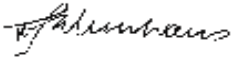


EVALUATION OF FINANCIAL STATEMENTS

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 Auditors' 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 and shares the concern of the External Auditor on the inadequate control over investments.



PROF. JE KLEYNHANS
CHAIRPERSON: PROVINCIAL AUDIT COMMITTEE



REPORT OF THE ACCOUNTING OFFICER**for the year ended 31 March 2005****Report by the Accounting Officer to the Executive Authority and Parliament / Provincial Legislature of the Republic of South Africa.**

The Department of Economic Affairs and Tourism operations were guided by the key elements of National Government's Economic Policy. The Department has continued to work toward fulfilling its Constitutional Mandate through initiatives aimed at:

- Promoting Economic Growth, diversification & Transformation of the Provincial Economy
- Developing Social & Human Capital
- Improving Efficiency & Effectiveness of Governance & Development Institutions
- Unemployment Reduction through Sustainable Economic Growth & Social Development

The department has in the spirit of the NCPGDS, embarked on a drive to involve all relevant stakeholders in its service delivery initiatives to ensure that integrated solutions that enjoy the support of all stakeholders are developed. The department has already commenced with the creation of vibrant partnerships among stakeholders in promoting growth and development of the Northern Cape.

The department ensured the alignment of its own Strategic Plan to the NCPGDS as well as alignment between the plans of different programmes. The aim was to ensure that there is connectivity throughout the department beginning with the mandate and unpacking that mandate into measurable objectives.

1. General review of the state of financial affairs

The allocation for this year was R48,049million. The R6, 423 million variance is made up of R4, 134 million for Innovation Fund to be rolled over and a saving of R2, 289million. This is explained further in the Appropriation Statement. The following is the budget allocation as well as the expenditure for the year under review;

Standard Item	Budget Allocation R'000	Expenditure R'000	Variance R'000
Personnel	12 809	12 322	487
Good and Services	15 320	14 399	921
Equipment	1 264	1 211	53
Transfer Payments (including R263 000 of donations & R36 000 RSC levies)	7 656	6 828	828
Innovation Fund	11 000	6 866	4 134
Total	48 049	41 626	6 423

2. Services rendered by the department

The Department is rendering services in accordance with its mandate. This is fully outlined under Programme Performance.

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2005

3. Capacity Constraints

Shortage of staff is still a problem but it will be addressed in the new financial year. The Recruitment Process has already started.

4. Utilisation of donor funds

The Department received no donor funds.

5. Trading entities/public entities

Northern Cape Tourism Authority is the only public entity in the Department. Others were de-listed.



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

6. Other organizations to whom transfer payments have been made

The following institutions received transfer payments:

NO.	NAME OF INSTITUTIONS	R'000
1.	NCMAC	2 337
2.	Kimberley Business Service Centre	209
3.	Kalahari Development Agency	190
4.	NAMBID Project	249
5.	FAMDA	160
6.	Kimberley Incubator Business Centre	384
7.	Northern Cape Tourism Authority	3 000
	TOTAL	6 529

Other organization and projects funded by the Innovation Fund:

1.	Hydroponic Project	200
2.	Mayihlome Project	400
3.	Frances Baard SMME Trust	1 095
4.	Kalahari Kid Project	2 000
5.	NOCAL Project	1 421
6.	Siyancuma Municipality	100
7.	SIYEDA Project	250
8.	Zest Pharmacy CC	200
9.	Phokwane Municipality	200
10.	Ekhaya Project	500
11.	FAMDA	500
	TOTAL	6 866

7. Public/private partnerships

The Department has not entered into any Public/Private Partnerships.

8. Corporate governance arrangements

Risk is managed and monitored within a risk management framework. A Compliance Officer has been appointed to manage this function, which includes the risk management of the operational units.

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2005

The Department subscribes to the corporate fraud prevention plan of the Province, which was developed by the Office of the Premier and registered, with the provincial Treasury in June 2001. The demand for service advice through our service centres, the increase of requests for resources and technical guidance to be admitted to mainstream economic activity have shown an increasing trend in the past year.

9. Discontinued activities/activities to be discontinued

The tourism function has been moved to a newly formed department called Department of Tourism, Environmental and Nature Conservation and the statutory funds have also moved to this department. The staff, assets and liabilities of the Tourism section of the Department of Economic Affairs and Tourism were also transferred to the new department. The impact of this will be considered in the new year. The Department of Economic Affairs has applied for rollover on their behalf to cover their liabilities.



**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2005****10. New/proposed activities**

The Programme of 2004/05 financial year has been reviewed and amended. The new schedule has been approved by cabinet and will be implemented in 2005/06.

11. Events after the Reporting Date

The number of programmes has reduced to four. These are now Administration, Economic Development, Policy, Planning and Research Unit and Business Regulations and Consumer Protection.

12. Performance Information

Each programme manager has prepared the programme performance of their respective programmes using the format, sub-programme, objectives, output performance measure/service delivery indicators, target and Actual Performance. This is the format that has been used in the operation plans included in the strategic plan document. All the different programmes performance will be consolidated and be included in the Annual Report.

13. Scopa Resolutions

Reference to Previous Audit Report and SCOPA Resolutions	Subject	Findings on Progress
5.2.1(a)	Control measures	Policies and procedures have been developed and implemented.
5.2.1(a)(i)	Renewal of liquor licences	Renewal notices were forwarded to licence holders three months before expiry date.
5.2.1(a)(ii)	Reconciliation between licence holders and actual licences issued	Reconciliations are performed regularly.
5.2.1(a)(iii)	Filing of information	The filing system has been updated
5.2.1(a)(iv)	Inspections on the premises of liquor outlets	SAPS presently do inspections.
3.1	Submission of claims against advances	Claims are submitted within 30 days after the advance was taken.
5.2.1(e)(v)	Asset Register	Asset Register was updated
3.3	Disclosure of commitments	Commitments for 2004/05 have been disclosed.
5.2.1(e)(i)	Segregation of duties in the inventory management	Appointment of interns resolved the problem.
5.2.1(e)(iii)	Reconciliation of inventory on hand with inventory records	Reconciliation was performed.
5.2.1(a)(iv)	Policies and procedures to identify and correct duplications of NCP numbers	Policies and procedures designed.
5.2.1(a)(vi)	Legal requirements for liquor licence applications	Ensures that applicants meet the legal requirements before approval.
5.2.1(b)	Completeness and accuracy of totalisator tax	Still in the process of getting the system in place. To be finalised by the end of June 2005.



5.2.1(e)(vii)	Accurate log books	Transport officer is checked by the relevant supervisor to ensure that every trip is authorised.
5.2.1(a)(vi)	Minuting of licence approvals by the liquor board	This is now in place.
5.2.3(e)	Implementation of procurement policy	Procurement policy in place and is implemented.
5.2.1(c)(iv)	Recovery of private telephone calls	The control measure that has been put in place is that of limits.
5.2.1(d)(i)	Employees personal files not updated	The newly appointed registry clerks updated employee's files.
5.2.1(d)(iv)	Monthly payrolls to be reviewed and signed by the paymaster	Have one responsible paymaster, independent from HR, who reviews and signs monthly payrolls.
5.2.1(d)(vii)	Leave procedures and capturing	Standard leave procedures in place. Leave is captured timeously.
5.2.1(f)(i)	Transfer payments utilised as to their intended purpose	In the final stages of developing a policy which outlines the criteria to fund projects and how to ensure that transfer payments are used for their intended purposes
5.2.2(i)	Disallowed supplier debt or R200 000	
	Brought over from the previous financial year	The Cabinet gave approval that the amount be cleared against expenditure.
5.2.3(c)	Suspense account	A decision has been taken not to use the suspense account anymore.
3.2	Transfer payments to projects wherein the government is a shareholder should be reflected as investments in the Financial Statements	Noted.
5.2.1(d)(ii)	Contract workers	Contracts are signed on the date of appointment.
REPORT OF THE ACCOUNTING OFFICER		
for the year ended March 2005		
5.2.1(d)(iii)	Termination of service payments	Appointment of additional staff has made this possible.
5.2.1(d)(v)	Wage payments on time sheets	Wage payments are made on approved time sheets, managed by the immediate supervisor.
5.2.1(f)(ii)	Extra R4 million transferred	The Cabinet approved.



14. Other

On 30/04/2004 the Premier announced the merging of the Department with the Department of Finance. These two departments were then separated again in October 2004.

