

Foreword

The constitution of our Republic has declared education as a right to all and especially our children. Education is the foundation of all forms of development. As a country we need the development of skills that will assist with poverty alleviation and job creation.

The government has a responsibility to provide an enabling environment to ensure that all human rights that are expressed in the constitution are achieved. The Free State Department of Education is a vehicle of the government that seeks to ensure that sustainable public quality education is provided to all citizens. Thus, we have alluded to the Freedom Charter by not only opening the doors of learning, but also we have ensured access to quality education for the previously disadvantaged communities. However, there are still massive gaps in transformation and development that we must still bridge.



The mandate of the Free State Department of Education in this context is that of providing education and training that will transform our society towards nation building and development of a new citizen with a critical mind to uplift humanity.

The Annual Report is a reflection and accountability report of the Free State Department of Education on how the resources and management systems at its disposal were used to advance quality public education within its mandate. We can confidently state that we have drastically improved on access to schools and an ensuring equity. In some respects, we have only just begun the journey towards the full transformation of our schools. Our progress thus far points to a greater than before provision of a better life for the citizens of the Free State.

Our performance as the Department should be measured also amongst others, against the mandate of the National Department strategic priorities and Free State Growth and Development Strategy which have a direct bearing on the general direction of the Department.

We commit our Department to continue to work around the clock in order to develop and to improve our management systems for good governance as per the recommendations of the Auditor General and other institutions doing oversight work.

In order to address the pressing needs of the communities and to be more responsive to the service delivery challenges, the Department continues to reposition itself, including reorganizing itself. This is aimed at improving effectiveness and efficiency in service delivery.

The achievements that have been recorded thus far will print an indelible mark in the lives of the people of the Free State. Our fight for human dignity, social development and economic prosperity requires that we reach every corner of our province and country in mobilizing support for this noble cause of improving the quality of lives of all Free State citizens, especially the impoverished majority of our people, by providing *quality life-long education and training*.



Ms M.A. Tsopo

MEC: Education

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SECTION A

1. GENERAL INFORMATION

1.1. Vision

To be a Department that improves the quality of life of all Free State citizens by providing quality life-long education and training.

1.2. Mission

To operate an efficient, effective, outcomes-based education system that works towards the overall development of Free State citizens in a dedicated, professional manner.

1.3. Values

- Uphold the Constitution
- Communicate effectively
- Re-dress past imbalances
- Manage Human Resources
- Interact with mutual respect
- Foster innovation and creativity
- Be professional and accountable
- Provide courteous, timely service
- Comply with the National Qualifications Framework (NQF)
- Address training needs for high quality service
- Maintain high standards of performance and professionalism

1.4. Mandates

The Free State Department of Education takes its mandate from the Bill of Rights in the Constitution of the Republic of South Africa, 1996 (Act no. 108 of 1996, section 29 (1)), which establishes the right to education in these terms: "Everyone has the right-

- To a basic education, including adult basic education; and
- To further education, which the state, through reasonable measures, must make progressively available and accessible".

The Department is also charged by the Provincial Government to lead in the implementation of its Human Resource Development Strategy and to ensure that functional adult literacy and numeracy increases, particularly for historically disadvantaged groups. The Department has committed itself to contribute towards effective Governance and Administration and to ensure that provincial planning is integrated and based on local and district IDPs

1.5. Submission by the Superintendent General

The department of education as a public institution has committed itself to improve service delivery that ensures commitment of government to better life for all through public education. The department has ensured that corporate governance principles are embodied at all levels of the department with the intention for smooth management and control of all resources at its disposal.




Our vision as stated in this document can only be achieved if we dedicate our energies and resources to the core business of the department which is teaching and learning. We therefore pledges our commitment to work closely with educators, learners and parents together with other partners to build a formidable force of education for all in the province. The department still has to advance education transformation at different fronts to ensure that access, equity and democratic governance in all education institutions is given priority. Through education, an independent critical citizen can be developed to create stable society with high moral values.

Annual report is an evaluation tool that assess the departmental performance and identify the strength and challenges that warrant further engagement as way to consolidate the vision and mission of the department.

It is also important to indicate that measures were put in place to ensure continuous monitoring on execution of various activities for compliance with all legislation as a means to attain an Unqualified Audit report. We however commit our Department to be working around the clock to develop and improve our management systems for good governance as per the recommendations of the Auditor General and other institutions doing oversight work.

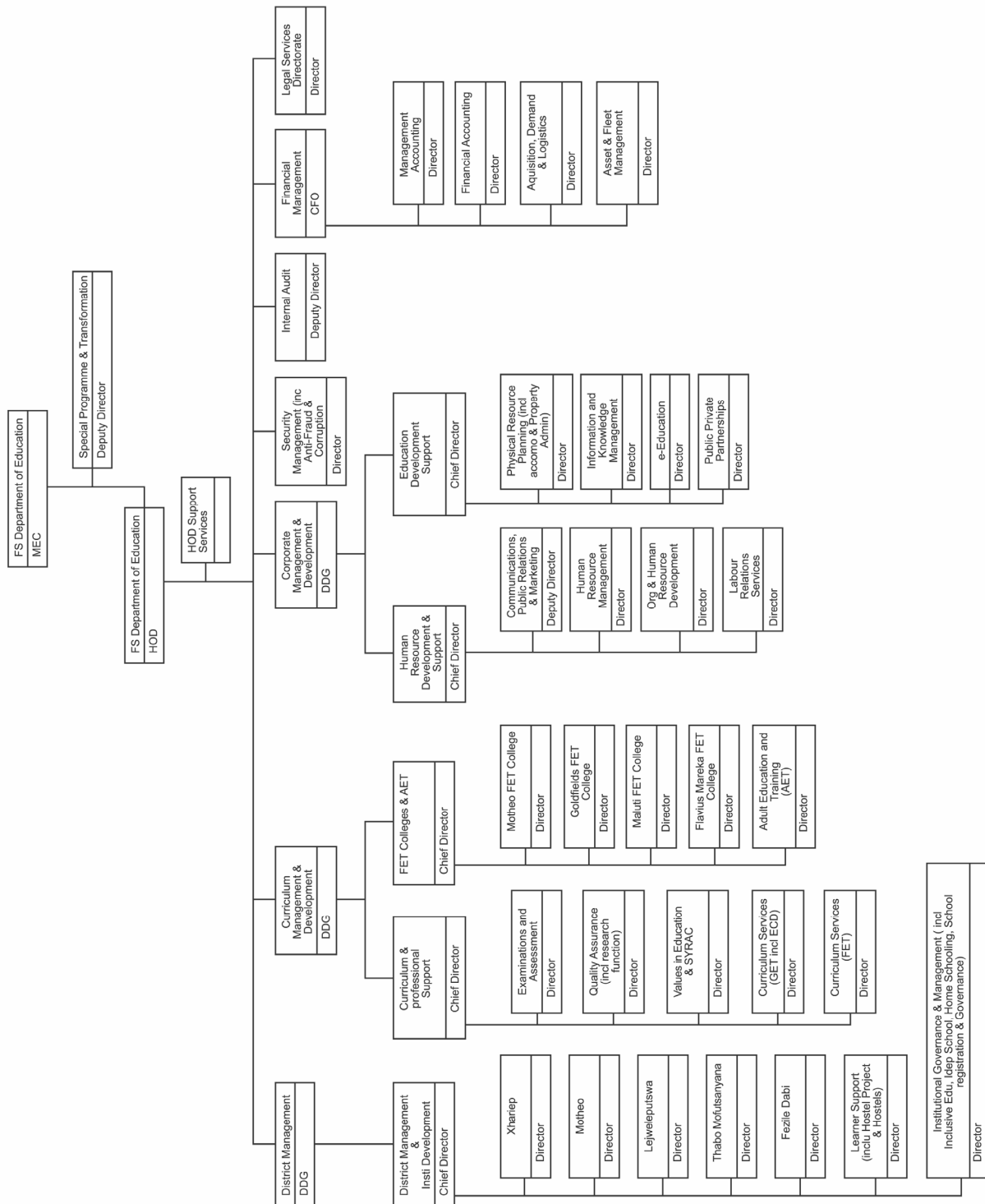
In terms of section 40(1) of the Public Finance Management Act, Act 1 of 1999 and chapter 13 of the Constitution (Act 108 of 1996), on behalf of the Department, I am honoured to present this 2005/06 Annual Report to the Member of the Executive Council for Education of the Free State and to the public at large. We thank the Executive Authority, the Education Portfolio Committee and Legislature and the Public for their wise guidance, council and support in our efforts to improve Education in the Free State.

We therefore thank all departmental employees and support structures for their immense contribution in the quest for good governance and quality public education.



Superintendent General
M.S. Rakometsi

1.6. Approved Macro Structure: Free State Department of Education of 2005/2006



Macro Structure: Department of Education



MEC Ms MA Tsopo



HOD Mr M Rokometse



DDG: District Management
Mr K Khoasani



DDG: Corporate Management & Development
Mr TNT Loma



Acting DDG:
Curriculum Management & Development
Mr F Sithole



CFO:
Financial Management
Mr B Monnane



Acting Chief Director:
District Management
Mr H Mthombeni



Chief Director:
Human Resource Development
Mr JS Tladi



Chief Director:
Education Support &
Administration
Ms L Letele



Chief Director:
Curriculum & Support
Ms F Ndaba



Acting Chief Director:
FET Colleges and ABET
Mr Jafta



Director:
Security Management
Mr A Leeuw



Director:
Motheo
Ms Z Alexander



Director:
OHRD
Mr MS Sanl



Director:
E-Education
Ms B Kitching



Director:
Motheo FET College
Mr S Maboya



Director:
Financial Accounting
Ms S Bosch



Director:
DALM
Ms E Qwelane



Director:
Lejweputswa
Ms Motsoeneng



Director:
Human Resource
Ms L Muday



Director:
PPP
Mr K Abrahams



Director:
Quality Assurance
Mr FR Sello



Director:
GET
Mr G De Villiers



DD: Flavius Mareka
FET College
Mr T Letho



Director:
Asset Management
Ms J Motjoa



Director: SYRAC
and Values in Education
Mr Moloabi



Director:
Thabo Mofutsanyana
Ms BS Tshabalala



Director:
Labour Relations
Ms V Harbhajan



Director:
Physical Resource
Ms K Mahlakoleng



Director:
Management Accounting
Mr LT Mokoena



Director:
Learner Support
Mr HR Khoza



Director:
ABET
Mr W Mokeuna

1.8 Introduction by the head of the institution:

The focus in the current financial year was on the following priorities:

- Transforming the Further Education & Training (FET) sector
- Improving the provision of Science and Technology programmes in Schools
- Providing support to vulnerable learners
- Enhancing inclusive education
- Implementing Early Childhood Development (ECD) in public schools
- Ensuring that youth and unemployed in rural areas participate in Adult Basic Education & Training (ABET) programmes and that ABET programmes support the Expanded Public Works Programme
- Provision of basic infrastructure at schools
- Maintenance of infrastructure
- Providing learning support material for the new curriculum
- Basing school allocations on the national norm and providing adequate funding for the poorest
- E-learning
- School Nutrition Programme
- Provision of Scholar Transport

All these key priorities are also linked to the Free State Growth and Development Strategy (FSGDS). During this year, the Department has continued to positively contribute to the realisation of growth and development in the Free State as manifested by these priorities which directly supported the objectives set in the FSGDS.

1.8.1. Human resources

In the financial year 2005/6, 91 Bursaries were allocated to under-qualified educators and 51 bursaries to un-qualified educators. Also, 393 Bursaries were allocated to Educators in order to address scarce skills shortages. 338 Critical posts were filled during 2005/06

1.8.2. Building on a solid foundation

The Department subsidised 285 community-based sites and 287 Grade R classes in public schools.

1.8.3. Dealing effectively with poverty, for the vulnerable and those at risk.

The strategy seeking to alleviate the plight of orphans was based on the following pillars during the 2005.

- Feeding scheme for the orphans during school hours at schools. This was done as part of the NSNP.
- Delivery of food-parcels for orphans to take home.
- Schools in quintile 1 were allocated R703 per learner and declared no fee schools
- Provision of transport for learners walking 21 kilometers daily
- Housing learners in hostels in cases where the provision of transport was not feasible

The targeted number of learners in Thabo Mofutsanyana, Lejweleputswa, Fezile Dabi and Motheo has been achieved. A total of 3117 learners were provide with transport. This applied to learners walking a round trip of more than 21 kilometres daily.

An addition of 118 062 learners were identified for feeding. There were 234 534 and 118 062 (total of 352 596) learners fed through National School Nutrition Programme (NSNP).

Initially 15 981 learners participate in a pilot study of cooked meals in 22 schools as well as the abovementioned 118 062 additional learners in 147 schools plus 40 schools in Xhariep.

Food parcels were issued to 21 640 orphans twice a year.

1.8.4. Pass rate, endorsement rate and dysfunctional schools

The pass rate dropped slightly from 78,7% to 77,8. However, the number of learners who passed Grade 12 increased by 896 as more learners registered for Grade 12.

The endorsement rate achieved stands at 21, 9% which is 4, 3% above the national endorsement rate. However, of importance to note that in 2005 the total number of exemptions increased to 5729 compared to 5483 in 2004. meaning that an additional 246 candidates achieved university endorsement

With the 2005 analysis of Senior Certificate results, 24 schools are below 50%, and of these schools, only 7 are below 40%. As the 2006 school year gets underway, the Free State needs to deal with 24 schools below the national benchmark

1.8.5. Giving concrete access to quality ABET

On top of the 201 standing ABET centres used to provide ABET levels 1 (one) and 4 (four) within the Department, partnerships were entered into with sister departments to expand ABET provision beyond the borders of the Education Department institutions.

1.8.6. Infrastructure Development

With the Extended Public Works Programme (EPWP) initiative the Department has spent a total of R70.7million during 2005/6 to renovate, refurbish and sanitise 587 schools in previously neglected areas. The initiative was a success and the Department intends to continue with it in years to come.

As part of Infrastructure Development Plan which seeks to eliminate backlogs in classroom shortages and in undesired and unsafe learning environments, 18 schools were fenced, 42 VIP toilets completed, water provided to 50 schools and 22 schools with unsafe structures were refurbished.

1.8.7. Internal control environment

The Department has established a risk register and there were 228 risks identified throughout the Department. The risk management section is fully operational and risk assessment workshops are conducted regularly on high risk areas in the Department. The management of risks also forms part of the manager's performance contracts.

In a bid to strengthen the internal control environment management accountants were appointed in the Districts and redeployed to Head Office. The move was intended to improve the Department's ability to comply with section 38 of the PFMA.