The Northern Cape Provincial Government acquired the majority shareholding (70%) in a steel manufacturing company, Wavelengths 101(Pty) Ltd based on a shareholder's agreement signed on 4 December 2003. This investment was funded through the Innovation Fund which resides in the Department of Economic Affairs and Tourism. The company was not financially operating throughout the financial year 2004/2005 and no audited financial statements were received. The Northern Cape Provincial Government is the sole shareholder in Hadidah Investment Holdings (Pty) Ltd. The Northern Cape Provincial Government through Hadidah Investment Holdings (Pty) Ltd holds 95% shareholding in Kalahari Kid, the goat project, and through Edugain 62 (Pty) Ltd it holds 45% in NOCAL, Paprika project. These investments were also funded through the Innovation Fund which resides in the Department of Economic Affairs and Tourism although they are managed by the Northern Cape Agriculture Department.

The annual financial statements set out on pages 30 to 60 have been approved by the Accounting Officer.



P.M. SEBOKO

Accounting officer

15 September 2005



**REPORT OF THE AUDITOR-GENERAL TO NORTHERN CAPE PROVINCIAL LEGISLATURE,
ON THE FINANCIAL STATEMENTS OF VOTE 6 – DEPARTMENT OF ECONOMIC AFFAIRS AND
TOURISM
FOR THE YEAR ENDED 31 MARCH 2005**

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 30 to 60, 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 Department of Economic Affairs and Tourism 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). The following weaknesses in internal control were identified:

4.1.1 Liquor Board

Several control weaknesses were identified with respect to the administration, recordkeeping and issuing of liquor licences. It should be noted that several of these weaknesses were also reported in the previous financial year. A summary of these weaknesses is included below:

- The computerised system used previously was discontinued due to several problems and the department embarked on using alternative systems.
- The number of licences could not be reconciled with the available information. A difference of 22 licences could not be cleared during the audit process.
- Summaries of licences not renewed could not be produced as the alternative system used could not provide the management information required.
- According to statistical information a total of 440 licences were not renewed prior to 31 December 2004 as per section 107 of the Liquor Act, 1989 (Act No. 27 of 1989).
- Penalties were not levied on all late renewals of licenses as required by section 108 of the Liquor Act of 1989. The value of



the under recovery could not be determined from the available information supplied by the department.

- Several cases were noted where the unique liquor reference numbers were duplicated in the records of the department. The result of these duplications is that all information is not available for all clients from the master file on the computerised system.
- During the audit I noted that the filing of information is not up to date and all documentation is not available on request.
- The allocation of income is not accurate as the systems in place does not provide for all the detail required. This results in reconciliations not being performed between the number of new licences and the related fees, as well as the number of renewals and fees received.
- No inspectors were employed to execute the duties as defined in the Liquor Act of 1989 and specifically section 137 of the act.
- The department did not perform reconciliations of liquor board income to ensure completeness of income, and amounts receivable from the agency receiving money on behalf of the liquor board.
- Several licences were issued that could not be traced to the minutes of the Liquor Board.

4.1.2 Gambling Board

- The employees still did not perform any inspections of entities responsible for paying totalisators tax.

4.2 Matters in the public interest

4.2.1 Included under revenue recovered for the financial year is an amount of R400 000 received from an entity as repayment of a transfer payment not utilised to fund the intended activities. The department could not provide a progress report on this specific project to indicate that the investment originally made were properly monitored for utilisation as intended. No reasons could be provided why the department did not recover the interest lost on the amount not utilised for its intended purpose.

I must express my concerns on the adequacy of control by the department over investments made in the various projects.

4.2.2 Investment ownership

The investments held by the Northern Cape Provincial Administration are not registered in the name of one of the 13 departments in the Northern Cape. In some cases the investments are held in companies that in turn hold the shares in the investments. A direct relationship between the Department of Economic Affairs and the investments described in note 11 could not be confirmed other than the funding through the Innovation Fund that resides under the control of the department. The ownership of the investments as disclosed in the annual financial statements of the Department of Economic Affairs could not be confirmed as the collective, namely the Northern Cape Provincial Administration is not a legal entity that account for these transactions.

4.2.3 Investments value

Investments are disclosed at cost in accordance with the accounting policy of the department. The annual financial statements of the companies in which the Northern Cape Provincial Administration holds interests were not submitted to me when requested. In the absence of the annual financial statements I could not consider the possibility that investments held by the Northern Cape Provincial Administration may be impaired.

4.3 Non-compliance with laws and regulations

4.3.1 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 Department of Economic Affairs and Tourism had to adjust their original set of financial statements. The Accounting Officer withdrew the original annual financial statements on 19 July 2005 and subsequently submitted annual financial statements on 15 September 2005. The submission after 31 May 2005 resulted in non-compliance with section 40(1)(c) of the PFMA.

4.3.2 Fraud action plan

The department did not compile a risk management report that also includes a fraud action plan as required by Treasury Regulation 3.2.1. A centralised fraud risk plan was compiled for the Northern Cape Provincial Administration.



4.3.3 Accruals

The department did not pay all outstanding invoices as at year-end resulting in invoices to the value of R373 000 not being paid within 30 days as prescribed by Treasury regulation 8.2.3.

4.4 Financial management

4.4.1 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 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.

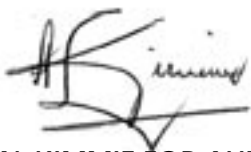
Note is taken of the fact that a director was appointed for the internal audit section and that the audit charter and annual plan are in the process of being completed and approved.

4.4.2 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 the latter is responsible for its functioning.

5. APPRECIATION

The assistance rendered by the staff of the Department of Economic Affairs during the audit is sincerely appreciated.



AL KIMMIE FOR AUDITOR-GENERAL

Kimberley

27 September 2005



AUDITOR-GENERAL



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 Regulation 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 in 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 recognized when cash is received or paid. Under the accrual basis of accounting transactions and other events are recognized 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 recognized 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 recognized in the statement of financial performance on receipt of the funds.

Interest, dividends and rent on land

Interest and dividends received are recognized 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 recognized 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 recognized in the statement of financial performance on receipt of the funds.

Sale of capital assets

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

Financial transactions in assets and liabilities

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

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



ACCOUNTING POLICIES
for the year ended 31 March 2005

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.

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 were used on a capital project.



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

Interest and rent on land

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

Financial transactions in assets and liabilities

Financial transactions in assets and liabilities include bad debts written off. Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or under-spending 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 the relevant authority, recovered or written off as irrecoverable, approves such expenditure.

Irregular expenditure

Irregular expenditure is defined as:

Expenditure, other than authorized 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
- 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.

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. Transfer and subsidies

Transfers and subsidies include all irrecoverable payments made by the entity. Transfers and subsidies are recognized as an expense when the final authorization 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 recognized as an expense in the Statement of Financial Performance when the final authorization for payment is effected on the system.



ACCOUNTING POLICIES
for the year ended 31 March 2005

6. Investments

Investments include; Investments in Associates; Joint Ventures; Investments in controlled entities and other investments. Investments are shown at cost. On disposal of an investment, the surplus/deficit is recognized as revenue in the Statement of Financial Performance.

7. Receivables

Receivables are not normally recognized 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 recognized 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.

8. 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.

9. 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.

10. 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.

11. 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.

12. 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 recognized 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.



ACCOUNTING POLICIES
for the year ended 31 March 2005

13. 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.

14. Capitalisation reserve

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

15. 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.

16. 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

Actual amounts per Statement of
Financial Performance Expenditure

**Appropriation Statement
for the year ended 31 March 2005**

Appropriation per Economic Classification									
	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Payment As % final Appropriation	Final Appropriation R'000	Actual Payment R'000
Current payments									
Compensation of employees	12,029	-	-	12,029	11,806	223	98.1%	10,580	8,208
Goods and services	16,431	(1,111)	-	15,320	14,399	921	94.03%	13,774	11,733
Transfers and subsidies									
Provinces and municipalities	-	10	-	10	36	(26)	360.0%	-	-
Departmental agencies & accounts	18,379	-	-	18,379	13,395	4,984	72.9%	26,634	26,035
Gifts and donations	-	267	-	267	263	4	98.5%	-	-
Payment for capital assets									
Machinery and equipment	430	834	-	1,264	1,211	53	95.8%	430	380
Total	47,269	-	-	47,269	41,110	6,159	87.0%	51,418	46,356

Statutory Appropriation									
	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Payment As % final Appropriation	Final Appropriation R'000	Actual Payment R'0000
Direct charge against Provincial Revenue Fund									
Member of Executive Committee/parliamentary officers	780			780	516	264	66.2%	766	201
Total	780	-	-	780	516	264	66.2%	766	201

Economic Classification	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Payment as % final Appropriation	Final Appropriation R'000	Actual Payment R'0000
Current payments									
Compensation to employees	5,203	-	103	5,306	5,297	9	99.8%	4,540	3,930
Goods and services	5,167	(800)	273	4,640	4,609	31	99.3%	4,574	4,429
Transfers & subsidies									
Provinces & municipalities	-	5	-	5	11	(6)	220.0%	-	-
Gifts and donations	-	73	-	73	71	2	97.3%	-	-
Payment for capital assets									
Machinery & equipment	430	722	-	1,152	1,101	51	95.6%	430	380
Total	10,800	-	376	11,176	11,089	87	99.2%	9,544	8,739

**Detail per Programme 2 - SMME Development & Business Regulation
for the year ended 31 March 2005**

Appropriation per Economic Classification									
Programme per subprogramme	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Payment as % final Appropriation	Final Appropriation R'000	Actual Payment R'0000
2.1 SMME Enterprise									
Current payment	2,931	(628)	(150)	2,153	2,149	4	99.8%	6,555	6,476
Transfers and subsidies	3,638	159	-	3,797	3,692	105	97.2%	-	-
Payment for capital assets	-	30	-	30	29	1	96.7%	-	-
2.2 Tourism Promotion									
Current payment	1,172	332	-	1,504	1,463	41	97.3%	2,430	2,517
Transfers and subsidies	3,900	35	-	3,935	3,037	898	77.2%	-	-
Payment for capital assets	-	72	-	72	71	1	98.6%	-	-
2.3 Innovation Fund									
Transfers and subsidies	11,000	-	-	11,000	6,866	4,134	62.4%	22,000	21,250
Total	22,641	-	(150)	22,491	17,307	5,184	77.0%	30,985	30,243
Economic Classification	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Payment as % final Appropriation	Final Appropriation R'000	Actual Payment R'0000
Current payments									
Compensation to employees	1,361	-	-	1,361	1,300	61	95.5%	1,224	1,043
Goods and services	2,901	(296)	(150)	2,455	2,310	145	94.1%	3,127	3,165
Transfers & subsidies									
Transfers and subsidies	-	-	-	-	9	(9)	300%	-	-
Dept. Agencies & Accounts	18,379	-	-	18,379	13,395	4,984	72.9%	26,634	26,035
Gifts and donations	-	194	-	194	192	2	98.9%	-	-
Payment for Capital Assets									
Machinery & equipment	-	102	-	102	101	1	99.0%	-	-
Total	22,641	-	(150)	22,491	17,307	5,184	77.0%	30,985	30,243

Detail per Programme 3 - Economic Development Services
for the year ended 31 March 2005

Programme per subprogramme	Appropriation per Economic Classification									
	2004/05					2003/04				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Payment as % final Appropriation	Final Appropriation R'000	Actual Payment R'0000	
3.1 Economic Policy Planning Services	1,760	404	26	2,190	2,117	73	96.7%	1,154	1,050	
Current payment subsidies	-	5	-	5	6	(1)	120.2%	-	-	
Transfer and subsidies	-	-	-	-	-	-	-	-	-	
Payment for capital assets	-	-	-	-	-	-	-	-	-	
3.2 Industrial Dev. Investment & Trade	3,121	(554)	(225)	2,342	2,185	157	93.3%	3,495	1,909	
Current payment	-	-	-	-	2	(2)	300%	-	-	
Transfer and subsidies	-	-	-	-	-	-	-	-	-	
Payment for capital assets	-	-	-	-	-	-	-	-	-	
3.3 Development Info Services	1,411	(400)	-	1,011	594	417	58.8%	1,079	800	
Current payment	-	-	-	-	1	(1)	300%	-	-	
Transfer and subsidies	-	-	-	-	-	-	-	-	-	
Payment for capital assets	-	-	-	-	-	-	-	-	-	
3.4 Trade Expo	2,000	545	-	2,545	2,523	22	99.1%	1,203	887	
Current payment	-	-	-	-	-	-	-	-	-	
Total	8,292	-	(199)	8,093	7,428	665	91.8%	6,931	4,646	

Economic Classification	2004/05					2003/04				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Payment as % final Appropriation %	Final Appropriation R'000	Actual Payment R'0000	
Current payments	2,722	-	26	2,748	2,748	-	100.0%	2,447	2,025	
Compensation to employees	5,570	(5)	(225)	5,340	4,672	668	87.5%	4,484	2,621	
Goods and services	-	5	-	5	8	(3)	160.0%	-	-	
Transfers & subsidies	-	-	-	-	-	-	-	-	-	
Provinces & municipalities	-	-	-	-	-	-	-	-	-	
Total	8,292	-	(199)	8,093	7,428	665	91.8%	6,931	4,646	



Detail per Programme 4 - Consumer Protection & Board Support
for the year ended 31 March 2005

Appropriation per Economic Classification									
Programme per subprogramme	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Payment as % final Appropriation	Final Appropriation R'000	Actual Payment R'0000
4.1 Consumer Protection									
Current payment	1,967	(262)	-	1,705	1,699	6	99.6%	1,347	709
Transfer and subsidies	-	-	-	-	3	(3)	300%	-	-
Payment for capital assets	-	10	-	10	9	1	90.0%	-	-
4.2 Consumer Education									
Current payment	508	(37)	-	471	464	7	98.5%	574	122
Transfer and subsidies	-	-	-	-	1	(1)	300%	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
4.3 Liquor Affairs									
Current payment	837	506	-	1,343	1,305	38	97.2%	787	743
Transfer and subsidies	-	-	-	-	3	(3)	300%	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
4.4 Gambling Board									
Current payment	837	(217)	(252)	1,505	1,331	174	88.4%	1,010	931
Transfer and subsidies	-	-	-	-	2	(2)	300%	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Total	5,286	-	(252)	5,034	4,817	217	95.7%	3,718	2,505

Economic Classification	2004/05	2003/04	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Payment as % final Appropriation	Final Appropriation R'000	Actual Payment R'0000
	Adjusted Appropriation R'000	Shifting of Funds R'000							
Current payments	2,743	-	(129)	2,614	2,461	153	94.1%	2,369	1,210
Compensation to employees	2,543	(10)	(123)	2,410	2,339	71	97.1%	1,349	1,295
Goods and services	-	-	-	-	8	(8)	300%	-	-
Transfer and subsidies	-	-	-	-	-	-	-	-	-
Provinces & municipalities	-	10	-	10	9	1	90.0%	-	-
Payment for Capital Assets	-	-	-	-	-	-	-	-	-
Machinery & equipment	-	-	-	-	-	-	-	-	-
Total	5,286	-	(252)	5,034	4,817	217	95.7%	3,718	2,505

Detail per Programme 5 - Auditor General Fees
for the year ended 31 March 2005

Appropriation per Economic Classification									
Programme per Subprogramme	2004/05	2003/04	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Payment as % final Appropriation	Final Appropriation R'000	Actual Payment R'0000
	Adjusted Appropriation R'000	Shifting of Funds R'000							
5.1 Auditor General Fees Current Payment	250	-	225	475	469	6	98.7%	240	223
Total	250	-	225	475	469	6	98.7%	240	223

Economic Classification	2004/05	2003/04	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Payment as % final Appropriation	Final Appropriation R'000	Actual Payment R'0000
	Adjusted Appropriation R'000	Shifting of Funds R'000							
Current Goods and Services	250	-	225	475	469	6	98.7%	240	223
Total	250	-	225	475	469	6	98.7%	240	223



**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2005**

1. Details of transfers and subsidies as per Appropriation Act (after Virement)
Details of these transactions can be viewed in note 11 (Transfers and subsidies) and Annexure 1 (A-K) 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.
Detail on financial transactions in assets and liabilities
Detail of these transactions per programme can be viewed in note 8 (Details of special functions (theft and losses) to the annual financial statements.