The internal audit is currently co-sourced but the Department intends to appoint a Chief Audit Executive to head the unit. The intention is to establish a fully-fledged internal audit section, which will evaluate the effectiveness and efficiency of internal controls and advise the Accounting Officer accordingly

1.8.8. Acknowledgements

I would like to thank the MEC for Education and members of the Strategic and Leadership Committee of the Department respectively for their support throughout the year. We value their guidance and wise council and I believe that their vast wealth of experience will enable the Free State Department of Education to go from strength to strength.

I would like to take this opportunity to publicly thank all Education stakeholders in our Province. The officials of the Department deserve my special THANK YOU.

1.9. Information on the Ministry

A summary should be given as to what work the Ministry is involved with and (if practical) the names of institutions falling under the executive authority's control. The executive authority should also give an indication of the bills that he or she has submitted to the legislature during the financial year. Further, the executive authority's official visits abroad, indicating the dates and purposes of visit would ideally complete the information required under this sub-heading.

Official visits for 2005/06 abroad

Place	Date	Purpose
Thailand, Malaysia & Singapore	01 – 15 October 2005	To attend the international executive course: Project planning and management in Thailand, Malaysia and Singapore.

1.10. Legislative mandate

The legislative mandate of the Department of Education is founded in the Constitution of the Republic of South Africa, Act 108 of 1996, the South African Schools Act, Act 84 of 1996 and several other supporting pieces of legislation, functional and policy mandates that inform what the Department does and how it does it.

1.10.1. The Constitution of the Republic of South Africa, Act 108 of 1996

Section 7(2) of the Constitution enjoins the state to "respect, protect, promote and fulfil the rights in the Bill of Rights". Guidance as to the meaning of these obligations can be found in international law.

1.10.2. South African Schools Act, (SASA) Act 84 of 1996 (as amended)

Provides a uniform system for the organisation, governance and funding of schools. It promotes access, quality and democratic governance in the schooling system. It ensures that all learners have the right of access to quality education without discrimination, and makes schooling compulsory for children aged 7 to 15. It provides for two types of schools, independent schools and public schools. The provision in the Act for democratic school governance through School Governing Bodies (SGBs) is

now in place in all public schools countrywide. The school funding norms, outlined in SASA, prioritise redress and target poverty with regard to the allocation of funds for the public schooling system.

1.10.3. Free State Schools Education Act 2 of 2000

This Act should be read with and subject to the South African Schools Act 84 of 1996. It addresses those issues that are peculiar to the Free State and are covered in the National Act, e.g. the establishment of the Free State Education and Training Council – which is a body comprised of diverse stakeholders that advises the MEC on education issues broadly, as well as the establishment of the Principals' Council and the Provincial Examination Board. The Act further gives the MEC the authority to make regulations on any matter relating to education in the Province. This is in furtherance of the mandate of the Department in terms of the Constitution.

1.10.4. The National Education Policy Act, Act 27 of 1996

To provide for the determination of national policy for education, including the determination of policy on salaries and conditions of employment of educators. It lays the foundation for the establishment of the Council of Education Ministers (CEM), as well as the Heads of Education Committee (HEDCOM).

1.10.5. Further Education Training Act, Act 98 of 1998

There is a National FET Act that regulates FET matters broadly at a National level. Provinces have a concurrent legislative authority with National on matters relating to FET, which are specific to a particular Province.

The Free State Department of Education is in the process of drafting a Bill for the establishment of the Further Education and Training Council, which is not catered for in the National Act which the Province needs to establish in order to ensure stakeholder participation in FET matters and to advise the MEC.

1.10.6. Adult Basic Education and Training Act

The National Department has enacted the National ABET Act to regulate for a broad framework with regard to admission to ABET centres, governance and funding of ABET centres. The Act empowers the MEC to make resolutions with regards to specific matters pertaining to ABET in the Provinces.

1.10.7. National Education Policy Act, 1996 Act No 27 of 1996

National Policy: Education White Paper Five (5) on Early Childhood Development (ECD). The paper deals with the implementation of Grade R as a compulsory year of schooling with an emphasis on poverty alleviation and collaborative approach to programmes for learners from birth to pre-Grade R.

ECD refers to a comprehensive approach to policies and programmes for children from birth to nine years of age, and processes by which children grow and thrive physically, mentally, emotionally, spiritually, morally and socially, with the active participation of their parents and caregivers.

1.10. 8. Preferential Procurement Policy Framework Act, 2000 Act No 5 of 2000

The general conditions and procedures are subject to the Preferential Procurement Policy Framework Act, 2000 (Act No 5 of 2000), and the Preferential Procurement Regulations, 2001 and are applicable to all tenders, contracts and orders, unless otherwise decided by the Accounting Officer prior to the invitation of tenders.

1.10.9. Public Finance Management Act, Act No 1 of 1999

Public Finance Management Act, No 1 of 1999 (as amended by Act 29 of 1999), deals with funding and spending of the State monies. The Act promotes the objective of good financial management in order to maximize delivery through the efficient and effective use of limited resources.

1.10.10. Acts governing Human Resource Management

The following acts govern the relations with employees:

- Public Service Act (Proclamation No. 103 of 1994)
- Employment of Educators Act, No 76 of 1998, read together with Government Notice No 1400, as published in Government Gazette No.22961: Repeal of Regulations and determining of conditions,
- Government Notice No.1451 Government Gazette No. 24077:
- Amendment of Regulations for the distribution of educator posts to schools in a Provincial Department of Education.
- Basic Conditions of Employment Act No 74 of 1997
- Labour Relations Act No 66 of 1995

1.10.11. Skills Development Act, No 97 of 1998

Skills Development Act, No 97 of 1998. This Act deals with the skills grants to be paid by the Sector Education and Training Authorities (SETAs).

- There are six (6) types of grants that an Employer may claim:
- A workplace skills grant
- A workplace skills implementation grant
- A grant towards the cost of Learnerships and learner allowances
- A grant towards the cost of skills programme
- A grant towards the cost of providing apprenticeship training, and
- A grant towards a programme, project or research activity that helps the relevant SETA to implement its sector skills plan.

1.10.12. Occupational Health and Safety Act

The Occupational Health and Safety Act, No 85 of 1993 provides for the health and safety of persons at work as well as the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work.

1.10.13. Other legislative requirements

Admission Policy:

In view of the ruling in the case of 'Harris v/s the Minister of Education' the admission age for both public and independent schools has been changed to the age of 5 turning 6 in the year of admission for Grade 1.

Norms and Standards for funding of Public Schools:

Provides the criteria for funding of public schools in order to address the past imbalances in the provision of education and facilities. The more disadvantaged schools receive more funding.

Regulations for discipline of learners in Public Schools:

It states which offences are considered to be serious enough to warrant expulsion of learners from Public Schools. It also regulates the procedures to be followed by the School Governing Body, the District Office and the Head Office when dealing with recommendations for expulsions and the time frames thereof.

Regulations for financial records of Public Schools:

To ensure that all Public Schools have proper financial systems to handle and control their finances and the finances transferred to them by the Department, and to ensure accountability by the School Governing Body.

Regulations for the examinations: Irregularities and the Examination Board:

To regulate matters relating to the conducting of exams, to define the nature of examination irregularities by departmental officials and candidates, and also to establish the Provincial Examination Board and the Irregularities Committees.

Governance of Public Schools:

The regulations for the election of the members of the Governing Bodies ensures participation of stakeholders at school level in school matters – for example determination of payment of school fees, admission policy for the school and the issues around finances, discipline and general management of the school.

SECTION B

2. PROGRAMME PERFORMANCE

2.1 Voted Funds

Appropriation	Main Appropriation	Adjusted Appropriation	Actual Amount Spent	Over/Under Expenditure
	4,872,115	5,056,634	4,916,135	140,499
Responsible MEC	MEC of Education			
Administering Dept	Department of Education			
Accounting Officer	Superintendent-General of Education			

2.2 Aim of the Vote

The aim of the vote is to support the vision of the Department, which is "To be a Department that improves the quality of life of all Free State citizens by providing quality life-long education and training".

The aim of the Vote reflects the social and economic outcomes or results that the Department wishes to achieve and should be consistent with the aim as contained in the Appropriation Bill.

2.3 Summary of Programmes

The Education sector adopted a uniform budget and programme structure that reflects the minimum number of programmes. These programmes and contents are encapsulated in definitions, which explain what needs to be included under each programme and sub programme. The activities of the Department of Education are organised in the following eight programmes:

Programme	Sub-programme
Administration: 1	1.1. Office of the MEC 1.2. Corporate Services 1.3. Education Management 1.4. Human Resource Development
Public Ordinary School Education: 2	2.1. Public Primary Schools 2.2. Public Secondary Schools 2.3. Professional Services 2.4. Human Resource Development 2.5. In-school Sport and Culture
Independent School Subsidies: 3	3.1. Primary Phase 3.2. Secondary Phase

Programme	Sub-programme
Public Special School Education: 4	4.1. Schools 4.2. Professional Services 4.3. Human Resource Development 4.4. In-school Sport and Culture
Further Education and Training: 5	5.1. Public Institutions 5.2. Youth Colleges 5.3. Professional Services 5.4. Human Resource Development 5.5. In-college Sport and Culture
Adult Basic Education and Training: 6	6.1. Public Centres 6.2. Subsidies to Private Centres 6.3. Professional Services 6.4. Human Resource Development
Early Childhood Development: 7	7.1. Grade R in Public Schools 7.2. Grade R in Community Centres 7.3. Pre-grade R 7.4. Professional Services 7.5. Human Resource Development
Auxiliary and Associated Services: 8	8.1. Payments to SETA 8.2. Conditional Grant Projects 8.3. Special Projects 8.4. External Examinations

2.4 Overview of the service delivery environment for 2005/06

The Free State Department of Education provided education services to 711,102 learners, (excluding ECD), at 2 092 schools across the Province. The Free State is mainly rural and as such more than 60% of schools are farm schools. This situation plays a critical role in the development of policy guidelines, plans and implementation strategies.

The Department is concerned about the negative growth in the Free State population. In the 1996 census, the Free State accommodated 6.5% of the population of South Africa. In the 2001 census the Free State accommodated 6% of the population of South Africa with the outflow mainly to Gauteng Province.

The Free State Province is the second poorest province in the country. Unemployment (34% as indicated in the Free State Development Plan) and poverty (63% of the population in terms of the Poverty Eradication Strategy: 1999) are rife, particularly in the previously disadvantaged communities. The Province is divided into five magisterial districts ranging from urban to extremely underdeveloped rural districts.

Its economy is not highly industrialised with some emphasis on mining, agriculture, manufacturing, services and other areas. The State is a major contributor of employment opportunities and economic development. There is no strong private sector compared to highly industrialised provinces, so education plays a significant role in the social upliftment of communities.

A study conducted by the National Department of Education shows that 33% of our learners (223002) fall in the poorest category, compared to all learners in the country, exceeded only by the Eastern Cape where 34% of learners fall in the poorest category. Poverty alleviation programmes, economic development and job creation initiatives thus form a central part of the strategy of the Department to fulfill its mandate.

2.5 Overview of the organisational environment for 2005/06

The impact of the external environment manifests itself in challenges in the organisational environment.

Scrutiny of the budget of the education sector as a whole will reveal that allocation to education has declined in the past few years. The funding of new and extended activities remains a challenge. The department has identified the provision of a huge challenge adequate funding to maintain infrastructure and improve asset management.

Our resource strategy has been under review to deal with the pressures within the operational environment. This strategy related to the redeployment challenges as regards educators, as well as the redistribution of learning and teaching support material. Closure of non-viable farm schools furthermore remained on the agenda, as "taking learners to where education is" is more effective than "taking quality education to the learners."

The completed risk assessment in support services provided a stage for a focused approach in dealing with the inherent risks in the Department.

From an educational view the adequate resourcing of public schools, Inclusive Education, Early Childhood Development and Further Education and Training as part of the drive to improve access to quality education for all learners in the Free State remains a serious challenge. The Province can, however, not afford to provide sustainable funding to institutions.

2.6 Strategic overview and key policy developments for the 2005/06 financial year

Development of Educators

Educators are developed in terms of the Department's approved skills development plan. The focus has been on under- and unqualified educators as well as on scarce subjects such as Maths and Science. Owing to the need for a responsive FET sector, re-skilling of educators duly received attention. Detailed objectives and targets are provided in the performance report per programme.

Improving management and governance at education institutions

The Department has focused extensively on improving management and governance at educational institutions and has focused at all levels to make such institutions quality assets for communities. Initiatives undertaken in this regard included conducting workshops for school management teams and governing body members on matters related to financial, people and conflict management. The establishment and revision of policy guidelines relating to financial and supply chain management within the Department received urgent attention in order to address inherent risk areas.

2.7. Departmental receipts

As indicated in the accounting policy of the Department, the approach to revenue collection is not to maximise revenue, as it would directly impact on the accessibility of education, which is a constitutional requirement. The focus was therefore mainly on the recovery of costs to the Department, where possible.

The revenue budget for own revenue was exceeded for the 2005/6 financial years by R20, 262 million.

Departmental Revenue	Actual Collection 2004/05	Budgeted Collection 2005/06	Actual Collection 2005/06	% Deviation from target
Current revenue	18,053	10,380	30,642	195,2%
Tax revenue				
Non-tax revenue	18,053	10,380	30,642	195,2%
Capital revenue				
(specify)				
Departmental revenue	18,053	10,380	30,642	195,2%

Specific challenges and responses

Challenge 1: Recovery of costs Improved revenue management regarding recovery of costs
Response to Challenge 1 Proper revenue forecasting techniques in collaboration with treasury were put in place
Challenge 2: Risk Management Improved risk management regarding revenue
Response to Challenge 2 <i>Risk assessments on revenue are envisaged and will be conducted during the beginning of the next financial year</i>
Challenge 3: Internal Control Effective and efficient revenue internal control management
Response to Challenge 3 <i>More staff appointed to strengthen the internal controls in revenue management</i>

2.8 Departmental payments

Programmes	Voted for 2005/06	Roll-overs and adjustments	Virement	Total voted	Actual Expenditure	% Deviation from Voted
Administration	323,972	45,262	45,861	415,095	364,316	12,2%
Public Ordinary School Education	3,843,226	104,924	(24,082)	3,924,068	3,868,149	1,4%
Independent School Subsidies	26,422		4,000	30,422	30,136	0,9%
Public Special School Education	148,965	8	(110)	148,863	147,676	0,8%
Further Education and Training	152,000		(31,939)	120,061	119,825	0,2%
Adult Basic Education and Training	66,594	7,432	26,548	100,574	93,163	7,4%
Early Childhood Development	33,117	737	(1,188)	32,666	32,054	1,9%
Auxiliary and Associated Services	277819	26156	(19.090)	284885	260393	8.6%
Theft and Losses					423	100%
Total	4,872,115	184,519	0	5,056,634	4,916,635	2,8%

Specific challenges and responses

Challenge 1: Budget Management Improved Budget Management
Response to Challenge 1 Budget training for managers was conducted and will continue in years to come
Challenge 2: Capacity to Spend Capacity to spend in line with the business plan
Response to Challenge 2 Budget training for managers was conducted and will continue in years to come.
Challenge 3: Cash flow predictions The accuracy of the cash flow predictions for the Department as a whole is within a variance 2%. This should however improve to within 2% per programme. Inaccurate cash flow predictions indicate inadequate implementation of plans
Response to Challenge 3 Proper cash flow management system was put in place including the analysis and evaluation of commitments throughout the year. The process is expected to continue in the next financial year.