Explanations of material variances from Amounts Voted (after Virement):**Per programme:**

	Voted funds after Virement	Actual Expenditure	R'000	Savings as %
Administration	-	-	-	-
SMME Dev	22,491	17,307	5,184	23.04%
	Savings due to unspent Innovation Fund as we are awaiting approval of policy, non-filling of vacant posts and accruals of goods & services.			
Economic Dev	8,093	7,428	665	8.21%
	This programme has a saving of 8% mainly being personnel expenditure due to non-filling of funded posts and accruals of goods & services.			
Consumer	-	-	-	-
Auditor General	-	-	-	-

PER ECONOMIC CLASSIFICATION:**R'000**

Current Expenditure	
Compensation of employees	167
Goods and services	548
Interest and rent on land	-
Financial transactions in assets and liabilities	-
Unauthorised expenditure approved	-
Transfers and subsidies	
Provinces and municipalities	(4)
Departmental agencies and accounts Universities and Technikons	5,132
Public corporations and private enterprises	-
Foreign governments and international organizations	-
Non-profit institutions	-
Households	-
Payments for capital assets	
Buildings and other fixed structures	-
Machinery and equipment	2
Heritage assets	-
Biological assets	-
Software and other intangible assets	-
Land and sub soil assets	-
TOTAL	5,849



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

		2004/05	2003/04
REVENUE	Note	R'000	R'000
Annual appropriation	1	47,269	51,418
Statutory appropriation	2	780	766
Departmental revenue	3	648	1,866
Local and foreign aid assistance		-	1,018
TOTAL REVENUE		48,697	55,068
EXPENDITURE			
Current expenditure			
Compensation of employees	4	12,322	8,409
Good and services	5	14,399	11,733
Local and foreign aid assistance		-	1,018
Total current expenditure		26,721	21,160
Transfers and subsidies	6	13,694	26,035
Expenditure for capital assets			
Machinery and equipment	7	1,211	380
Total expenditure for capital assets		1,211	380
TOTAL EXPENDITURE		41,626	47,575
NET SURPLUS/(DEFICIT)	16	7,071	7,493
NET SURPLUS/(DEFICIT) FOR THE YEAR		7,071	7,493
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds to be surrendered to the Revenue Fund	12	6,423	5,627
Departmental revenue to be surrendered to Revenue Fund	13	648	1,866
NET SURPLUS/(DEFICIT) FOR THE YEAR		7,071	7,493



STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2005

		2004/05	2003/04
ASSETS	Note	R'000	R'000
Current assets		7,329	7,994
Cash and cash equivalents	8	7,156	7,561
Repayments and advances	9	133	-
Receivables	10	40	433
Non-current assets		51,300	-
Investments	11	51,300	-
TOTAL ASSETS		58,629	7,994
LIABILITIES			
Current liabilities		7,329	7,994
Voted funds to be surrendered to the Revenue Fund	12	6,423	5,627
Dept. revenue to be surrendered to the Revenue Fund	13	578	1,011
Payables	14	328	1,356
TOTAL LIABILITIES		7,329	7,994
NET ASSETS		51,300	-
Capitalisation reserve		51,300	-
TOTAL		58,629	-



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

	Note	2004/05 R'000	2003/04 R'000
Capitalisation reserve			
Opening balance		-	
Transfers		51,300	-
Closing balance		51,300	-
TOTAL		51,300	-



CASH FLOW STATEMENT
for the year ended 31 March 2005

		2004/05 R'000
CASH FLOW FROM OPERATING ACTIVITIES	Note	
Receipts		58,912
Annual appropriated funds received		47,269
Statutory appropriated funds received		780
Departmental revenue received		10,603
Net increase/(decrease) in working capital		260
Surrendered to Revenue Fund		(16,803)
Current payment		(27,749)
Transfers and subsidies paid		(13,694)
Net cash flow available from operating activities	15	666
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for capital assets		(1,211)
Proceeds from sale of capital assets	3	140
Net cash flow from investing activities		(1,071)
CASH FLOW FROM FINANCING ACTIVITIES		
Net increase/(decrease) in cash and cash equivalents		(405)
Cash and cash equivalents at the beginning of the period		7,561
Cash and cash equivalents at end of period	8	7,156



VOTE 6

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

1. Annual Appropriation

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

	Final Appropriation R'000	Actual Funds Received R'000	Variance Over/(under) R'000	Total Appropriation 2003/04 R'000
Administration	11,176	11,176	-	9,544
SMME Dev & Business Regulations	22,491	22,491	-	30,985
Economic Development Services	8,093	8,093	-	6,931
Consumer Protection & Board Support	5,034	5,034	-	3,718
Auditor General Fees	475	475	-	240
TOTAL	47,269	47,269	-	51,418

Note	2004/05 R'000	2003/04 R'000
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2. Statutory Appropriation

Member of executive committee	780	766
	<u>780</u>	<u>766</u>

3. Departmental revenue to be surrendered to revenue fund

Description	Notes	2004/05	2003/04
Tax revenue		10,097	8,756
Sales of goods and services other capital assets		14	778
Sale capital Assets		140	-
Recoverable revenue received		492	-
Transfers received consist of:		-	(108)
Other transfers		-	(108)
Total revenue collected		10,743	9,426
Less: Departmental revenue budgeted*	13	10,095	7,560
Departmental revenue collected		<u>648</u>	<u>1,866</u>

4. Compensation of employees

4.1. Salaries and wages

Basic salary	8,375	5,833
Performance award	20	-
Service based	3	-
Compensative/circumstantial	87	-
Periodic payments	290	-
Other non-pensionable allowances	1,865	1,384
	<u>10,640</u>	<u>7,217</u>



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

	Note	2004/05 R'000	2003/04 R'000
4.2. Social contributions			
4.2.1. Short-term employee benefits			
Pension		1,212	868
Medical		468	324
Bargain council		2	
		<u>1,682</u>	<u>1,192</u>
Total compensation of employees		<u>12,322</u>	<u>8,409</u>
Average number of employees		<u>76</u>	<u>56</u>

5. Goods and services

Advertising		858	-
Attendance fees (including registration fees)		21	-
Bank charges and card fees		37	-
Communication		1,301	-
Computer services		113	-
Consultants, contractors and special services		5,546	4,721
Courier and delivery services		44	-
Entertainment		283	-
External audit fees	5.1	469	223
Equipment less than R5 000		364	-
Government motor transport		1	-
Inventory	5.2	777	992
Legal fees		618	-
Maintenance, repair and running costs		38	-
Operating leases		373	-
Photographic services		9	-
Plant flowers and other decorations		10	-
Resettlement costs		133	-
Subscriptions		137	-
Owned and leasehold property expenditure		28	-
Transport provided as part of the departmental activities	5.3	1,202	-
Travel and facilities		1,935	-
Venues and facilities		17	-
Protective, special clothing and uniforms		6	-
Training and staff development		79	-
Previous years unallocated items		-	5,797
		<u>14,399</u>	<u>11,733</u>

5.1. External audit fees

Regulatory audits	469	223
Total external audit fees	<u>469</u>	<u>223</u>

5.2. Inventory

Other inventory	-	12
Domestic consumables	12	12



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

		2004/05	2003/04			
	Note	R'000	R'000			
Food and food supplies		3	26			
Fuel, oil and gas		76	1			
Parts and other maintenance material		10	14			
Stationery and Printing		676	927			
Total Inventory		<u>777</u>	<u>992</u>			
5.3. Travel and subsistence						
Local		1,538	-			
Foreign		397	-			
Total travel and subsistence		<u>1,935</u>	<u>-</u>			
6. Transfers and subsidies						
Provinces and municipalities	Annexure 1B & 1C	36	-			
Departmental agencies and accounts	Annexure 1D	13,395	26,035			
Gifts and donations		263	-			
		<u>13,694</u>	<u>26,035</u>			
7. Expenditure for capital assets						
Machinery and equipment	Annexure 4	1,211	380			
Total		<u>1,211</u>	<u>380</u>			
8. Cash and cash equivalents						
Consolidated Paymaster General Account		7,155	7,559			
Cash on hand		1	2			
		<u>7,156</u>	<u>7,561</u>			
9. Prepayments and advances						
Description						
Travel and subsistence		1	-			
Claims recoverable		132	-			
		<u>133</u>	<u>-</u>			
10. Receivables						
		Less than one year	One to three years	Older than three years	Total	Total
Staff debtors	10.1	-	-	-	-	233
Clearing Accounts	10.2	-	40	-	40	200
		-	40		40	433



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

	Note	2004/05 R'000	2003/04 R'000	
10.1. Staff Debtors				
Salary reversal		1	124	
Prepayments and Advances		-	109	
		<u>1</u>	<u>233</u>	
10.2. Clearing accounts				
Disallowances		40	200	
		<u>40</u>	<u>200</u>	
11. Investments				
Investee	Nature of investment			
Wavelength 101 (Pty) Ltd	Steel Project	3,800	-	
Nocal - Edugain 62 (Pty) Ltd	Paprika Project	34,000	-	
Kalahari Kid-Hadidah Investment Holdings (Pty) Ltd	Goat Project	13,500	-	
TOTAL		<u>51,300</u>	<u>-</u>	
*No audited annual financial statement for the period under review were received to confirm the value of the shareholding.				
12. Voted funds to be surrendered to the Revenue Fund				
Opening balance		5,627	-	
Transfer from Statement of Financial Performance		6,423	5,627	
Paid during the year		(5,627)	-	
Closing balance		<u>6,423</u>	<u>5,627</u>	
13. Departmental receipts to be surrendered to Revenue Fund				
Opening balance		1,011	-	
Transfer from Statement of Financial Performance		648	1,866	
Departmental revenue budgeted*		10,095	7,560	
Paid during the year		(11,176)	(8,415)	
Closing balance		<u>578</u>	<u>1,011</u>	
14. Payables - current				
Description	30 Days	30+ Days	Total	Total
Advances received 14.1	-	-	-	29
Clearing accounts 14.2	4	-	4	1,220
Other payables 14.3	324	-	324	107
	<u>328</u>	<u>-</u>	<u>328</u>	<u>1,356</u>