2.9 Programme Performance

OPENING THE DOORS OF LEARNING AND CULTURE IN A DECADE OF DEMOCRACY

COMMITMENTS FOR 2005/06					
Issue	No.	Commitment	Progress		
Financial and Risk Management	1	Complete risk assessment on ICT, e-Education and new processes	Report on the risk assessment performed on Information Technology (ICT) and E-education is complete. According to the report, ICT and E-education are high risk areas for the department.		
Human Resource Development	2	Eliminate un-qualified and under-qualified educators from the system	91 Bursaries to under qualified educators and 51 bursaries to un-qualified educators were allocated in the 2005/2006 financial year.		
	3	Participate in roll-out of national strategy for teacher development	393 Bursaries were allocated to Educators to address the following scarce skills: Mathematics Sciences Information Technology.		
Re-organisation of the Department	4	Fill critical vacancies	338 Critical posts have been filled during 2005/06		
			Salary	No	Notch
			16	1	R 834 252
			15	2	R 1 084 530
			14	2	R 1 067 508
			13	6	R 16 313 2932
			12	5	R 12 89 565
			10	13	R 2 002 410
			9	54	R 7 191504
			8	17	R 1 895 976
			7	36	R 3 232 980
			6	2	R 72 096
			5	24	R 1 397 664
			3	95	R 3 984 870
			1	81	R 2 641 167
	5	Re-deploy identified principals	The decision has been deferred to 2006/2007; reskilling for principals will be on site.		
6	Remove some principals temporarily from their schools to undergo re-skilling programmes	The decision has been deferred to 2006/2007; reskilling for principals will be on site.			

COMMITMENTS FOR 2005/06				
Issue	No.	Commitment	Progress	
Operation Jack-Up	7	Develop and foster partnerships	Draft partnership strategy developed.	
	8	Develop a partnership management strategy	Draft partnership management strategy developed.	
	9	Develop and implement a comprehensive strategy and action plans, focusing on weaknesses identified in the Auditor-General's Annual Report to improve risk and the internal control environment	The action plan for all Auditor General weaknesses identified has been completed. There will be continuous monitoring of which progress will be reported on quarterly basis. This action plan is also captured on the Strategic Plan and the Annual Performance Plan.	
	10	Fill posts in line with equity targets during 2005/06	Posts were filled in line with equity targets. However where there were deviations, they were properly approved.	
	11	Implement the Infrastructure Development Plan to eliminate backlogs in classroom shortages and undesired and unsafe learning environments	Major Renovations	
			Planned	Completed
			Uncompleted	Progress
			7	2
			5	80 %
			Fences	
			18	16
			2	90%
			Conversion for Disabled	
			10	7
			3	85%
			Water	
			58	50
			8	88%
			VIP Toilets	
			42	42
			0	100%
			Flushing System	
			5	5
			0	100%
			Toilet Block for Educators	
			10	7
			3	80%
			Electricity	
			19	18
			1	95%
			Hostels	
			6	4
			2	85%
			Resource Centres	
			2	1
			1	95%

COMMITMENTS FOR 2005/06				
Issue	No.	Commitment	Progress	
			Provisioning of Strong Room	
			10	8 2 90%
			Letsema	
			100	90 10 85%
			Reasons for uncompleted projects <ul style="list-style-type: none"> Bid committee took long time to approve projects. Action Plan 2005/06 was approved late. Projects were handed during December and January 2005. Normal, long tendering procedure was followed and also caused delay. 	
Infrastructure Development: Maintenance and Renovations	12	Renovation and rehabilitation of schools with the greatest need, benefiting approximately 170 schools	Major Renovations	
			Planned	Completed Uncompleted Progress
			7	2 5 80%
			Reasons for uncompleted projects <ul style="list-style-type: none"> Bid committee took long time to approve projects. Action Plan 2005/06 was approved late. Projects were handed during December and January 2005. Normal, long tendering procedure was followed and also caused delay. 	
	13	Refurbish twenty-seven farm schools with unsafe structures, utilising mobile classrooms	Unsafe structures	
			Planned	Completed Uncompleted Progress
			28	22 6 80%
			Reasons for uncompleted projects <ul style="list-style-type: none"> Bid committee took long time to approve projects. Action Plan 2005/06 was approved late. Projects were handed during December and January 2005. Normal, long tendering procedure was followed and also caused delay. 	
	14	Provide renovations, sanitation and potable water through the EPWP project	<ul style="list-style-type: none"> First phase of pilot project, 252 schools have been completed. Second phase of pilot project, contracts have been awarded. 335 schools will benefit out this exercise. Presently funds are being transferred to schools. Construction has already started on other schools whilst funds are currently being transferred. 	

COMMITMENTS FOR 2005/06						
Issue	No.	Commitment	Progress			
	15	Provide day-to-day maintenance at schools	The allocated budget of maintenance could not cover all the maintenance required. However most schools benefited during the EPWP initiative which cost R31million during 2005/6.			
	16	Continue with the Letsema Project at schools, benefiting 50 primary and 50 secondary schools	Letsema			
			Planned	Completed	Uncompleted	Progress
			100	90	10	85%
	17	Address the rehabilitation and additional facilities at three FET Colleges (Flavius, Maluti and Motheo) through the PPP project	Busy with the feasibility study			
18	Provide water at 60 schools in collaboration with DWAF	All services have been completed.				
Infrastructure Development: Basic Services	19	Provide sanitation to 32 schools	VIP Toilets			
			Planned	Completed	Uncompleted	Progress
			42	42	0	100%
			Flushing System			
			5	5	0	100%
			Toilet Block for Educators			
			10	7	3	80%
	20	Electrify 58 schools in a partnership with ESKOM	57 schools have been electrified. 1 school will be completed next financial year, due to the location of the school.			
21	Complete the first phase of Nthuthuzelo Primary School in Bultfontein by the end of May 2005	The service is completed.				
Infrastructure Development: Free State Trust	22	Review Norms and Standards for funding of schools in order to favourably accommodate disadvantaged schools	A task team was established and the ranking of schools was finalised on 12 September 2005 and approved by the MEC on 30 September 2005. All learners in Quintile 1 schools received R703 per learner and School Governing Bodies received a letter from the Department requesting them to seriously consider the implementation of no fee schools in 2006. The 1,246 schools in Quintile 1 (poorest schools) indicated that they will not charge school fees in 2006, from which 229,789 learners will benefit. Funds available were insufficient to allow the elimination of school fees in Quintile 2 in 2006.			
	23	Link the delegations to Districts directly to finance and human resource	The delegation are already linked to districts by rank			

COMMITMENTS FOR 2005/06				
Issue	No.	Commitment	Progress	
	24	Develop and implement a plan to gradually reduce the number of vacant, unfunded posts in the Departmental structure	R 22million has been allocated to fill critical unfunded posts as follows:	
			Salary	No Botch
			14	2 R 1 067 508
			13	3 R 1 359 441
			12	4 R 1 249 636
			10	7 R 1 557 430
			9	66 R 11 764 434
			8	20 R 10 177 40
			7	22 R 2 627 680
			5	23 R 1 283 124
			Plus upgrade 1 DDG post: R 21 926 993 R 66 458 R 21 993451 PA	
	25	Implement the plan to populate vacant support staff posts in disadvantaged schools	R12 million has been allocated to fill 242 posts for clerks and cleaners at schools through advertising and interviewing and they are being filled from 1 April 2006 159 Excess staff from Agriculture is in the process of being absorbed in additional identified posts in the Thabo Mofutsanyana district. The first employees will start on 1 April 2006.	
	26	Pay all service providers within 30 days of receiving the invoices	A report indicating payments made after 30 days is circulated to all directors for explanation. In most instances payments are still made after 30 days due to the following amongst others: <ul style="list-style-type: none">Invoices received late from suppliersInvoices received late by DALM from other sectionsLate processing of payments by DALM due to other reasons.	
	27	Ensure that invoices are obtained within 30 days of delivery of services	A report indicating payments made after 30 days is circulated to all directors for explanation. In most instances payments are still made after 30 days due to the following amongst others: <ul style="list-style-type: none">Invoices received late from suppliersInvoices received late by DALM from other sectionsLate processing of payments by DALM due to other reasons.	

COMMITMENTS FOR 2005/06			
Issue	No.	Commitment	Progress
	28	Improve debt management and resolve cases older than three years to the value of R 31 147 289	There has been a significant improvement in this regard. Debt older than 3 years has been reduced by R27 320 028.07 and the outstanding debt to be recovered is R 3 827 260.93. Finalisation of the reconciliation will be done by the 31 March 2006.
	29	Establish 50 multi-media centres at 50 schools	<p>The following is in place at the 50 schools that have benefited from the R22million:</p> <ul style="list-style-type: none"> Schools have utilized the allocated budget and have purchased multi-media resources The multi media resources are currently being processed and entered onto a computerised library administration program to facilitate use and record keeping. All 50 schools have established school library committees to ensure that the utilization of the multi media resources is integrated into daily classroom practice. Each of the 50 schools has allocated a teacher to manage the library. There are currently no full time teacher librarians in the schools to support educators and learners in the use and integration of multi media resources in the classroom. This constrains optimal utilization of the resources.
e-Education	30	Provide 254 schools with 2 computers each for administrative purposes	177 schools have received computers for administration; the other remaining 77 schools could not get their computers during this financial year, due to budgetary constraints
	31	Establish 2 satellite ERCs in every district before the end of 2005	10 sites were identified and approved by senior management. Awaiting the delivery of equipment and furniture to the 10 satellites.
	32	Implement a training programme for e-learning and information skills at schools that already have computer and multi-media resource centres to ensure optimal utilisation of existing resources	<p>The Microsoft Partners in Learning (PIL) program was implemented with the support of SchoolNet and 534 educators were trained in the use of computers in learning and teaching. 12 master trainers have been trained. In addition, 233 educators have attended training in ICDL and 230 educators have attended basic computer literacy training, totalling 1 160 educators.</p> <p>880 educators have received training on information skills and the use of multi media resources.</p>
	33	Offer office-based employees training in ICT and ensure that at least 100 employees attend such training programmes	863 office based employees attended accredited training in computer skills which means that they are building up credits towards a qualification in ICT.
	34	Determine how the partnership with BESA will unfold over the next two years	Management is still considering different options put forward.
	35	Consider the resolutions of the ELITS and e-Learning conference to inform the implementation of e-education initiatives	The department is currently investigating the reskilling and placement of excess educators as information workers in Free State towns to serve schools.
	36	Commence with the construction of two	Construction has started at both schools. Construction

COMMITMENTS FOR 2005/06			
Issue	No.	Commitment	Progress
		new schools: <ul style="list-style-type: none"> • Dr Mngoma in Welkom • EE Monese Secondary in Senekal 	is at foundation stage on both projects. <ul style="list-style-type: none"> • Dr Mngoma the progress is 2% and the contract is still within the contract period. • EE Monese the progress is 1% and the contract is within the contract period.
Infrastructure Development: Capital Projects	37	Complete six schools	Only three schools were completed by end of the third quarter. The other three will be completed during the next financial year as the progress has been slow in different sites. The following schools were completed <ul style="list-style-type: none"> • Tawana • JJ Khubeka • Disasterpark The other three will be completed during next financial as the progress has been slow on different sites. They are: <ul style="list-style-type: none"> • JC Motumi • Lourierpark • Kgotso-Uxolo
	38	Provide 13 new schools by 2007/08 with PPP Projects	Needs analysis and Options analysis completed. Feasibility Study will be presented to National Treasury in April 2006. Transaction Advisors currently appointed will assist the department with the procurement phase to commence after the National Treasury approval. Construction is anticipated to start early 2007 as follows: Jimmie Roos School Upgrading of 4 FET Colleges Upgrading of 24 schools Building of 10 new schools
	39	Commence with the construction of additional facilities at Mmabana Primary School in Wesselsbron	Presently adjudication is taking place. Once the adjudication is complete the site will be handed to the successful bidder and construction will commence immediately.
	40	Preparation for the implementation of the National Curriculum Statement (NCS) for Grades 10 to 12 and	The NCS Grades 10-12 generic orientation was delivered throughout the province in the week of 27-30 June 2005 for all Grades 10-12 Educators. Duration of the orientation was two days in each five education districts and reached 6765 Educators Subject specific orientation was held during winter (4-8 July 2005) and summer (26-30 September 2005) and reached 6716 Educators. The Educator orientation programme will continue in 2006 with focus on Grade 11 and 12 educators
National Curriculum Statement		National Curriculum Statement for Grades 7 to 9 in the immediate future	<ul style="list-style-type: none"> • Grade 7 orientation was completed • Grade 7 NCS implementation is monitored on an ongoing basis through school visits and 480 workshops were held • Grade 8 – 9 orientation started at each

COMMITMENTS FOR 2005/06			
Issue	No.	Commitment	Progress
			<p>educator for 8-9 has attended a 12 hours afternoon workshop</p> <ul style="list-style-type: none"> Planning for the March Holiday training has been completed, and the Provincial Core Training Team will be trained in the first week of May 2006 Training manuals completed
	41	Award incentives of R 100 000 each to 50 well-performing primary schools and R 150 000 each to 50 well-performing secondary schools	All qualifying schools received their share. The total amount paid is R12,5million
Incentive Awards	42	Implement Operation Jack-Up – establish specialist teams in districts to diagnose problems	<p>The deployment of multi-disciplinary District support teams to schools occupied a high profile position in ongoing efforts at the level of the District to provide support to all schools that performed below 50% in relation to the 2004 Senior Certificate Examination. This took the form of a monitoring and support role in relation to the following:</p> <ul style="list-style-type: none"> Progress with the completion of the syllabus. Implementation of School Improvement Plans. Motivational talks to Grades 10-12 learners. Presentations to Grade 12 learners on study methods. Guidance in relation to approaches in examination techniques for HG and SG. Ongoing analysis of monthly tests to review performance of learners with a view to diagnosis of learning problems. Development of curriculum management and leadership skills.
Matric Results	43	Achieve an endorsement rate of 25%	The endorsement rate achieved stands at 21, 9% and 4, 3% above the national endorsement rate. However, of importance to note is that in 2005 the total number of exemptions was 5729 as compared to 5483 in 2004. Thus 246 more candidates achieved university endorsement
	44	Eliminate failing schools (50% pass-rate)	The benchmark in relation to failing schools was adjusted upwards from 40% to 50% during the course of the year 2005. However, it needs to be recognised that the year 2005 commenced with only 11 schools having performed below 40% in relation to the 2004 Senior Certificate Examination. With the 2005 analysis of Senior Certificate results, 24 schools are below 50%, and of these schools, only 7 are below 40%. As the 2006 school year gets underway, the Free State needs to deal with 24 schools below the national benchmark.
	45	Zero-tolerance for misappropriation of school funds and plundering resources intended for learning and teaching	<p>Through the Values in Education Training Workshops for Guardian Educators, issues relating to the principles and values of accountability for managing school finances are addressed so that we can achieve the objectives of zero tolerance for the misappropriation of school funds. In relation to the principle of accountability is the promotion of the value of respect for property inculcated amongst our educators to counter those intending to plunder resources aimed at teaching and learning.</p> <p>The following statistics serves as evidence in this regard:</p> <ul style="list-style-type: none"> 25 workshops provincially. 896 Guardian Educators trained.