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

14.1. Advances received

Identify major categories, but list material items

Subsistence and traveling

-	29
-	29

14.2. Clearing account

Orders Payable

- 1219

PSBC

- 1

Pension

4 -

4	1,220
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Note	2004/05 R'000	2003/04 R'000
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14.3. Other payables

DTI (KPMG)

300 -

Probity fees

24 -

Other payables

- 107

324	107
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15. Reconciliation to net cash flow from operating activities to surplus/(deficit)

Net surplus/(deficit) as per Statement of Financial Performance

7,071

Non - cash movements

51,300

(Increase)/decrease in receivables - current

393

(Increase)/decrease in prepayments and advances

(133)

(Increase)/decrease in other non - current assets

(51,300)

Increase/(decrease) in payables - current

(1,028)

Proceeds from sale of equipment

(140)

Surrenders

(16,803)

Capital expenditure

1,211

Other non cash items

10,095

Net cash flow generated by operating activities

666

16. Appropriated funds and departmental revenue surrendered

Appropriated funds surrendered

6,423

5,627

Departmental revenue surrendered

648

1,011

7,071	6,638
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

These amounts are not recognised in the financial statements and are disclosed to enhance the usefulness of the financial statements

		Note	2004/05 R'000	2003/04 R'000
17. Contingent liabilities				
Liable to	Nature			
Housing loan guarantees	Employees	Annexure 3	168	187
Other departments (unconfirmed balances)		Annexure 7	156	742
Capped leave commitments			420	801
			<u>744</u>	<u>1,730</u>
18. Commitments				
Current expenditure				
Approved and contracted			1,694	5
Approved but not yet contracted			-	25
			<u>1,694</u>	<u>30</u>
Capital expenditure				
Total commitments			<u>1694</u>	<u>30</u>
19. Accruals				
By economic classification	30 Days	30+ Days	Total	Total
Compensation of employees	32	201	233	-
Goods and services	256	140	396	396
Machinery and equipment	-	32	32	-
	<u>288</u>	<u>373</u>	<u>661</u>	<u>396</u>
Listed by programme level				
Prog 1 - Admin (45) + Prog 2 - SMME (16)			61	-
Prog 2 - Economic Development Services			531	-
Prog 4 - Consumer Protection & Board Support			69	-
			<u>661</u>	<u>-</u>
20. Employee benefits				
Leave entitlement			437	801
Thirteenth cheque			385	436
			<u>822</u>	<u>1,237</u>
21. Lease Commitments				
Operating leases	Buildings & other fixed structures	Machinery and equipment	Total	Total
Not later than 1 year	168	151	319	214
Later than 1 year and not later than 3 years	137	-	137	499
Total present value of lease liabilities	<u>305</u>	<u>151</u>	<u>456</u>	<u>713</u>

Incident

The department incurred expenditure of R100888 without obtaining three quotations as required by the SCM Chapter 4 Paragraph 4.6.4.

Disciplinary steps taken/criminal proceedings

The matter is receiving attention by the department and corrective measures will be taken



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

23. Senior Management Personnel

1 x Deputy Director-General	R 203,688.00
2 x Chief Directors	R 503,541.00
5 x Directors	<u>R1,905,919.00</u>

Total	<u>R2,613,148.00</u>
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MEC	<u>R 515,533.93</u>
	<u>R3,128,681.93</u>

24. Contingent Assets

According to case number 568/03, Desert Palace had to pay the Board penalties amounting to R1, 598,354.00 plus interest thereof at the rate of 15.5% per annum from 23 October 2002. Desert Palace lodged an appeal and was turned down only on 24 June 2005. Desert Palace still have a chance to appeal to Higher Court/ Constitutional Court. The Department is still awaiting the letter from the lawyers that will give the entire status of the case.



VOTE 6

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2005

ANNEXURE 1D

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

TRANSFER ALLOCATION

AGENCY / ACCOUNT	Adjusted Appropriation Act	Rolovers	Adjustments	Total Available	Actual Transferred	% Of Available Funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
NC Manufacturing Advice Centre	2,459			2,459	2,337	95.0%	1,430
Kimberley Business Service Centre	110			110	209	190.0%	190
Kalahari Development Agency	110			110	190	172.0%	190
NAMBID	250			250	249	99.6%	190
NC Tourism Authority	3,900			3,900	3,000	76.9%	2,000
Fishing and Mari culture	660			660	660	100.0%	160
KIMSEC	-			-	-	0.0%	150
Kimberley Business Incubator Centre	390			390	384	98.5%	120
Wavelenghts	-			-	-	0.0%	1,800
Frances Baard SMME Trust	1,095			1,095	1,095	100.0%	805
Kalahari Kid	2,000			2,000	2,000	100.0%	3,500
Mayihlome	400			400	400	100.0%	-
Hydrohonic	200			200	200	100.0%	-
Nocal	1,422			1,422	1,421	99.9%	15,500
Siyancuma Municipality	100			100	100	100.0%	-
Siyeda	250			250	250	100.0%	-
Zest	200			200	200	100.0%	-
Phokwane Municipality	200			200	200	100.0%	-
Ekhaya	500			500	500	100.0%	-
Unused budget*	4,133			4,133	-	0.0%	-
	18,379	-	-	18,379	13,395		26,035

Unused Budget* - (Projects were halted pending the approval of the Innovation Fund Policy and Procedure)

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

ANNEXURE 1J

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED FOR THE YEAR ENDED 31 MARCH 2005

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2004/2005 R'000	2003/2004 R'000
Received in kind			
CSIP - Mr Bruno	3 X Cameras	29	-
Total		29	-

*Totals do not form part of the totals as on the face of the Statement of Financial Performance



**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005****ANNEXURE 1K****STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND
PAYMENTS MADE AS AN ACT OF GRACE FOR THE YEAR ENDED 31 MARCH 2005****NATURE OF GIFT, DONATION OR SPONSORSHIP**

(Grouped major categories and listed material items, including name of the organization)		R'000
Paid in Cash		
DTEC SALTA		100
Pep Stores		34
Others		20
Upington Landbou		15
Subtotal		169
Made in Kind		
Chakane T/A R J C Construction		22
Vermeulen's DIY		20
Namakwa District Municipality		12
Nafcoc		10
Others		30
Subtotal		94
TOTAL		263

Grouped major categories and listed material items, including name of the organization.

Totals do not form part of the totals as on the face of the Statement of Financial Performance



VOTE 6

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

**ANNEXURE 2A
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES AS AT 31 MARCH 2005**

Name of Public Entity	Nature of Business	Relevant Act	State Entity's PFMA Schedule	% Held 03/04	% Held 04/05	Number of Shares Held		Cost of Investment R'000		Profit/(Loss) for the Year R'000		Are the Losses Guaranteed
						2004/05	2003/04	2004/05	2003/04	2004/05	2003/04	Yes/No
Controlled Entities												
Wavelengths 101	Steel Project				70%	70	70	3,800	-	-	-	
Kalahari Kid	Goat Project				95%	52 million	52 million	13,500	-	-	-	
Subtotal								17 300	-	-	-	
Non Controlled Entities												
Nocal	Paprika project				45%			34,000	-	-	-	
TOTAL								51,300	-	-	-	

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

ANNEXURE 3 STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2005 - LOCAL

Guarantor Institution	Guarantee in Respect of	Original Guaranteed Capital Amount R'000	Opening Balance 1 April 2004 R'000	Guarantees Issued during the Year R'000	Guarantees Released during the Year R'000	Guaranteed Interest for year ended 31 March 2005 R'000	Closing Balance as at 31/03/2005 R'000	Realised Losses i.r.o. Claims Paid Out R'000
People's Bank	Housing		32	-	32	-	-	
ABSA			82	32	-	-	114	
Nedbank			8	-	-	-	8	
First Rand			32	-	-	-	32	
Nedcor Inv			14	-	-	-	14	
Old Mutual			19	-	19	-	-	
Subtotal			187	32	51	-	168	
TOTAL			187	32	51	-	168	

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

ANNEXURE 4

PHYSICAL ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Opening Balance R'000	Additions R'000	Disposals R'000	Transfers In R'000	Transfers Out R'000	Closing Balance R'000
Machinery and Equipment	-	1,211	-	29	-	-
Computer Equipment	-	275	-	-	-	-
Furniture and Office Equipment	-	134	-	-	-	-
Other Machinery and Equipment	-	802	-	29	-	-
Total	-	1,211		29	-	-

Annexure 4 (CONT.)

PHYSICAL ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2004

	Opening Balance R'000	Additions R'000	Disposals R'000	Transfers In R'000	Transfers Out R'000	Closing Balance R'000
Machinery and Equipment	-	380	-	-	-	-
Computer Equipment	-	98	-	-	-	-
Furniture and Office Equipment	-	278	-	-	-	-
Other Machinery and Equipment	-	4	-	-	-	-
	-	380	-	-	-	-



ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**ANNEXURE 7**
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed Balance outstanding		Unconfirmed Balance outstanding	
	31/03/2005	31/03/2004	31/03/2005	31/03/2004

Department

Amounts not included in Statement of Financial Position

Current

Finance	-	-	64	105
Justice	-	-	76	-
Labour	-	-	16	-
Public Works	-	-	-	637
Subtotal	-	-	156	742
TOTAL	-	-	156	742



HUMAN RESOURCES MANAGEMENT

1. Service Delivery

The main services provided by the department are summarized in the delivery tables of the programmes. The Department went through a significant amount of turmoil since its inception. Both the political and administrative heads of the department changed a number of times since it was established. The Department does not have service delivery standards, consultation arrangements, service access standards, service information tools and a complaints mechanisms in place yet, but this issue was placed high on the management agenda of the new head of the department as a priority for 2005/06 and 2006/07, within the limitations of the budget of the department.

2 - Expenditure

TABLE 2.1 – Personnel costs by programme, 2004/2005

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel cost as a percent of total expenditure	Average personnel cost per employee (R'000)	Employment
MEC statutory	579	578	0	0	99.8	8	72
Programme 1: Administration	11,123	5,311	0	0	47.7	74	72
Programme 2: SMME & Business Regulation	17,291	1,301	0	0	7.5	18	72
Programme 3: Economic Development Services	8,097	2,747	0	0	33.9	38	72
Programme 4: Consumer Protection & Board Services	4,041	2,382	0	0	58.9	33	72
Programme 5: Auxiliary & Associated Services	469	0	0	0	0	0	72
Total	41,600	12,318	0	0	29.6	171	72

TABLE 2.2 – Personnel costs by salary bands, 2004/05

Salary bands	Personnel Expenditure (R'000)	% of Total Personnel Cost	Average personnel cost per employee (R)	Total Compensation of Employees (R)	Number of Employees
Lower skilled (Levels 1-2)	314	2.8	157,000	11,375	2
Skilled (Levels 3-5)	1,156	10.2	64,222	11,375	18
Highly skilled production (Levels 6-8)	3,156	30.7	129,148	11,375	27
Highly skilled supervision (Levels 9-12)	3,487	39.6	224,133	11,375	15
Senior management (Levels 13-16)	3,362	26.9	305,500	11,375	10
Total	11,374	100	157,972	11,375	72



TABLE 2.3 – Salaries, Overtime, Home Owners Allowance and Medical Aid by programme, 2004/2005

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance		Total Personnel Cost (R'000)
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of Personnel Cost	
MEC statutory	336	65.8	0	0	2	0.4	36	7	511
Programme 1: Administration	3411	66.2	0	0	19	0.4	171	3.3	5154
Programme 2: SMME & Business Regulation	704	66.4	0	0	9	0.8	45	4.2	1061
Programme 3: Economic Development Services	1635	72.3	0	0	5	0.2	52	2.3	2261
Programme 4: Consumer Protection & Board Services	1670	69.9	0	0	10	0.4	105	4.4	2388
Total	7756	68.2	0	0	45	0.4	409	3.6	11375

TABLE 2.4 – Salaries, Overtime, Home Owners Allowance and Medical Aid by salary bands, 2004/05

Salary Bands	Salaries		Overtime		Home Owners Allowance		Medical Assistance		Total Personnel Cost (R'000)
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost	
Lower skilled (Levels 1-2)	117	37.3	0	0	0	0	6	1.9	314
Skilled (Levels 3-5)	858	74.2	0	0	6	0.5	74	6.4	1156
Highly skilled production (Levels 6-8)	2461	70.6	0	0	14	0.4	156	4.5	3487
Highly skilled supervision (Levels 9-12)	2516	74.8	0	0	26	0.8	96	2.9	3362
Senior management (Levels 13-16)	1803	59	0	0	0	0	77	2.5	3055
Total	7755	68.2	0	0	46	0.4	409	3.6	11374

TABLE 3.1 – Employment and vacancies by programme, 31 March 2005

Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
MEC statutory	1	1	0	0
Programme 1: Administration	37	35	5.4	0
Programme 2: SMME & Business Regulation	11	7	36.4	0
Programme 3: Economic Development Services	23	9	60.9	0
Programme 4: Consumer Protection & Board Services	28	20	28.6	0
Total	100	72	28	0

TABLE 3.2 – Employment and vacancies by salary bands, 31 March 2005

Salary band	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2)	3	3	0	0
Skilled (Levels 3-5)	23	16	30.4	0
Highly skilled production (Levels 6-8)	46	29	37	0
Highly skilled supervision (Levels 9-12)	19	15	21.1	0
Senior management (Levels 13-16)	9	9	0	0
Total	100	72	28	0



TABLE 3.3 – Employment and vacancies by critical occupation, 31 March 2005

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Administrative related, Permanent	7	6	14.3	0
Communication and information related, Permanent	1	1	0	0
Economists, Permanent	14	7	50	0
Finance and Economics related, Permanent	4	2	50	0
Financial & related professionals, permanent	2	1	50	0
Financial Clerks and credit controllers, permanent	2	1	50	0
Food Service Aids and Waiters, Permanent	2	2	0	0
Head of Department / CEO Permanent	1	1	0	0
Human Resource Clerks, Permanent	2	2	0	0
Human Resource related, permanent	1	1	0	0
Light vehicle drivers, permanent	1	1	0	0
Messengers, Porters & deliverers, Permanent	2	2	0	0
Other administrative & related clerks & organizers, Permanent	1	1	0	0
Other administrative policy and related officers, Permanent	4	2	50	0
Other Occupations, Permanent	1	1	0	0
Regulatory Inspectors, Permanent	24	16	33.3	0
Secretaries & Other keyboard operating clerks, Permanent	4	4	0	0
Senior managers, Permanent	7	7	0	0
Trade labourers, Permanent	3	3	0	0
Trade/ Industry advisors & other related professions, Permanent	17	11	35.3	0
Total	100	72	28	0

TABLE 4.1 – Job Evaluation, 1 April 2004 to 31 March 2005

	Number of posts	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of Upgraded posts evaluated	Number	% of downgraded posts evaluated
Lower skilled (Levels 1-2)	3	0	0	0	0	0	0
Skilled (Levels 3-5)	23	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	46	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	19	0	0	0	0	0	0
Senior Management Service Band A	5	2	0	0	0	0	0
Senior Management Service Band B	3	2	0	0	0	0	0
Senior Management Service Band C	1	1	0	0	0	0	0
Senior Management Service Band D	0	0	0	0	0	0	0
Total	100	5	0	0	0	0	0



TABLE 4.2 – Profile of employees whose positions were upgraded due to their posts being upgraded, 1 April 2004 to 31 March 2005

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

Employees with a disability	0
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TABLE 4.3 – Employees whose salary level exceed the grade determined by job evaluation, 1 April 2004 to 31 March 2005 (in terms of PSR 1.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2002/ 03				0
Percentage of total employment				0

TABLE 4.4 – Profile of employees whose salary level exceed the grade determined by job evaluation, 1 April 2004 to 31 March 2005 (in terms of PSR 1.V.C.3)

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

Employees with a disability	0
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Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2004/2005	None
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TABLE 5.1 – Annual turnover rates by salary band for the period 1 April 2004 to 31 March 2005

Salary Band	Number of employees per band as on 1 April 2004	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	2	1	0	0
Skilled (Levels 3-5)	16	0	0	0
Highly skilled production(Levels 6-8)	20	10	1	5
Highly skilled supervision(Levels 9-12)	12	3	0	0
Senior Management Service Band A	3	2	0	0
Senior Management Service Band B	0	3	0	0
Senior Management Service Band C	0	1	0	0
Senior Management Service Band D	0	0	0	0
Total	53	20	1	1.9



TABLE 5.2 – Annual turnover rates by critical occupation for the period 1 April 2004 to 31 March 2005