COMMITMENTS FOR 2005/06			
Issue	No.	Commitment	Progress
Values in Education – Discipline	46	Summit for all stakeholders in June 2005	A summit for celebrating the 50 th Anniversary of the Freedom Charter was successfully held in Welkom on 21 June 2005. The occasion was graced by the MEC: Education, other members of senior management including 200 learners, 20 teachers and a representative from the National Department of Education.
Values in Education	47	Fund projects that will bring about social cohesion	The Department of Education has through the Values in Education section distributed documents on Strategy for Building Racially Integrated Schools. Values in Education officials have through the aforementioned workshops supported schools to implement the Strategy on Racial Integration. Schools are expected to streamline their policies in line with the strategy e.g. admission policy and policies on language and religion. Posters of National Symbols were distributed to 800 schools. All 5 Districts celebrated National days i.e. Freedom Day, Women's Day and Heritage Day, as a way of promoting National cohesion and Racial Integration in our schools.
	48	Partner with Valued Citizenship initiative to reach 130 schools throughout the province – targeting 260 teachers and 10 400 learners	Out of 130 selected schools, 102 primary schools participated successfully in the Valued Citizenship Initiative Programme. 278 educators qualified as Valued Citizenship Educators. As reference to the above statement, the Graduation Ceremony will be held to accredit the 278 educators on the 24 March 2006 in Welkom. 8000 learners were reached through the programme
	49	Partner with SANBI to "green" 20 schools in the province	Out of the 20 schools that were targeted 15 schools have been successfully greened (planting indigenous trees, creating vegetable and flower gardens): 8 schools in Phuthaditjhaba have been greened. 4 schools in Welkom and 3 schools in Trompsburg have been greened.
School Beautification and Cleanliness	50	Establish partnerships with other state departments and municipalities to consolidate strategies for beautifying and cleaning up schools	Partnerships have been established with the following Departments: Dept. of Local Government and Housing Dept. of water Affairs and Forestry Dept. of Agriculture Dept. of Social Development Dept. of Health Dept of Sport, Arts, Culture, Science and Technology
	51	Run a competition to reward schools and institutions of learning for efforts at cleaning up and beautifying their schools and school grounds (jumpstart project in 100 selected schools)	A competition was successful run throughout the province. On the 18 March an award ceremony will be held at Tshiya Education Resource Centre, Phuthaditjhaba, and Thabo Mofutsanyana District to incentivise the winning schools.
	52	Consider the possibility of withdrawing Section 21 (c) function that relates to procurement of LTSM	An action plan emanating from the recommendations of Section 21 investigation has been drawn up and forwarded for approval. The Section 21 (c) function will be dealt with as part of the overall recommendations.
Section 21 Schools	53	Consult with schools on withdrawal of	An action plan emanating from the recommendations of Section 21 investigation has

COMMITMENTS FOR 2005/06			
Issue	No.	Commitment	Progress
		powers	been drawn up and forwarded for approval. The Section 21 (c) function will be dealt with as part of the overall recommendations.
	54	Establish Provincial and District Councils for SGBs	Not established during 2005/06. Elections during May –June 2006.
SGB Councils	55	Pay subsidies to independent schools that qualify	Subsidy payments are paid in accordance with the National Norms and Standards for School Funding to independent schools. 47 Primary and 38 Secondary independent schools benefit from subsidies paid by the Department.
Payment of subsidies	56	Take appropriate measures against independent schools that perform poorly	All secondary schools in this area obtained a pass rate of more than 50% during 2005/6. They performed beyond the benchmark. All primary schools achieved a pass rate of 85% or more. In general the independent schools performed well.
	57	Ensure that learners participate in different sporting codes at school, regional, district, provincial and national levels	<ul style="list-style-type: none"> Farm Schools: Won 5 from the 8 National Competitions in the under 15 age group in the codes of Netball, Volleyball, Football, Cross Country and Chess. ELSEN Disciplines: Netball mentally mild and intellectually impaired won gold, whilst Cricket, Athletics and Football obtained silver positions. High Schools Cricket under 15 obtained silver medals at the National tournament.
SYRAC	58	Provide athletes who make it at national level the opportunity to participate at international level	<ul style="list-style-type: none"> International participation took place within the codes of cross country, basketball, athletics football and swimming which formed part of the COSSASA Games, Pacific Games and International Events for disabled learners. COSSASA ball games – Botswana – 9 FS learners participated for S.A. in netball, basketball and football. Netball Gold, Football Silver, Basketball Silver. Two disabled learners participated in Australia: World athletics for Intellectually Impaired. No medal position obtained. Two disabled learners participated in France. Table tennis for intellectually impaired. No medal position obtained. <p>Twelve learners and one educator participated at the Pacific Games in Australia. Representing S.A. in Athletics, Basketball and Swimming. F.S. Learners won two gold and one bronze medal in Athletics and 1 gold in swimming.</p>
	59	<p>Sign a memorandum of agreement with the Department of Sport, Arts, Culture, Science and Technology whereby DSACTS will assist FSDoE with:</p> <p>Talent identification Accreditation of coaches Sport administrators and technical officials</p>	<p>Agreement has been signed. MANCO has been established. Work – plans are to be finalized. However work between the two departments is going on well.</p> <p>Challenges Specific planning regarding future projects Logistic provisioning and funding Line function operations and control</p>

COMMITMENTS FOR 2005/06												
Issue	No.	Commitment	Progress									
	60	Implement the following programmes aimed at promoting arts and culture: <ul style="list-style-type: none">Tirisano School Choral EisteddfodIndigenous Music and Dance festivalsPublic Speaking and DebatesYouth Summits and Communicators Awards	Progress: <ul style="list-style-type: none">691 Schools participated in the Tirisano School Choral Eisteddfod project, from District to Provincial Level150 Schools proceeded to provincial level.22 Schools managed to proudly represent the province at National Level in the different categories i.e. Senior Primary, Junior Secondary and Senior Secondary Schools. Free State was placed position 3 rd (overall) after Western Cape (position 1) and Eastern Cape (position 2) respectively. The project was completed in September 2005									
	61	Upgrade the facilities and train staff at the Leboneng in Lejweleputswa, Letlotlo in Thabo Mofutsanyana and Maboloka in Motheo to become Full Service Schools (national responsibility)	Three services schools will be attended to by the Department of Public Works, Roads and Transport during the next financial year 2006/07. PRP directorate is not responsible for training the staff. The National Department of education will make money available for the initial phase of training and upgrading the facilities at Letlotlo primary school. This project should be completed by September 2007.									
Inclusive Education	62	Appoint psychologists and therapists	Not appointed yet. The critical posts of the therapists have been identified by the working group of personnel in Special schools and Head Office. The vacant posts of therapists to be filled have been communicated with Human Resources directorate and the filling of those posts will be catered for in the new financial year in terms of funding according to the norms.									
	63	Train Site Based Support Teams and District Based Support Teams	Provincial training has been provided to primary schools and also extended to secondary schools.									
	64	Adapt buildings to satisfy the needs regarding the accessibility of buildings to learners experiencing physical disability	Conversion for disabled <table><tr><th>Planned</th><th>Completed</th><th>Uncompleted</th><th>Progress</th></tr><tr><td>10</td><td>7</td><td>3</td><td>85%</td></tr></table>		Planned	Completed	Uncompleted	Progress	10	7	3	85%
	Planned	Completed	Uncompleted	Progress								
10	7	3	85%									
65	Launch the FET Board	The Provincial Board for FET was established in March 2005.The board has its EXCO as required by legislation. The board has developed a framework which was workshopped on 6-8 March 2006										

COMMITMENTS FOR 2005/06			
Issue	No.	Commitment	Progress
FET Board	66	Expand the reach of ABET Increased participation in ABET programmes	1. On top of the 201 standing ABET centres used to provide ABET levels 1 (ONE) to 4 (FOUR) within the department, partnerships are being entered into with the sister departments to expand ABET provision beyond the borders of the Education Department institutions. These include the following; <ul style="list-style-type: none"> • Department of Agriculture; • Department of Health; • Partnership between the Department of Education, Local Municipalities and the LGSETA;
Reach of ABET		Ensuring that ABET programmes support the EPWP	There are no programmes of this kind within ABET at this point in time as all ABET programmes are designed at a national level. This provision has not yet been made, however the hope is that the envisaged future ABET Transformation should indeed accommodated this desperate need. The strategy adopted to fast track the process of making the ABET centres responsive to the needs of the EPWP is to approach relevant SETA's who may be keen to enter into partnership with the Department of Education in availing opportunities that will make it possible that these programmes could be offered in some prominent ABET centres for a start. These preparations are currently being addressed for implementation next year, 2007/08 academic year.
	67	Hold an ABET summit to enable all stakeholders to identify the critical challenges facing the sector and to develop appropriate strategies to address them	The concept of a Departmental Conference was conceived and this took place from the 13th to 16th February 2006 at Ilanga Estate in Bloemfontein.
	68	Subsidise Community-based Grade R sites and school-based Grade R classes	285 community-based sites are currently subsidised by FSDoE. (Grade-R) 287 Grade R classes are subsidised in public schools 2 Service providers to train 250 practitioners have been appointed
ECD	69	Develop a suitable curriculum for pre-Grade R learners and training programmes for 250 practitioners in collaboration with the Flemish government and sister departments	Curriculum for Pre-Grade R is in at Draft stage
	70	Open three more hostels to reach the goal of having two hostels in each district	Three hostels in three districts namely; Xhariep: Edenburg Hostel with 55 learners; Fezile Dabi: Villiers Hostel with 40 learners and Motheo: Thaba Nchu College with 100 learners will be opened during the beginning of the next term.
Farm School Hostel Project	71	Identify a third hostel in Xhariep to accommodate learners that could not be transported	Edenhof hostel is currently under construction and the progress is 90%.
	72	Transport 1 434 learners in Thabo Mofutsanyana, 406 in Lejweleputswa, 525 learners in Northern Free State and 1 238 in Motheo	The targeted number of learners in Thabo Mofutsanyana, Lejweleputswa, Fezile Dabi and Motheo has been achieved. A total of 3117 learners are being transported.
Learner Transport	73	Feed a total of 287 000 learners in 2005/06	An addition of 118 062 learners were identified for feeding. There were 234 534 and 118 062 (total of 352

COMMITMENTS FOR 2005/06			
Issue	No.	Commitment	Progress
			596) learners fed through NSNP. Food parcels were issued to 21 640 orphans twice a year
National Nutrition Programme	74	Provide hot meals to 21 schools in the pilot project	Initially 15 981 learners participated in a pilot study of cooked meals in 22 schools. Later, 118 062 additional learners in 147 schools with 40 schools in Xhariep.
	75	Implement an holistic intervention project in collaboration with the Nelson Mandela Foundation to assist orphans and vulnerable children in the five schools supported by this organisation	<p>The Life Skills and HIV and AIDS Education Unit have had meetings with the Nelson Mandela Foundation: 25 schools in FS will be targeted. 'Save the Children UK' will lead the project with 5 NGO Consortiums assisting:</p> <ul style="list-style-type: none"> • World Vision in Motheo • Sacred Heart in Xhariep • Matjhabeng in Lejweleputswa • Moghaka in Koppies and Child Welfare in Sasolburg in Fezile Dabi • Save the Children UK in Thabo Mofutsanyana <p>Schools have been identified Orphans and vulnerable have been identified</p> <p>Further meetings / workshops have been planned as follows:</p> <ul style="list-style-type: none"> • 23 Nov 2005 Managers of NGO's • 9-13 Jan 2006 for Implementers of NGO's • 18-19 January 2006 for Managers and DoE Officials • 7-10 February a Workshop to train Youth Facilitators who will be attached to schools • Project is well on its way: • A Needs Analysis has been done • Youth Facilitators have been appointed. Funds are required for stipends for Youth Facilitators.
Orphans and Vulnerable Children (OVCs)	76	Develop and implement an integrated model in response to HIV and AIDS in education, based on the existing capacity of schools to focus on the needs of affected and infected children and families	<p>A total of 1 818 Educators have been trained in Basic Counselling Skills.</p> <p>Inclusive Education is establishing Site-Based / School-Based Support Teams to facilitate referrals</p>
	77	Provide training and awareness programmes that include prevention, care and support at school and community level	<p>Educators from all schools at GET and ECD level have been trained in Life Skills and HIV and AIDS Education. This year a further 1000 educators were trained.</p> <p>ABET Educators were trained in Life Skills and HIV and AIDS Education.</p> <p>Pastors are also trained in HIV and AIDS Education and in many cases also in Care and Support.</p> <p>All schools were trained by an NGO Consortium in Care and Support and the EMGD Section has trained all SMT's and SGB's in the Management of the Impact of HIV and AIDS in Schools.</p>
	78	Ask local and national businesses to adopt and support various projects related to OVCs and infrastructure development through the Trust	The Provincial Coordinator persuaded ±80 Businesses & NGO's to partner with the Life Skills programme and handed them over to the PPP section.

COMMITMENTS FOR 2005/06			
Issue	No.	Commitment	Progress
			<p>Partners who directly deal with the Life Skills and HIV and AIDS Unit:</p> <ul style="list-style-type: none"> The following made proposals to PEPFAR for funding of ±1.5 -2 Million Dollars each to implement Circles of Care: World Vision for Botshabelo and Thaba Nchu Save the Children UK for Thabo Mofutsanyana Health Development Africa for Lejweleputswa and 30 schools in Thabo Mofutsanyana These organizations are still awaiting a response from PEPFAR. UNAID – proposal by Save the Children UK to work in Thabo Mofutsanyana UNICEF/UNDP – to assist with training of Youth Facilitators – Still awaiting a response. Maluti Child Care Project (MCCP) (sponsored by Nouwens Carpets) has 4 containers converted into kitchens in Harrismith from which they feed 400 vulnerable children per container per day. 2 more containers have been donated to the project. Tshwaranang Care Centre in Harrismith – has set 1 Vegitunnel at Nexus Foundation School to grow vegetables using bio-chemical waste. They will be setting up three more before 31 March 2006 as they are waiting for the seedlings to reach 5 week maturity. They have become involved with the Soul Buddyz Clubs in Thabo Mofutsanyana. CIDA (Canadian International Development Agency) is donating 200 000 dollars to train Grade 7 & 8 Educators in the 'Victims and Villians' Abuse Programme. Focus on the Family acquired a sponsor to supply Manuals for Educators and Learners in the FS Province for the 'No Apologies' Programme
	79	Have bilateral discussions with DWAF, Provincial Departments, ESKOM, TELKOM, Transnet, Vodacom and Billiton to reinforce the integration of interventions and plans with Integrated Development Plans (IDPs)	<p>Bilaterals were held with stakeholders mentioned to assist in the delivery of services and infrastructure to schools across the province.</p> <p>Integration with IDP's to take place through the formal structures at various levels within the provincial government.</p> <p>The following are some of the more specific achievements:</p> <ul style="list-style-type: none"> Transnet agreed to make another R 800 000.00 available for infrastructure development through the Free State Education Trust BHP Billiton is currently considering support based on the priority list for infrastructure. Proposal was developed for VODACOM to assist with support to OVC's

2.10 Service Delivery

2.10.1. Programme 1: Administration

Description of Objective and Performance measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
				Units	%
PM 1.A.a: Number of schools with Section 21 status	626	625	625	0	0
PM 1.A.b: Number of recurrent non-personnel funding being channelled through the School Funding Norms	257,952	270,421	243,941	26,480	9,8
PM 1.B.a: Average real per learner allocation for recurrent non-personnel items using funding supplied via the School Funding Norms	R383	R 403	R 403	0	0
PM 1.B.b: Number of non-Section 21 schools with all LSMs and other required materials delivered on day one of the school year	1218(100%)	1218(100%)	1218(100%)	0	0
PM 1.C: Number of Years input in Senior Certificate/FETC graduate	4 years	4 years	4 years	0	0

Sub-programme 1.1: Office of the MEC

Sub-Programme objective: To provide for the functioning of the Office of the MEC for Education

Description of Objective and Performance measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
				Units	%
Number of council meetings held in accordance with the constitution and reports submitted	4	4	4	0	0
Sustainable posts are timeously created: structure reviewed and finalised	30 November 2004	30 November 2006	Achieved	0	0
The extent to which the budget reflects determined priorities	80%	100%	100%	0	0
The extent to which queries and concerns are addressed by the department in a timely manner	80%	100%	100%	0	0

The extent to which Batho Pele Principles are prioritised	Service Delivery plan developed	Satisfactory	100%	0	0
The extent to which priorities support the National and Provincial mandates within legislative requirements.	70%	80%	100%	0	0
Interaction with SGB's and communities is effected: Meet SGBs in each district	At least once	At least once	Achieved	0	0
The extent to which partnerships are functional and contribute to the achievement of strategic objectives	Education development trust launched and PPP on organisational structure	PPP and Trust yields expected results at FET Colleges	Achieved	0	0

Sub-programme 1.2: Corporate Services

Sub-Programme objective: To provide management services that are not education specific for the education system

Description of Objective and Performance measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
				Units	%
Number of EPWP job creation projects approved	759	388 projects	1185	+797	205
The extent to which all vacant funded educator and public servant posts are permanently filled in a timely manner within budget limitations.	Vacancies filled in critical posts 85: 15 Budget split	Filled within 3 months (% Vacancies) 85: 15 Budget split	1624 Posts filled	0	0
The extent to which unemployed but qualified educators are employed.	4 700 unemployed educators have been recorded on register	Appoint 140 educators from the data base	2199	+2059	1471
Equity targets are achieved by Department.	Public servant 90% achieved; Office based educators 68%.	100%	164 Office Based	0	0
The extent to which conditions of service is effectively administered.	80%	100%	100%	0	0

				Deviation from Target	
The performance management system is implemented effectively.	There are 5 categories of which 21 officials received bonuses and PDMS were also paid out to the officials	PDMS and Excellence awards fully implemented & SMS evaluated	100% PDMS and Excellence awards fully implemented & SMS evaluated	0	0
Disciplinary cases are timeously finalised.	145 misconduct cases not finalised within 2 month period.	Within three months after date of receipt	Finalised 193 misconduct within three months of date of receipt	0	0
Appeals are timeously finalised.	32 appeals not finalised within 90 day period.	Within 30 days after the appeal is lodged.	147 cases finalised within 30 days after the appeal is lodged	0	0
Arbitrations are successfully handled in terms of prescribed procedures.	All arbitrations were attended.	100%	100%	0	0
The extent to which training on labour relation matters takes place.	Training of principals in Motheo District & Senior Managers in March 2004	5% of all staff	Achieved 5% of all staff	0	0
Timeous response to legal processes within stipulated timeframes.	Timeously attended to, except in two instances where information could not be obtained to brief State Attorneys.	100% compliance with time frames.	99% compliance with time frames	1	1
The extent to which training on legal matters takes place	No training was done due to lack of funding.	1 Seminar per annum	Achieved	0	0

				Deviation from Target	
The extent to which the ICT strategic plan is implemented for office based employees	+ 520 office-based employees have e-mail. 120 Office based employees have Internet access	ICT strategic plan developed + 250 additional office based employees get e-mail.	1187	0	0
The extent to which the Department forges partnerships with other stakeholders.	3 Trustees as partners in FS Education Trust.	20% increase in number of partnerships & PPP fully functional	2 Trustees as partners in FS Education Trust.	0	0
The extend to which contact session with stakeholders takes place.	MEC visited 5 districts	MEC district visits in January /Feb;	All five Districts visited during the MEC's Road shows = 100%	0	0
	Held meetings with the union	One bilateral meeting with each union; parents; SGB	Achieved	0	0
	Management visited the various schools throughout the 5 districts	One senior management visit per year to schools and districts	Achieved	0	0
The extent to which the Communication Strategy is implemented.	30%	40%	40%	0	0
The extend which employees are awarded for excellent performance	21 officials received excellence awards	New categories added to excellence awards	No New categories added to excellence awards	-	100%
Adherence to all statutory requirements as well as normative measures and minimum standards for month end.	70%	100%	80%	-	20%
The opinion expressed as per the Audit Report is improved.	Qualified	Qualified	Qualified	0	0

Sub- Programme 1.3: EDUCATION MANAGEMENT

Sub-Programme Objective: To provide education management services for the education system

Description of Objective and Performance measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
				Units	%
PM 1.3.1 The extent to which all ABET Centres, ECD sites, schools and home-based sites are correctly registered and monitored according to set criteria .	100%	100%	0%	-	100%
PM 1.3.1.2 The extent to which learning programme including issues such as HIV/AIDS, environmental education and values in education with inputs from all relevant projects are developed.	100%	100%	100%	0	0
PM 1.3.1.3 The extent to which guidelines are developed for C2005 in relation to NCS and RNCS implementation including guidelines for assessment, classroom management planning and preparation and for monitoring and support	100%	100%	100%	0	0
PM 1.3.1.4 The extent to which assessment and all other relevant aspects of the curriculum are adjusted where necessary for LSEN learners.	100%	100%	100%	0	0
PM 1.3.1.5 The extent to which Provincial Learning Areas and Subject Committees are functioning effectively in all learning areas and subjects.	30%	50%	50%	0	0
PM 1.3.1.6 The extent to which national and provincial curriculum policies are developed collaboratively.	100%	100%	100%	0	0
PM 1.3.1.7 The extent to which the Provincial Education Library is fully functional and provides access to information for all employees.	1 000 employees used the education library	3 000 employees use the education library.	2844	-156	5.2

				Deviation from Target	
PM 1.3.1.8 The extent to which ERCs render services efficiently, also to the satellite ERCs and provide access to services and information to all their clients	N/A	1000 office based employees receive ICDL training	817	-183	18.3
		125 office-based educators receive INTEL training.	99 educators (270) 244	-26	20.8
		1400 science educators attend science kit training.		-1156	82.6

Sub- Programme 1.4: HUMAN RESOURCE DEVELOPMENT

Sub-Programme Objective: To provide human resource development for office based staff

Description of Objective and Performance measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
				Units	%
The extent to which human resource development is in line with equity requirements.	100%	100%	100%	0	0

Specific challenges and responses

Challenge 1: Procurement system The payment system that only starts operating in May 2005 after the beginning of a new financial year place a great financial burden on contractors on sites. The payment system in general takes too long and this also put contractors in financial difficulties
Response to Challenge 1 The systems should not be closed down completely for longer than weeks, especially in case of infrastructure related projects.
Challenge 2: Incomplete implementation PDMS LEVEL 1-12 not finalised due to incorrect implementation by managers
Response to Challenge 2 Meetings held with SMS at second level moderation to discuss meetings held with individual managers to correct the implementation

<p>Response to Challenge 3</p> <p>Discussed at SLMC, some managers have complied</p>
<p>Challenge 4: Skilling of office based employees in the use of ICT</p> <p>Many of the office based users of ICT resources are not skilled in the use of the equipment they have to their disposal and the few network controllers (there are only 7 and there should be 66 based on the number of computers in the system) are called out to provide software end user support (which is not their responsibility) and find that most of the problems are things which the user should have been able to solve themselves.</p> <p>The envisaged training facility to be established on the 15th floor is not happening because of the none vacating of the officials from the Department of Sports, Arts, Culture, Science and Technology. Currently ICT training is being offered at the ERCs but officials are finding it hard to fit this training into their busy schedules.</p>
<p>Response to Challenge 4</p> <p>A service provider will be contracted to provide end user support to every building that houses FSDoE officials.</p> <p>Presentation of a proposed ICT training schedule (in collaboration with OHRD, FET Colleges and e-Education Directorate) to ensure that all officials are scheduled to attend ICT training systematically without disrupting their delivery programs but still ensuring that the necessary ICT capacity building takes place.</p>
<p>Challenge 5: Shortage of network controllers</p> <ul style="list-style-type: none"> • Need 66 network controllers for the number of computers in the system • We have 8 (one vacancy) network controllers. • Strong focus on roll out to schools. • Limited end user and technical support to office based officials who mainly require software support which is not the functions of the network controllers • Limited budget, which does not make provision for the contracting of end user support services to offices.
<p>Response to Challenge 5</p> <ul style="list-style-type: none"> • Fill vacant network controller's posts. • Ensuring that the computer skills of office based employees increase so that they can help themselves. • Getting an adequate line budget to contract end user support for offices
<p>Challenge 6: Non adherence to due dates</p> <p>Components are slow to submit information as requested to complete ATR</p>
<p>Response to Challenge 6</p> <ul style="list-style-type: none"> • HRD collect information from individual components to develop the ATR. • Training conducted will be monitored by HRD officials. • Meetings are held with responsibility managers to obtain their commitments in training 2006/2007
<p>Challenge 7: Training of principals on labour issues</p> <p>To provide training to all principals on informal disciplinary procedure.</p>
<p>Response to Challenge 7</p> <p>All principals in Thabo Mofutsanyana, Motheo, Xhariep and Fezile Dabi Districts received training on Informal disciplinary procedure, Abscondments and Grievances. Lejweleputswa District cancelled the training of principals due to lack of funds.</p>

<p>Challenge 8 : BAS & Logis</p> <p>The payment system that only starts operating in May 2005 after the beginning of a new financial year place a great financial burden on contractors on sites.</p>
<p>Response to Challenge 8</p> <p>The financial systems should not be closed down completely for longer than two weeks, especially in the case of infrastructure related projects.</p>
<p>Challenge to 9: PDMS</p> <p>The Performance Plans that were received are not up to standard and delayed the payments of incentives.</p>
<p>Response to Challenge 9</p> <p>Officials were guided by the Performance Management Section on how to rectify the Performance Plans. The section dealing with this matter has been restructured and management plans have been developed for improvement.</p>
<p>Challenge 10: State guarantees</p> <p>To redeem state guarantees within 3 months.</p>
<p>Response to Challenge 10</p> <p>Meetings are held with Directorate: Financial Accounting regularly</p>
<p>Challenge 11: Leave forms</p> <p>To ensure that leave forms are timeously submitted and processed</p>
<p>Response to Challenge 11</p> <p>Circulars 41/2004 and 51/2004 have been issued. School monitoring and training take place quarterly</p>

2.10.2. Programme 2: PUBLIC ORDINARY SCHOOL EDUCATION

Programme objective: To provide public ordinary education for Grades 1 to 12 in accordance with the South African School's Act

Sub-programme 2.1: Public primary phase

Programme objective: To provide specific public primary ordinary schools with resources required for the Grades 1 to 7

Description of Objective and Performance measure		Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
					Units	%
PM 2.1.A:	Number of spaces provided in the public primary phase	437 249	437 300	432 863	-4437	1.01
PM2.1B.a:	Number of educators at the public primary ordinary schools	13 208	13 976	13989	+13	0.1
PM 2.1.B.b:	Learner: Education ratio in the public primary phase	35:1	32:1	32:1	0	0
PM 2.1.C.a:	Number of new classrooms built	40	33	23	-10	30.3
PM 2.1.C.b:	Learner: Classroom ratio in the public primary phase	40:1	40:1	40:1	0	0
PM 2.1.C.c:	Number of new toilets built.	100	32	112	+80	+71%
PM 2.1.C.d:	Number of schools with a water supply	20	60	42	18	0.3
PM 2.1.C.e:	Amount of capex budget spent on maintenance	98%	100%	92%	-	8%
PM 2.1.C.f:	Number of schools renovated.	22	25	25	0	0
PM 2.1 C.g:	Number of schools supplied with water.	20	60	42	-18	30%
PM 2.1 C.h:	Number of schools supplied with toilets.	30	32	36	+4	1.25
PM 2.1 C.i:	Number of schools supplied with strong rooms.	9	3	3	0	0
PM 2.1 C.m:	Number of schools supplied with electricity.	40	58	47	-11	19
PM 2.1 C.n:	Number of schools converted for disabled.	5	4	5	+1	25
PM 2.1 C.o:	Number of schools with unacceptable structures renovated.	15	15	13	-2	13.3
PM 2.1 C.p:	Number of schools maintained through the Letsema Programme.	50	50	50	0	0
PM 2.1 C.q:	Number of schools prepared for computer installations.	30	50	50	0	0
PM 2.1 C.r:	Number of schools supplied with mobile classrooms.	20	20	20	0	0
2.1 C.s:	Number of Hostels renovated in accordance with small schools policy.	1	2	2	0	0
PM 2.1.C.t:	Spend 100% of Renovations Budget.	85%	100%	92%	-	8%
PM 2.1.D.a:	Gender parity index in public primary schools	1.06	0.95	0.95	0	0
PM 2.1.D.b:	Number of learners in public primary schools who are disabled	11 562	14 152	1747	-2385	16.85
PM 2.1.D.c:	Number of ordinary full-service schools per 100,000 learners at the primary phase.	3	3	3	-3	100
PM 2.1.E.a:	Number of learner days lost due to learner absenteeism in the primary phase	56	50(3.38%)	23(1.56)	-1.82	53.8

PM 2.1.E.b:	Number of working days lost due to educator absenteeism in the primary phase.	29	25(5.93%)	28(3.66%)	+3(2.27)	38.3
	Number of Resource Centres in Public Primary Ordinary Schools	6	8	8	0	0
PM 2.1.F:	Average hours of development activities per educator in the primary phase	80 hours	80 hours	80 hours	0	0
PM 2.1.G.a:	Repetition numbers in the primary phase	46.98%	18%	(16.526%)	-7.82	43.4
	Number of under aged learners in Public Primary Ordinary Schools	0	34 000	40 004	+6 004	0
PM 2.1.G.b:	Dropout numbers in the primary phase	3.38%	1.0%	1.0%	0	0
PM 2.1.H.a:	Number of learners in Grade 3 attaining acceptable outcomes in numeracy, literacy and life skills	60%	65%	65%	0	0
PM 2.1.H.b:	Number of learners in Grade 6 attaining acceptable outcomes in numeracy, literacy and life skills.	38 220	39 000	39 000	0	0

Specific challenges and responses

Challenge 1: Upgrading of security measures at schools

- The upgrading of existing security measures at schools, admin blocks, as well as computer centres, has a significant impact on the roll-out of computers as it takes a long time.
- No equipment can be provided unless the security has been upgraded to the required standards. Lack of administrative staff to obtain quotations, place orders and monitor progress regarding installation hampers the rollout.