Occupation:	Number of employees per occupation	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related, Permanent	6	2	0	0
Communication and information related, Permanent	1	0	0	0
Economists, Permanent	2	3	0	0
Finance and Economics related, Permanent	2	0	0	0
Financial & related professionals, permanent	1	0	0	0
Financial Clerks and credit controllers, permanent	1	0	0	0
Food Service Aids and Waiters, Permanent	1	0	0	0
Human Resource Clerks, Permanent	1	0	0	0
Library mail & related clerks	2	0	0	0
Light vehicle drivers, permanent	1	0	0	0
Messengers, Porters & deliverers, Permanent	2	0	0	0
Other administrative & related clerks & organizers, Permanent	5	1	0	0
Other administrative policy and related officers, Permanent	5	0	0	0
Regulatory Inspectors, Permanent	9	0	1	11.1
Secretaries & Other keyboard operating clerks, Permanent	3	1	0	0
Senior managers, Permanent	3	1	0	0
Trade labourers, Permanent	2	2	0	0
Trade/ Industry advisors & other related professions, Permanent	6	0	0	0
Total	53	10	1	1.9

Table 5.3 – Reasons why staff are leaving the department

Termination Type	Number	% of total
Death	0	0
Resignation	1	1.9
Expiry of contract	0	0
Dismissal - operational changes	0	0
Dismissal - misconduct	0	0
Dismissal - inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	0	0
Other	0	0
Transfers to other Public Service Departments	0	0
Total	1	1.9
Total number of employees who left as a % of the total employment		1.9



Table 5.4 – Promotions by critical occupation

Occupation:	Employees as at 1 April 2004	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Administrative related	6	1	16.7	4	66.7
Communication related	1	0	0	1	100
Economists	2	0	0	2	100
Finance & Economics related	2	0	0	1	50
Financial & related professionals	1	0	0	1	100
Financial Clerks & Credit Controllers	1	0	0	1	100
Food Service Aids and waiters	1	1	100	0	0
Human Resources Clerks	1	0	0	1	100
Library mail and related clerks	2	0	0	2	100
Light vehicle drivers	1	1	100	0	0
Material recording and transport clerks	0	0	0	1	0
Messengers, porters & deliverers	2	1	50	1	50
Other administrative & related clerks & organizers	5	0	0	5	100
Other administrative policy & related officers	5	1	20	4	80
Regulatory inspectors	9	0	0	7	77.8
Secretaries & other keyboard operating clerks	3	1	33.3	1	33.3
Senior managers	3	1	33.3	0	0
Trade labourers	2	0	0	2	100
Trade/ Industry advisors and other related profession	6	0	0	4	66.7
TOTAL	53	7	13.2	38	71.7

Table 5.5 – Promotions by salary band

Salary Band	Employees 1 April 2004	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	2	0	0	5	250
Skilled (Levels 3-5)	16	2	12.5	8	50
Highly skilled production (Levels 6-8)	20	2	10	20	100
Highly skilled supervision (Levels 9-12)	12	1	8.3	5	41.7
Senior management (Levels 13-16)	3	2	66.7	0	0
Total	53	7	13.2	38	71.7



6 – Employment Equity

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories (SASCO), 31 March 2005

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	2	2	1	0	3	0	0	0	8
Professionals	14	6	0	1	12	5	0	2	40
Clerks	2	0	0	0	4	8	0	1	15
Plant and machine operators and assemblers	1	1	0	0	0	0	0	0	2
Elementary occupations	2	0	0	0	4	1	0	0	7
Total	21	9	1	1	23	14	0	3	72

Employees with disabilities	0	0	0	0	2	0	0	0	2
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6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands, 31 March 2005

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	2	3	1	0	3	0	0	0	9
Professionally qualified and experienced specialists and mid-management	8	4	0	1	3	1	0	1	18
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	7	2	0	0	9	5	0	1	24
Semi-skilled and discretionary decision making	3	0	0	0	8	7	0	1	19
Unskilled and defined decision making	0	0	0	0	0	1	0	0	1
Total	21	9	1	1	23	14	0	3	72



6.3 Recruitment for the period 1 April 2004 to 31 March 2005

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	1	0	2	0	1	0	0	0	4
Professionally qualified and experienced specialists and mid-management	0	1	0	0	0	1	0	1	3
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	1	1	0	0	3
Semi-skilled and discretionary decision making	3	0	0	0	4	2	0	1	10
Total	5	1	2	0	6	4	0	2	20

Employees with disabilities	0	0	0	0	0	0	0	0	0
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6.4 Promotions for the period 1 April 2004 to 31 March 2005

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	0	2	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management	2	1	0	0	1	0	0	1	6
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	8	3	0	1	7	3	0	0	22
Semi-skilled and discretionary decision making	2	0	0	0	6	3	0	0	11
Unskilled and defined decision making	1	0	0	0	2	2	0	0	5
Total	13	6	0	1	17	8	0	1	46

Employees with disabilities	0	0	0	0	1	0	0	0	1
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6.5 Terminations for the period 1 April 2004 to 31 March 2005

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	0	0	0	0	1
Total	1	0	0	0	0	0	0	0	1

Employees with disabilities	0	0	0	0	0	0	0	0	0
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6.6 Disciplinary action for the period 1 April 2004 to 31 March 2005

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	0	0	0	0	0	0	0	0	0

6.7 Skills development for the period 1 April 2004 to 31 March 2005

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	0	0	0	0	0	0	0	0	0
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	3	1	0	0	5	4	0	0	13
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	3	1	0	0	5	4	0	0	13

Employees with disabilities	0	0	0	0	0	0	0	0	0
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7 – Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability (Table 6.1), salary bands (table 6.2) and critical occupations (Table 6.3).

TABLE 7.1 – Performance Rewards by race, gender, and disability, 1 April 2002 to 31 March 2003

	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
African Female	1	21	4.8	20	20,070
African Male	0	21	0	0	0
Asian Male	0	1	0	0	0
Coloured Female	0	14	0	0	0
Coloured Male	0	9	0	0	0
Total Blacks Female	1	35	2.9	20	20,070
Total Blacks Male	0	31	0	0	0
White Female	0	3	0	0	0
White Male	0	1	0	0	0
Employees with a disability	0	2	0	0	0
Total	1	72	20	20	20,070

TABLE 7.2 – Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2004 to 31 March 2005

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	0	2	0	0	0	0
Skilled (Levels 3-5)	0	18	0	0	0	0
Highly skilled production (Levels 6-8)	0	27	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	15	0	0	0	0
Total	0	62	0	0	0	0



TABLE 7.3 – Performance Rewards by critical occupations, 1 April 2004 to 31 March 2005

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related	0	10	0	0	0
Cleaners in Offices, etc	0	1	0	0	0
Communication related	0	1	0	0	0
Economists	0	6	0	0	0
Finance & Economics related	0	2	0	0	0
Financial & related professionals	0	1	0	0	0
Financial Clerks & Credit Controllers	0	2	0	0	0
Food Service Aids and waiters	0	1	0	0	0
Head of Department	0	1	0	0	0
Human Resources Clerks	0	1	0	0	0
Library mail and related clerks	0	3	0	0	0
Light vehicle drivers	0	2	0	0	0
Material recording and transport clerks	0	1	0	0	0
Messengers, porters & deliverers	0	1	0	0	0
Other administrative & related clerks & organizers	0	5	0	0	0
Other administrative policy & related officers	0	6	0	0	0
Other Occupations	0	1	0	0	0
Regulatory inspectors	0	8	0	0	0
Secretaries & other keyboard operating clerks	0	3	0	0	0
Senior managers	1	6	16.7	20	20,000
Trade labourers	0	4	0	0	0
Trade/ Industry advisors and other related profession	0	6	0	0	0
Total	1	72	1.4	20	20,000

TABLE 7.4 – Performance related rewards (cash bonus), by salary band, for Senior Management Service, 1 April 2004 to 31 March 2005

Salary Band	Beneficiary Profile			Total Cost (R'000)	Average cost per employee
	Number of beneficiaries	Number of employees	% of total within band		
Band A	1	6	16.7	20	2,000
Band B	0	3	0	0	0
Band C	0	1	0	0	0
Band D	0	0	0	0	0
Total	1	10	10	20	2000



8 – Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

TABLE 8.1 – Foreign Workers, 1 April 2004 to 31 March 2005, by salary band

Salary Band	1 April 2004		31 March 2005		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	0	0	0	0	0	0

TABLE 8.2 – Foreign Worker, 1 April 2004 to 31 March 2005, by major occupation

Major Occupation	1 April 2002		31 March 2003		Change	
	Number	% of total	Number	% of total	Number	% change
Total	0	0	0	0	0	0

9 - Leave utilisation for the period 1 April 2004 to 31 March 2005

NOTE: Please note the dates on the leave reports - it is for the leave cycle and not per financial year

TABLE 9.1 – Sick leave, 1 January 2004 to 31 December 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 days with medical certification
Lower skilled (Levels 1-2)	3	100	1	4	3	0	3
Skilled (Levels 3-5)	79	98.7	10	40	8	15	78
Highly skilled production (Levels 6-8)	30	83.3	7	28	4	12	25
Highly skilled supervision (Levels 9-12)	45	95.6	6	24	8	36	43
Senior management (Levels 13-16)	17	100	1	4	17	28	17
Total	174	95.4	25	100	7	91	166