Response to Challenge 1: Upgrading of security measures at schools

- Administrative tasks should be handled by a full-fledged admin component.

Challenge 2: Budget allocation for the roll out of computers to schools

- Line budget allocation is not sufficient to meet Provincial targets for schools as per the White Paper on e-Education.

Response to Challenge 2: Budget allocation for the roll out of computers to schools.

- Budget should be increased in order to meet targets of the White Paper on e-Education
- Budget for computers in schools should be allocated under program 2

Challenge 3: No staff to train educators on the use of computers

- E-Learning is a new function and there are no staff members at district level and only two at provincial level.
- This means that there are no staff members to assist schools in the use of computers that are being rolled out to schools.
- The risk is that equipment will stand unused, not cared for and schools will not move from ICT schools to become e-learning schools where the use of computers is part of classroom practice.
- This may lead to auditor general enquiries on fruitless and wasteful expenditure and the Province not achieving the targets of the White Paper on e-Education as set at national level.

Response Challenge 3: No staff to train educators on the use of computers

- Vacant e-Learning posts at district and provincial level should be filled.

Challenge 4: Shortage of network controllers

- Only 4 network controllers at district level (one vacancy) and four at provincial level, making 9 and the Department should have 66 for the current number of computers in the system.
- End user support is not provided to schools or offices.
- Roll out of computers to schools is hampered.
- Limited technical support can be provided to schools with computer centres
- Computers delivered to schools are signed for by people that do not necessarily have the technical skills to verify the technical aspects of the delivery.
- This adds to the risks of the Department.

NOTE: The Western Cape has 64 people in their Khanye project that operates in about 340 schools.

Response to Challenge 4: Shortage of network controllers

- Vacant network controllers posts should be filled

Challenge 5: DALM (LTSM)

- Late submission of LTSM requisitions by schools
- Incorrect interpretation of norms by schools that leads to surplus at warehouses
- Budget overspending on LTSM on allocated budget by some schools

Response to Challenge 5 DALM (LTSM)

- District offices book monitors to follow up the outstanding LTSM requisition before the Head Office due date
- District offices book monitors and SMGDs to assist schools with interpretation.
- District officials must ensure that schools order within their budget allocations.

Sub-programme 2.2: PUBLIC SECONDARY PHASE

Sub-Programme objective: To provide specific public secondary ordinary schools with resources required for the Grades 8 to 12

Description of Objective and Performance measure		Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
					Units	%
PM 2.2.A:	Number of spaces provided in the public secondary phase	250 087	250 900	252 805	+1905	0.08
	Number of educators provided at public secondary phase	8470	8471	8471	0	0
PM 2.2.B.b:	Learner: Education ratio in the public secondary phase	33:1	33:1	33:1	0	0
PM 2.2.C.a:	Number of new classrooms built.	40	56(0)	2	-54	96.4
	Number of new toilets built	0	76	75	-1	0.01
PM 2.2.C.b:	Learner: Classroom ratio in the public secondary phase.	35:1	35:1	29:1	-6	17
PM 2.2.C.d:	Number of schools with a water supply	348	348	342	0	0
PM 2.2.C.e:	Amount of capex budget spent on maintenance	R8 million	100%	92%	-	8
PM 2.2.C.f:	Number of secondary schools with functioning science laboratories.	272	321	262	-59	18.38
PM 2.2.D.a:	Gender parity index in public ordinary schools	1.06	0.95	0.95	0	0
PM 2.2.D.b:	Number of learners in public ordinary schools who are disabled	2801	4659	3366	-1293	27.75
PM 2.2.E.a:	Number of learner days lost due to learner absenteeism in the secondary phase	40 days	35(4.77)	21(1.62%)	14(-3.15)	66.03
PM 2.2.E.b:	Number of working days lost due to educator absenteeism in the secondary phase	33 Days	30(5.92%)	22	8	0.27
PM 2.2.F:	Average hours of development activities per educator in the secondary phase.	80 hours	80 hours	80 hours	0	0
PM 2.2.G.a:	Number of Repetitions in the secondary phase	12.5%	11.8%	13.6%(11908)	+1.8	15.3
PM 2.2.G.b:	Number of dropouts in the secondary phase	1.5%	2.5%	2.5%(3676)	0	0
PM 2.2.G.c:	Number of over-aged learners in the secondary phase	78 854	15 776	6416	-5662	35.89
PM 2.2.H.a:	Number of learners in Grade 9 attaining acceptable educational outcomes	41 748	45 610	45 610	0	0
PM 2.2.H.b:	Number of pupils who passed in Grade 12 examinations	19,459	22.253	20.368	1885	0.08
PM 2.2.H.c:	Number of schools with a Grade 12 pass rate of less than 40%.	11	7	6	-1	14.29

Specific challenges and responses

<p>Challenge 1: Upgrading of security measures at schools</p> <ul style="list-style-type: none"> • The upgrading of existing security measures at schools, admin blocks as well as computer centres has a significant impact on the roll-out of computers as it takes a long time. • No equipment can be provided unless the security has been upgraded to the required standards. Lack of administrative staff to obtain quotations, place orders and monitor progress regarding installation hampers the rollout.
<p>Response to Challenge 1: Upgrading of security measures at schools</p> <ul style="list-style-type: none"> • Administrative tasks should be handled by a full-fledged admin component.
<p>Challenge 2: Budget allocation for the roll out of computers to schools</p> <p>Line budget allocation is not sufficient to meet Provincial targets for schools as per the White Paper on e-Education</p>
<p>Response to Challenge 2 Budget allocation for the roll out of computers to schools.</p> <ul style="list-style-type: none"> • Budget should be increased in order to meet targets of the White Paper on e-Education • Budget for computers in schools should be allocated under program 2
<p>Challenge 3: No staff to train educators on the use of computers</p> <ul style="list-style-type: none"> • E-Learning is a new function and there are no staff members at district level and only two at provincial level. • This means that there are no staff members to assist schools in the use of computers that are being rolled out to schools. • The risk is that equipment will stand unused, not cared for and schools will not move from ICT schools to become e-learning schools where the use of computers is part of classroom practice. • This may lead to auditor general enquiries on fruitless and wasteful expenditure and the province not achieving the targets of the White Paper on e-Education as set at national level.
<p>Response Challenge 3: No staff to train educators on the use of computers</p> <p>Vacant e-Learning posts at district and provincial level should be filled.</p>

<p>Challenge 4: Shortage of network controllers</p> <ul style="list-style-type: none"> • Only 4 network controllers at district level (one vacancy) and four at provincial level, making 9 and the Department should have 66 for the current number of computers in the system. • End user support is not provided to schools or offices. • Roll out of computers to schools is hampered. • Limited technical support can be provided to schools with computer centres • Computers delivered to schools are signed for by people that do not necessarily have the technical skills to verify the technical aspects of the delivery. • Add to the risks of the department. • NOTE: The Western Cape has 64 people in their Khanye project that operates in about 340 schools
<p>Response to Challenge 4: Shortage of network controllers</p> <p>Vacant network controllers posts should be filled</p>
<p>Challenge 5: DALM (LTSM)</p> <ul style="list-style-type: none"> • Late submission of LTSM requisitions by schools • Incorrect interpretation of norms by schools that leads to surplus at warehouses • Budget overspending on LTSM on allocated budget by some schools
<p>Response to Challenge 5 DALM (LTSM)</p> <ul style="list-style-type: none"> • District offices book monitors to follow up the outstanding LTSM requisition before the Head Office due date • District offices book monitors and SMGDs to assist schools with interpretation. • District officials must ensure that schools order within their budget allocations.
<p>Challenge 6: District Management</p> <p>Absenteeism of educators due to:</p> <ul style="list-style-type: none"> • Illness of educators. • Special examinations leave of educators. • Attendance of contact classes by educators.
<p>Response to Challenge 6: District Management : Educator Absenteeism</p> <ul style="list-style-type: none"> • Wellness program to extend to all districts. • Management of HIV/AIDS and its policy implementation. • Proper implementation HR circular no. 51 of 2005. • SMS to enter into negotiations with tertiary institution on attendance of contact classes and examination of educators.
<p>Challenge 7: District Management</p> <p>Absenteeism of learners due to:</p> <ul style="list-style-type: none"> • Illness of learners. • Vulnerable learners. • Learners travelling/walking long distances.

Response to Challenge 7: District Management: Learner Absenteeism <ul style="list-style-type: none"> Inclusive Section to provide more care and support to orphans and vulnerable learners. To extend learner transport to all learners travelling long distances. Hot meals to be extended to all Primary schools (Pro.Poor)
Challenge 8: District Management Over-aged learners
Response to challenge 8: District Management <ul style="list-style-type: none"> Merging/closure of non-viable schools to creating space to finishing /ABET schools.
Challenge 9: District Management <ul style="list-style-type: none"> Flow of learners through the system Dropout rate Repetition rate Pass and endorsement rate Gate-keeping
Response to Challenge 9: District Management (Response to Challenge 4) <ul style="list-style-type: none"> Inclusive section to intensify care and support programmes. SMGDs/LFs/Inclusive to form teams to do promotional schedules. Uniformity in the control of promotional schedules to be adhered to (Interpretation must be the same). District to develop an improvement plan to address pass and endorsement rate.

Sub-programme 2.3: PROFESSIONAL SERVICES

Sub-Programme objective: To provide educators and learners in public ordinary schools with departmentally managed support services.

Description of Objective and Performance measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
				Units	%
PM 2.3.A & b: Hours of training and other support provided to schools-based educators	70 hours	80 hours	80 hours	0	0

Specific challenges and responses

Challenge 1: Providing computer centres to schools

The upgrading of existing security measures at schools, admin blocks as well as computer centres has a significant impact on the roll-out of computers as it takes a long time. No equipment can be provided unless the security has been upgraded to the required standards.

Response to Challenge 1

Schools awaiting the upgrading of classrooms to computer labs will be requested to obtain three quotations by utilizing specifications provided by the FSDoE. This arrangement would somewhat ease the administrative burden to procure these services.

Challenge 2: Training of educators in ICT skills

There are currently no educators, nor district based staff to provide support to educators on the use of computers, nor is there adequate funding in the 2005/06 budget to provide a training programme for educators, school administrators and managers. The Department is therefore running the risk of equipment being unused, leading to wasteful expenditure and schools not moving from being ICT schools to become e-Learning schools where the use of ICT is imbedded in daily classrooms practice, leading to improved curriculum delivery. The envisaged support for schools with computers in the form of contracting and reskilling unemployed but qualified educators also did not take place due to a lack of funding.

SYRAC

- Teacher involvement.
- Establishment of PROCOC.
- Lack of adequate budget.
- Sporting facilities.
- Effective and efficient functionality of MANCO and its sub-committee.
- Teacher development.
- Lack of participation by former model C schools.

Programme 3: INDEPENDENT SCHOOLS

Programme objective: To support independent schools in accordance with the South African Schools Act.

Description of Objective and Performance measure Number of Independent schools	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
				Units	%
PM 3A.a: Average real per learner subsidy	R 1937	R2076	R 2076	0	0
PM 3A.b: Number of independent school learners receiving a state subsidy	(100%)	53(100%)	53(100%)	0	0

Specific challenges and responses

Challenge 1 Not all schools comply fully to Registration Regulations: A compliance file was introduced for each school.
Response to Challenge 1 One non-complying is in the process of being closed. Other outstanding compliance documents have been submitted.
Challenge 2 Not all schools adhere to the subsidy management checklist: No school receives subsidy payment unless it complies to the checklist
Response to Challenge 2 All schools that received subsidy complied to the management checklist.
Challenge 3 Some schools enroll more learners than their physical facilities allow for, which has a negative effect on the delivery of quality education and add pressure to the budget
Response to Challenge 3 Schools that are over capacity are only subsidised up to the number of learners that the official physical capacity allow. This is based on a space norm of 1.6 m ² Schools that are over capacity per learner have been informed to cut on their 2007 learner intake.

2.10.4. Programme 4: PUBLIC SPECIAL SCHOOL EDUCATION

Programme objective: To provide compulsory public education in special schools in accordance with the South African Schools Act and White Paper 6 on inclusive education

Sub-programme 4.1: SCHOOLS

Sub programme objective: To provide specific public special schools with resources

Description of Objective and Performance measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
				Units	%
Number of public special schools					
PM 4.1.A: Number of learners in special schools	60 %	4822	4822	0	0
Number of disabled learners in special schools		4503	4508	0	0

Specific challenges and responses

Challenge 1 The special needs (barriers to learning) have transport problems that need to be subsidised.
Response to challenge 1 To provide subsidised hostel accommodation as these learners are from the disadvantaged communities
Challenge 2 The Letlotlo primary school in Thabo Mofutsanyana will be converted, upgraded and financed by DoE. The remaining primary schools (i.e. Maboloka in Motheo and Lebohang in Lejweleputswa) will be the responsibility of the FSDoE because of financial constraints.
Response to challenge 2 Increase funding for special schools especially for those serving learners from disadvantaged communities. If funding gets approved, business plans will be drawn up indicating how the money would be spent.

2.10.5. Programme 5: FURTHER EDUCATION AND TRAINING

Programme objective: To provide Further Education and Training (FET) at public FET colleges in accordance with the Further Education and Training Act

Sub-programme 5.1: PUBLIC INSTITUTIONS

Sub-Programme objective: To provide specific public FET colleges with resources

Description of Objective and Performance measure Number of Public Institutions that provides for FET	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
				Units	%
PM 5.1.A.a: Number of adults enrolled in FET institutions.	24 919	30 585	28 058	2527	8.3
PM 5.1.A.b: Number full-time equivalent enrolments in FET institutions	9198	10 613	11 773	+1160	10,9
PM 5.1.B.a: Number of students who are girls or women	9 903	10 980	11 773	+793	7,2
PM 5.1.B.b: Number of educators who are African	43.8	132	524	+392	297

Specific challenges and responses

<p>Challenge 1: Absence of National Curriculum Framework</p> <p>Absence of the National Curriculum Framework- The release of the Framework will enable FET Colleges to be responsive to the community and the Business and Industry needs as well.</p>
<p>Response to challenge 1</p> <p>This process has been overtaken by the Recapitalisation of FET Colleges, where about 20 programmes are developed by national Department of Education in consultation with Provinces, SETAs, Business and Industry, SAQA, UMALUSI, and FET Colleges.</p>
<p>Challenge 2: Limited capacity</p> <ul style="list-style-type: none"> Limited Capacity at Head Office level - The filling of a vacant funded post for Curriculum Development for FET Colleges is crucial, as well as the staffing of the Policy Development Unit of the Sub-Directorate: FET Colleges is inevitable. Filling of all the FET Colleges posts as reflected in the approved FET Colleges organisational structures.
<p>Response to challenge 2</p> <p>A submission on the current situation and the proposed micro structure was made to OHRD Directorate.</p>
<p>Challenge 3: Provision of Facilities at FET Colleges</p> <p>Provision of Sporting facilities, Libraries & Media Centres at FET Colleges.</p>
<p>Response to challenge 3</p> <p>More allocation on transfer payments be made to FET Colleges</p>
<p>Challenge 5: Improving Learner Performance</p> <p>Improving learner performance at FET Colleges, especially for Engineering Studies.</p>
<p>Response to challenge 5</p> <p>Inviting various examiners to the Province to assist Lecturers handling the failing subjects</p>
<p>Challenge 6: e-Education and e-learning</p> <p>Increase the R5m IT transfer payment to accommodate the developed e-Education strategy for FET Colleges.</p>
<p>Challenge 7: Capacity</p> <p>Limited capacity at Head Office for the roll-out of the Recapitalisation Plan</p>

<p>Response to challenge 7</p> <p>FET Chief Directorate should identify minimum key posts that will enable it to roll-out the Recapitalisation programme with the understanding that the personnel budget is limited</p>
<p>Challenge 8</p> <p>Limited budget allocated for the FET Colleges Sub-Directorate for 2006/07. This inhibits effective and efficient service delivery.</p>
<p>Response to challenge 8</p> <p>FET should submit a proposal for the increased budget for consideration based on delivery constraints identified.</p>
<p>Challenge 9: Rehabilitation of buildings</p> <p>Rehabilitation of buildings to be fit for purpose and accessible to students who are differently challenged.</p>
<p>Response to challenge 9:</p> <p>Operational plans for Recapitalization</p>
<p>Challenge 10</p> <p>Development of Sport infrastructure at FET Colleges to accommodate the introduction of new sporting codes.</p>
<p>Response to challenge 10</p>
<p>Challenge 11</p> <p>Filling of critical posts at FET Colleges as per the approved Organisational Structures.</p>
<p>Response to challenge 11</p> <p>FET Chief Colleges should identify minimum key posts that will enable it to function with the understanding that the personnel budget is limited</p>

2.10.6. Programme 6: ADULT BASIC EDUCATION AND TRAINING

Programme objective: To provide Adult Basic Education and Training (ABET) in accordance with the Adult Basic Education Act.

Sub-Programme 6.1: PUBLIC CENTRES

Sub-Programme objective: To provide specific public ABET sites with resources

Description of Objective and Performance measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
				Units	%
PM 6.1.A.a: Number of full-time equivalent enrolments in public ABET centres.	16 920	17 597	13 674	-3923	22.29
PM 6.1.A.b: Number of illiterate adults in the province enrolled in public ABET centre programmes	5 796	7 691	5115	2576	0.3

Specific challenges and responses

Challenge 1: Drop In Learner Numbers
Learner numbers have dropped from 30 594 in 2004 to 25 658 in 2005
Response to challenge 1
Rigorous and aggressive advocacy of ABET in communities
Challenge 2: Advocacy In Communities
Payment of ABET educators salaries
Response to challenge 2
Appointment of enough manpower at Districts' Human resources to handle payment issues
Challenge 3: Conditions Of Service
Unfinalised Conditions of Service for ABET educators
Response to challenge 3
National Department should be requested to finalise the conditions of service for ABET educators as soon as possible.
Challenge 4: Skills Development
The budget for skills development of staff is very minimal.
Response to challenge 4
Budget for capacitating educators and centre managers to be increased

Challenge 5: Funding For Abet Centres The absence of Norms and Standards for funding ABET centres creates a problem to resource the centres.
Response to challenge 5 National Department should be requested to finalise the Norms and Standards for funding ABET centres as soon as possible.
Challenge 6: Expand The Reach Of Abet Moratorium placed on the establishment of new centres
Response to challenge 6 Upliftment of the moratorium on the establishment of new centres in order to expand the reach of ABET
Challenge 7: Permanent Abet Centres Establishment of permanent independent ABET centres in various districts as per ABET Act no 52 of 2000
Response to challenge 7 Establishment of permanent independent ABET centres in various districts as per ABET Act no 52 of 2000

2.10.7. Programme 7: EARLY CHILDHOOD DEVELOPMENT

Programme objective: To provide Early Childhood Education (ECD) at the Grade R and earlier levels in accordance with White paper 5

Description of Objective and Performance measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
				Units	%
PM 7.A.: Number of 5 year olds in public funded schools Grade R	1191	18 180	18 467	287	0.01
PM 7.2.A: Number of learners in education-funded community-based ECD sites.	8550	9405	9935	530	5,6

Specific challenges and responses

Challenge 1: Inadequate District Structure

The newly formed ECD sub-directorate serves learners from birth to 9 years old. Additional posts have been created at Head Office level, but at district level the proposed structure has not been approved. Presently we only have 24 Foundation Phase Learning Facilitators responsible for classes from Grade R to Grade 3. As the number of Grade R classes increase the workload just escalates. There are no managers for ECD or support personnel at pre-grade R level in the districts either. The result of this shortage of district personnel results in not being able to provide ECD sites with the necessary curriculum support nor to manage and control subsidy payments. The directives in White Paper 5 for implementing a curriculum for pre-Grade R are also seriously hampered.

Response to Challenge 1

A detailed district structure with duties assigned to the posts was submitted for approval. Presently 5 Head Office personnel attempt to attend to the issues and problems arise, but no preventative work can be done.

Challenge 2: Insufficient Budget Allocation

As a result of comprehensive cut to the ECD budget (R20 000 000) there will be no growth in the number of Grade R classes to be added to the system in the 2005/06 financial year. The immediate shortage is R2 000 000 for the 2005/06 financial years just to maintain what is already in the system without providing resources. The impact of the cut in the budget for the following three years is that we will not identify new classes this in 2005/06, perhaps 50 in 2006/07 and a further 50 in 2007/08. Furthermore no resources will be allocated to schools offering Grade R. The target of providing Grade R for all learners by 2010 can therefore not be achieved.

Response to Challenge 2

It is requested that funds be transferred from another directorate where it is evident that under-expenditure of funds will take place. The funds are required by October 2005 to meet the deadline of identifying new classes.

2.10.8. Programme 8: AUXILIARY AND ASSOCIATED SERVICES

Programme Objective: To provide the education institutions as a whole with training and support

Sub- Programme 8.1: SETA

Sub- Programme objective: To provide Early Childhood Education (ECD) at the Grade R and earlier levels in accordance with White paper 5

Description of Objective and Performance measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
				Units	%
10% of the Skills Development Budget for the financial year paid to the ETDP SETA	100% by June	100% by June 2005	Paid by June 2005	0	0

Sub- Programme 8.2: HIV/AIDS

Sub- Programme objective: To provide Early Childhood Education (ECD) at the Grade R and earlier levels in accordance with White paper 5

Description of Objective and Performance measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
				Units	%
1. Advocacy % of all newly appointed principals, SGBs, and SGBs inducted	100%	100%	100%	0	0
Number of Orientation Meetings for parents	220 schools 4663 Parents	100	240	+140	2.4 %
Number of reported District based initiatives involving NGO's & FBOs	70%	100%	100%	0	0
2.Training 2.1 Master Trainers (DoE Officials) Number of Master Trainers trained in Life Skills & HIV/AIDS	45 GET	40 (ECD & GET)	318	+273	682.5
Number of Master Trainers trained in Basic Counselling Skills and Care and Support	86	40	270	+230	575
Number of Master Trainers trained in Project Management	18	40	270	+230	575
Number of Master Trainers trained in Peer Education	83	40	75	+35	87.5
Number of MTs Trained In Substance Abuse.	0	120	93	-27	22.5
2.2 Educator Training Number Of Educators Trained In Life Skills & HIV/AIDS For Curriculum Based Implementation	1980	1000	1247	+247	24.7

Number Of Schools Trained In The Management Of The Impact Of HIV/AIDS	644	1200	717	-483	40.25
Number Of Schools Trained In Substance Abuse	0	150	181	+31	17.13
3. Monitoring Evaluation And Support. Number of Meetings Held With Trained Educators to Address Needs of Educators as Implementers	50	100	102	+2	2
Number of Schools to obtain Support for Soul Buddyz Clubs	125	125	267	+142	113.6
4. Free State Life Skills Education Forum Number of Annual Provincial Consultative Meetings	1	1	1	0	0
Number of Annual District Based Seminars	5	5	3	-2	40
Number of Annual District Forum Meetings	10	10	22	+12	120
5. Peer Education Number of Educators Selected & Trained to become coordinators of Learner Peer Education	288	30	30	0	0
Number of Gr. 10 Learners Selected & Trained as Peer Supporters	1400	200	100	+100	50
Number of Annual District-Based Peer Education Seminars for Motivation & Support	5	3	3	0	0
6. Care & Support for learners infected & affected by HIV/AIDS Number of schools receiving follow-up & support visits	500	500	500	0	0
Number of Educators trained in Care and Support and Basic Counselling Skills, specifically focusing on the girl-child in the nodal areas	711	500	2001	+1501	300.2
Number of Pastors trained in Life Skills and HIV/AIDS, Care & Support and the referral system	80	360	143	-217	60.3
Number of Peer Supporters trained in Care and Support and the referral system	0	1400	1780	+380	27.1
The extent to which learners are provided with transport to school	364	3303	0	-3303	100
The extent to which learners are provided with hostel accommodation	1011	1207	0	-1207	100

Sub- Programme 8.3: SPECIAL PROJECTS

Sub- Programme objective: To provide Early Childhood Education (ECD) at the Grade R and earlier levels in accordance with White paper 5

Description of Objective and Performance measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
				Units	%
Number of Farm School Learners in Hostels	1011	1112	1018	+94	8.5
Number of vulnerable learners receiving food parcels	75 000	287 000	352 596	+65596	22.9
Number of orphans receiving food parcels	23 475	33051	21 640	-11411	34.5
Number of learners being transported	364	3 648	3 117	-531	14.6
Number of learners exempted from school fees as per Norms & Standards	10%	20%	0	-20	100
The % of learners who understand and respect our heritage, national symbols, basic tenets of SADC and NEPAD.	70%	25%	25%	0	0
Number of institutions identified for launching of values	15	5 GET schools; 5 GET farms schools; 5 Inclusive institutions; 5 FET institutions schools and colleges	13	+2	40
			14	+9	180
			12	+7	140
			15	+10	200
Percentage of institutions participating in the institutional beautification programme	0	48.6	48.6	0	0
The extent to which resolutions on Anti-Racism, Anti-Sexism and Good Practice are distributed and implemented in Institutions of learning	80%	100%	125	-	-
The extent to which education sector policies are in compliance with the law.	100%	100%	100%	0	0
Educators per District trained in mainstreaming Gender in the classroom	40%	20%	20%	0	0
Forums held with stakeholders and young girls	60%	90%	90%	0	0
Heightened awareness of relationship between gender, gender violence and HIV/AIDS	60%	90%	90%	0	0
Improved co-ordination of Gender mainstreaming in the Districts	80%	100%	100%	0	0

Sub- Programme 8.4: EXAMINATIONS

Sub- Programme objective: To provide for departmentally managed examinations services

Description of Objective and Performance measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
				Units	%
The extent to which examinations (including Grade 12 end of year, supplementary and common examinations, ABET level 4 and the GETC) are conducted according to relevant national policy and provincial guidelines.	100%	100%	100%	0	0
The extent to which Provincial examination papers for FET including Grade 12 supplementary examinations are developed.	100%	100%	100%	0	0
The extent to which schools and candidates receive recognition for their performance at a successful Well Done Function	Arrange Well Done Function for 50 schools and 100 candidates 50 schools and 100 learners received recognition on 28 December 2003	100%	100%	0	0

2.11 Transfer payments

NAME OF INSTITUTION	AMOUNT TRANSFERRED
Municipalities	
Motheo District Municipality	R 4,006 000
Northern FS District Council	R 1,890 000
Thabo Mofutsanyana District Council	R 3,231 000
Lejweleputswa District municipality	R 1,885 000
Xhariep District Municipality	R 682 000
Departmental Agencies and Accounts	
SETA	R 3,971 000
Non-Profit Organisation	
ECD sites	R 5,450 000
FET Institutions	R 24,566 000
MST Thintana Hubs	R 480 000
Public ABET centres	
Public Ordinary Schools	R 370,258 000
Public Special Schools	R 22,850 000

Public Works, Roads and Transport	R 129,348 000
Sport Associations/ Federations	R 3,482 000
Warehouses	
Subsidies	
Independent Ordinary Schools	R 30,136 000
Claims against the State	R 748 000
Employment Social Benefits	R 10,359 00
Bursaries	R 11,664 000
Payment/Refund of remuneration	-
Gifts and donations	R 76 000

2.12 Conditional grants

Summary of Conditional Grants for 2005/06

Conditional Grant	Total Allocation R'000	Total Transfers R'000
National School Nutrition Programme	68,515	68,515
Early Childhood Development	737	737
HIV/AIDS	8,402	8,402
National Infrastructure Grant	60 259	60,259
Provincial Infrastructure Grant	80,017	80,017
Total	217,930	217,930

- (a) Transfers were made as scheduled, into the accredited accounts for the receiving spheres. No payments were withheld during the period 2005/06.
- (b) The Department did not retain any portion of the grant for administration costs.
- (c) Analysis of spending trends for each grant

Conditional Grant	% Spent	Comment
National School Nutrition Programme	88.5	The fund complied with DORA requirements and the amount unspent will be rolled over as it is committed.
Early Childhood Development	102.6	Complied with all grant's requirements
HIV/AIDS	94	The fund complied with DORA requirements and the amount unspent will be rolled over as it is committed.
National Infrastructure Grant	102.2	All funds have been spent and the department of public works provides regular feedback on progress made. The funds are monitored.
Provincial Infrastructure Grant	92.5	Unspent funds are committed

- (d) The outputs were achieved as amounts allocated were used for the intended purpose as per approved business plan. See above.
- (e) The Department complied as indicated above.