TABLE 9.2 – Disability leave (temporary and permanent), 1 January 2004 to 31 December 2004

Salary Band	Total days taken	% days with medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Total	0	0	0	0	0	0



TABLE 9.3 – Annual Leave, 1 January 2004 to 31 December 2004

Salary Bands	Total days taken	Average per employee	Employment
Lower skilled (Levels 1-2)	140	23	6
Skilled Levels 3-5)	302	15	20
Highly skilled production (Levels 6-8)	305	13	24
Highly skilled supervision(Levels 9-12)	212	15	14
Senior management (Levels 13-16)	54	14	4
Total	1013	15	68

TABLE 9.4 – Capped leave, 1 January 2002 to 31 December 2002

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2002
Lower skilled (Levels 1-2)	0	0	0
Skilled Levels 3-5)	0	0	0
Highly skilled production (Levels 6-8)	18	9	16
Highly skilled supervision(Levels 9-12)	23	23	23
Senior management (Levels 13-16)	0	0	0
Total	41	14	18

TABLE 9.5 – Leave payouts for the period 1 April 2004 till 31 March 2005

REASON	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2004/05 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2004/05	0	0	0
Current leave payout on termination of service for 2004/05	0	0	0
Total	0	0	0

10. HIV/AIDS & Health Promotion Programmes

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

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
N/A	



TABLE 10.2 – Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

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

The Department did not have a unit focusing on HIV/AIDS during the financial year. This was changed and for the 2005/2006 financial year an Equal Opportunities Unit will be operating with HIV/AIDS as one of its areas of responsibility

11 – Labour Relations

TABLE 11.1 – Collective agreements, 1 April 2004 to 31 March 2005

Subject Matter	Date
No	

If there were no agreements, then use the following table

Total collective agreements	None
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TABLE 11.2 – Misconduct and discipline hearings finalised, 1 April 2004 to 31 March 2005

Disciplinary hearings – 2004/2005	None
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TABLE 11.3 – Types of misconduct addressed at disciplinary hearings, 1 April 2004 to 31 March 2005

Type of misconduct	Number	% of total
	0	0
	0	0
Total	0	0



TABLE 11.4 – Grievances lodged for the period 1 April 2004 to 31 March 2005

	Number	% of Total
Number of grievances resolved	0	0
Number of grievances not resolved	0	0
Total number of grievances addressed	0	0

TABLE 11.5 – Disputes lodged with Councils for the period 1 April 2004 to 31 March 2005

	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	0	0
Total number of disputes addressed	0	0

TABLE 11.6 – Strike actions for the period 1 April 2004 to 31 March 2005

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

TABLE 11.7 – Precautionary suspensions for the period 1 April 2004 to 31 March 2005

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

12 - Skills development

12.1 Training needs identified 1 April 2004 to 31 March 2005

Occupational Categories	Gender	Number of employees as at 1 April 2004	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	2	0	2	0	2
Professionals	Male	2	0	2	0	2
	Female	70	0	12	0	12
Technicians and associate professionals	Male	20	0	14	0	14
	Female	0	0	0	0	0
Clerks	Male	0	0	0	0	0
	Female	8	0	6	0	6
Service and sales workers	Male	3	0	2	0	2
	Female	0	0	0	0	0
Skilled agriculture and fishery workers	Male	0	0	0	0	0
	Female	0	0	0	0	0
Craft and related trades workers	Male	0	0	0	0	0
	Female	0	0	0	0	0
Plant and machine operators and assemblers	Male	0	0	0	0	0
	Female	0	0	0	0	0
Elementary occupations	Male	1	0	0	0	0
	Female	0	0	0	0	0
Sub Total	Male	0	0	0	0	0
	Female	0	0	0	0	0
Total		53	0	38	0	38



12.2 Training provided 1 April 2004 to 31 March 2005

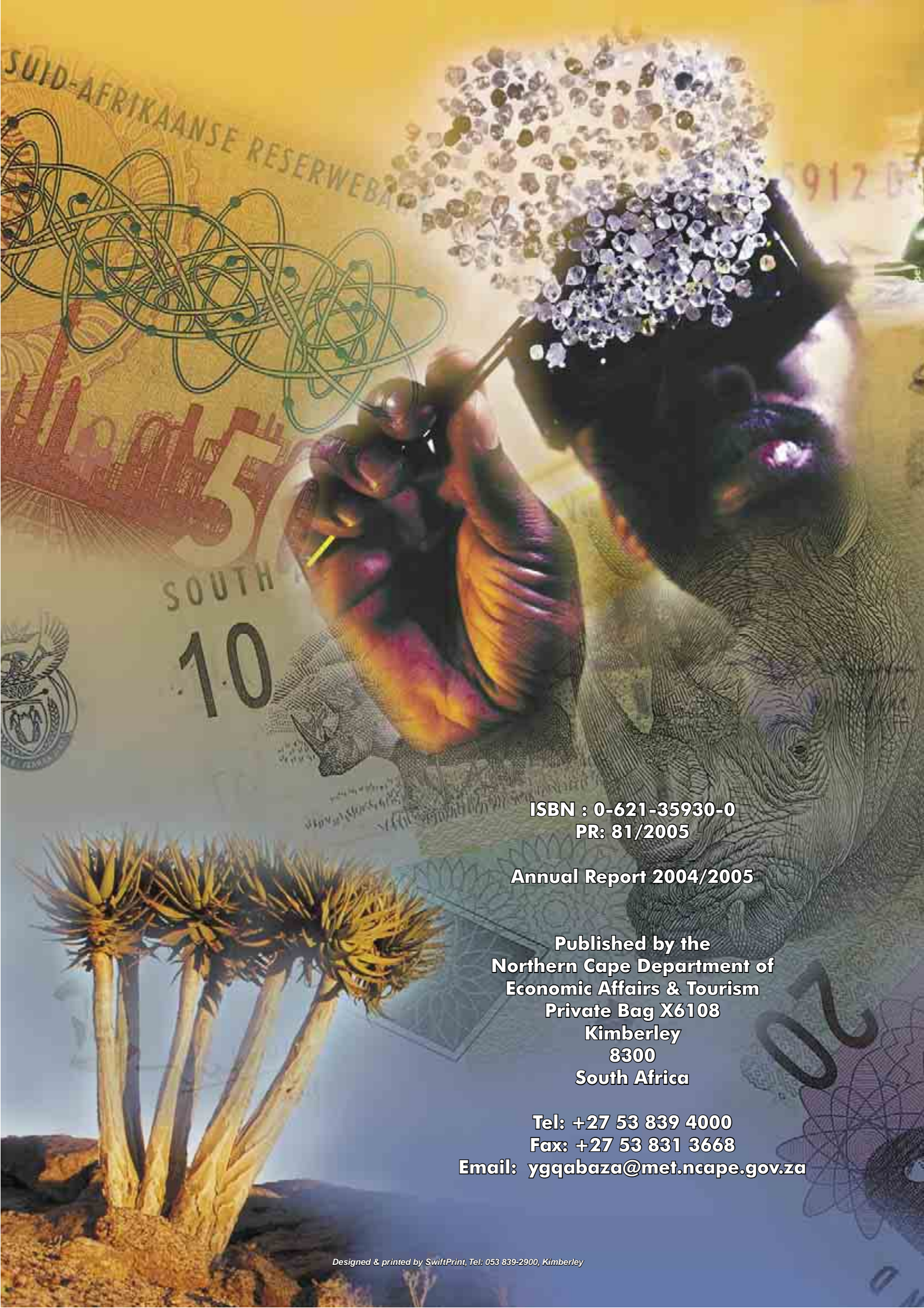
Occupational Categories	Gender	Number of employees as at 1 April 2004	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	0	0	0	0	0
Professionals	Male	0	0	0	0	0
	Female	0	0	0	0	0
Technicians and associate professionals	Male	0	0	0	0	0
	Female	0	0	0	0	0
Clerks	Male	0	0	0	0	0
	Female	0	0	9	0	0
Service and sales workers	Male	0	0	4	0	0
	Female	0	0	0	0	0
Skilled agriculture and fishery workers	Male	0	0	0	0	0
	Female	0	0	0	0	0
Craft and related trades workers	Male	0	0	0	0	0
	Female	0	0	0	0	0
Plant and machine operators and assemblers	Male	0	0	0	0	0
	Female	0	0	0	0	0
Elementary occupations	Male	0	0	0	0	0
	Female	0	0	0	0	0
Sub Total	Male	0	0	0	0	0
	Female	0	0	0	0	0
Total		0	0	13	0	0

13 – Injury on duty

TABLE 13.1 – Injury on duty, 1 April 2004 to 31 March 2005

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





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