2.13 Capital investment, maintenance and asset management plan

Capital Investment

The following new building project has been completed during the first quarter:

- S.S. Paki Secondary School in Vredefort was completed and the keys handed to the school on 24 June 2005.

The following new building project has commenced during the first quarter, with an indication of their expected completion dates:

- A contract was appointed on 5 June 2005 for the construction of additional facilities at Emang Primary School in Thaba Nchu

The following new building projects are under construction from the previous financial year, with an indication of their expected completion dates:

Name of the School	Town	Completion Date
Lourierpark Primary School	Bloemfontein	July 2005
J.J. Khubeka Primary School	Deneysville	July 2005
Disasterpark Primary School	Phuthaditjhaba	November 2005
Tshepano II Primary School in	Fouriesburg	November 2005
Tumisang Primary School	Senekal	November 2005
Marematlou Secondary School	Virginia	August 2005
Mokgwabong Primary School (Phase I)	Welkom	October 2005
J.C. Mothumi Secondary School	Odendaalsrus	January 2005
Hlaboloha Primary School (Phase I)	Bothaville	March 2006

Planned New Buildings

The following schools' first phases are under construction and the tendering processes for the second phases are underway. The construction can commence as soon as the first phase is completed and the contract periods will be more or less 18 months. The expected commencement dates are listed.

School Name	Town	Phase	Commencement Date
Mokgwabong Primary School	Welkom	Phase II	November 2005
J.C. Mothumi Secondary School	Odendaalsrus	Phase II	January 2006
Hlaboloha Primary School	Bothaville	Phase II	March 2006

The following schools will commence during this financial year:

- E.E. Monese Secondary School in Senekal
- Dr Mngoma Primary School in Welkom
- Kgotso-Uxolo Secondary School in Reitz

Additional facilities at the following existing schools will commence during this financial year.

- Mmabana Primary School Wesselsbron
- Qhubeka Primary School in Harrismith

(a) Rehabilitation & upgrading backlog and the Department's plans to deal with the backlog over five years

The backlog of **water, sanitation, & electricity** as basic services are indicated below:

Backlog for provision of Basic Facilities	Number of schools
Total backlog Water – April 2005	461
Total backlog Electricity – April 2005	544
Total backlog Sanitation – April 2005	121

Will be dealt with as indicated below:

Backlog	2005/06	2006/07	2007/08	Total
Water	60	45	48	153
Sanitation	32	35	11	78
Electricity	58	62	-	120

The **rehabilitation and renovations** backlog is recorded as indicated below:

R&R backlog

District	Major Renovations	Fences	Unacceptable Structures	Provisioning of New Toilet Blocks	Conversion of Pit toilets	Conversion of Push Buttons Into Flush System
Lejweleputswa	43	9	3	0	0	0
Northern Free State	52	7	2	0	0	0
Motheo	55	27	4	0	0	34
Thabo Mofutsanyana	52	22	10	91	111	0
Xhariep	20	7	8	0	0	0
	222	72	27	91	111	34

With the planned intervention, the Department will eradicate the backlog as reported by 2010.

The National Department of Education has advertised for the 2005 SRN (School Register of Needs), which entails a complete Register of Needs and conditions of all schools in South Africa. This will enable the Province to do proper maintenance management planning and to review the backlog and new targets will be set where necessary.

The possibility of using a PPP to get all the schools up to standard will be explored.

Asset Management

An inspectorate to monitor, train and oversee stocktaking and disposal activities in schools, districts and directorates. Asset Management has also been included on the school monitoring tool to establish statistics on the status quo at schools. However the inconsistencies between asset counts and asset registers remain a challenge.

Maintenance

With the Extended Public Works Programme (EPWP) initiative the Department spend a total of R70,7 Million during 2005/6 to renovate, refurbish and sanitise a total of 587 schools in previously neglected areas. The initiative was a success and the Department intends continuing with it in years to come.

As part of Infrastructure Development Plan to eliminate backlogs in classroom shortages and undesired and unsafe learning environments, 18 schools were fenced, 42 VIP toilets completed, water provided to 50 schools 22 schools with unsafe structures refurbished.

SECTION C

REPORT OF THE AUDIT COMMITTEE

We are pleased to submit our report for the Financial year ended 31 March 2006

Audit Committee Membership and attendance of meeting

During the year under review, the audit committee consisted of the members listed hereunder and met at least twice per annum, as per its approved terms of reference. Audit committee meetings held in respect of the 2005/06 Financial year were as follows:

Name of member	Number of meetings attended
JC Steyn (Chairperson) External member	6
C Bauer External member	3

Mr JC Steyn has stepped down as a member and chairperson of the Audit Committee with effect from 20 February 2006 after serving a three year term.

New Audit Committee members

The following persons were appointed to the Audit Committee with effect from 24 July 2006:

LT Motsoasele (Chairperson)	External member
MJ Besnaar CA(SA)	External member

Audit Committee responsibility

The Audit Committee's function is primarily to assist the Accounting Officer in discharging his responsibilities relative to the PFMA, Act 1 of 1999, as amended.

The effectiveness on internal controls

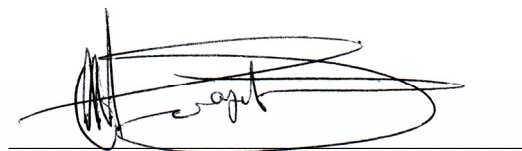
From the audit report of the Annual Financial Statements and the matters of emphasis of the Auditor General, it was noted that significant and material non-compliance with prescribed policies and procedures have been reported. Accordingly, we reserve our opinion on the effectiveness and efficiency on the system of internal control for the reporting period.

Quality of in-year management and monthly/quarterly reports submitted in terms of the PFMA and the Division of revenue Act

The new Audit Committee has not reviewed any of these reports during the period under review. The review of these reports will be included in the annual plan of the new financial year.

Evaluation of Financial Statements

The Audit Committee has reviewed the report of the Auditor General on the Annual Financial Statements and significant adjustments there on. The Audit Committee concurs with and accepts the Auditor General's conclusions 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 Auditor General.

A handwritten signature in black ink, appearing to be 'L.T. Motsoasele', is written over a horizontal line. The signature is stylized with loops and a long horizontal stroke extending to the right.

L.T. Motsoasele

Chairperson

28 August 2006

SECTION D

**DEPARTMENT OF EDUCATION
VOTE 6**

**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006**

Report by the Accounting Officer to the Executive Authority and the Free State Legislature.

1. General review of the state of financial affairs

The Department once again experienced a significant under spending during the 2005/06 financial year, which amounted to R140, 499 million. The under spending consists mainly of outstanding commitments on goods and service, buildings and fixed structures as well as machinery and equipment.

The total budget allocation received by the Department for 2005/06 was R5, 056, 634 million (2004/05: R4, 617, 650 million) which is made up as follows:

	2005/06 R'000	2004/05 R'000
Baseline allocation	4,681,078	4,332,375
Conditional Grants	202,784	179,413
HIV/AIDS	7,947	7,715
National Infrastructure	55,913	52,598
Provincial Infrastructure	73,360	70,000
National School Nutrition Programme	53,817	49,100
NSNP Additional Funds	11,747	
Funds rolled over from previous financial year	104,736	51,211
Financial Management and Quality Enhancement		904
Early Childhood Development	737	1,737
HIV/AIDS	455	77
NSNP	2,951	
Flood Damage		13,298
Provincial Infrastructure		59
Infrastructure Grant		2,078
Outstanding commitments	100,593	
LTSM		22,245
Equipment		10,813
Additional funds received	68,036	54,651
Office of the Premier (Transfer of personnel)		63
Provincial Treasury (Personnel)		11,348
Provincial Treasury		43,240
E-Education	36,436	
Schools infrastructure backlogs	31,600	
Total allocation to the Vote	5,056,634	4,617,650
Less: Spending against the Vote	4,916,135	4,399,506
Under spending against the Vote	140,499	218,144

**DEPARTMENT OF EDUCATION
VOTE 6**

**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006**

There has been an improvement in debt management in the department. Debt cases older than 3 years have been resolved reducing the outstanding debt by R27, 320 million.

The following policy changes have to be implemented in order to address the socio-economic up-liftment of communities and to ensure quality education:

- Integrate all the related activities including E-learning
- National School Nutrition Programme
- Learner Support Programme
- Implementation of national quintiles to achieve equitable school funding
- Abolishment of school fees in schools in quintile 1 and 2
- Transformation of the Further Education and Training (FET) sector
- Implementation of Early Childhood Development (ECD) in public schools in rural areas
- Participation in the ABET programmes and ensuring that ABET programmes support the Expanded Public Works Programme
- Revision of basic infrastructure at schools

Achievements

The following events were significant during 2005/06:

- The implementation of the Expanded Public Works Programme in school renovation projects to the value of R36,1 million (first phase) and R39 million (second phase)
- The introduction of Learner Transport for farm school learners and the rationalisation of schools
- The launching of the school beautification project
- The launching of the primary schools incentives programme
- The launching of the food gardens and poverty relief project

2. Service rendered by the department

2.1 Services delivered within the programmes of the department are dealt with in detail in Part 2 of the Annual Report.

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**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006**

2.2 Tariff policy

Tariffs are mostly covered by national guidelines, but where no national guideline exists, tariffs are set to recover only the cost to the department. Tariffs for the recovery of private use of departmental assets are also set to recover the cost to the department. Interest rates are set in line with the national prescripts.

2.3 Inventories

The inventories on hand at year end in the main store are as follows:

Consumables	R4, 410, 157
Movable assets	R 131, 663

Consumables include inter alia:

Cleaning materials
Stationery

3. Capacity constraints

A major constraint in the department is the shortage of staff in Physical Resource Planning as well as in Supply Chain Management. Lack of project management skills in officials involved in projects also has a negative impact on the performance of the department. Measures to address these constraints include creating and funding of the necessary posts. A training program for all officials involved in projects will also be developed as soon as possible.

4. Utilisation of donor funds

The utilisation of donor funds are determined by approved business plans, memoranda of understanding and/or service level agreements between the Free State Department of Education and the funding partners involved.

Donor-funded projects are utilised to achieve departmental objectives, focussing on redress and equity as well as urban renewal, rural development, nodal programmes and equal opportunities.

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**REPORT OF THE ACCOUNTING OFFICER
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5. Organisations to whom transfer payments have been made

Recipients of transfer payments are disclosed in detail in the financial statements in Annexure 1.

Accountability arrangements include certificates in terms of section 38 (j) of the PFMA, submission of audited financial statements, inspections by the inspection unit and special conditions where certificates cannot be provided.

6. Public private partnerships (PPP)

The department has, in partnership with National Treasury, conducted a viability study in terms of utilising PPP's to assist in addressing backlogs in capital works. The procurement phase will commence in the new financial year.

7. Corporate governance arrangements

Risk Management and Internal Control

A continuous function to ensure the compliance and governance of the department's obligations was established with the appointment of seven (7) management accountants at the level of Deputy Director. The risk environment was established with an updated risk register and the identification of 38 extreme risks of the department. Every member of senior management of the department have accepted the risk environment and the overall responsibility with relation to the Public Finance Management Act to ensure that the control environment is established and addressed by ensuring the identification, prevention and management of risks within their area of responsibility.

The department currently manages 229 significant risks in the support services branch of the department and 76 significant risks in the education branch. To ensure that risks are addressed in a coordinated manner the following process is followed:

- The establishment and evaluation of the control environment is written into senior management performance agreements.
- Quarterly reviews and an annually review are held where report is given on the accomplishments of the set targets and the control over the risk environment.

The internal audit was functioning during the financial year and tested the control environment. The findings were presented to the Audit Committee after the response of the relevant responsibility manager was incorporated into the report.

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Human Resource Development and Employment Equity

The human resource strategy focuses on creating the conditions and opportunities for previously disadvantaged individuals to realise their full potential. Bursaries are provided to employees in terms of the approved Workplace Skills Plan.

There is continual monitoring and enforcement of the Employment Equity Plan as well as Work Place Skills Plan.

The Environment, Health and Safety

The Department strives to conform to environmental, health and safety laws in its operations. Specific projects are also run in schools to raise awareness of learners as custodians of the earth and its resources.

Code of Conduct

The Accounting Officer ensures by leadership and example that a work climate is created that encourages integrity in accordance with the code of conduct. The code of conduct is also incorporated into the performance agreements of all public servants.

Corporate Social Responsibility

The department demonstrates its commitment to social responsibility by providing bursaries and learnerships to previously disadvantaged learners to enable them to obtain further qualifications.

The setting of targets for Black Economic Empowerment projects and the achievement of these goals as well as ensuring that the department supports Free State businesses, forms the basis of its social responsibility framework.

HIV/AIDS

Due to the AIDS pandemic in South Africa and specifically in the Free State where the infection rate is high, the department has initiated processes to ensure that our learners are being educated to support those affected and infected.

Life Skills and HIV and AIDS education is principally a preventative initiative, aimed at countering and alleviating the impact of HIV and AIDS. A total of 1,818 educators have been trained in Basic Counselling Skills. A further 1,000 educators at GET and ECD level and 300 ABET educators were trained in Life Skills and HIV and AIDS education. All School Management Teams were trained in the management of the impact of HIV and AIDS and the programme will be extended to SGB's as well. Educators were also trained in awareness programmes that include prevention, care and support at school level.

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**REPORT OF THE ACCOUNTING OFFICER
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8. Asset management

An inspectorate to monitor, train and oversee stocktaking and disposal activities in schools, districts and directorates. Asset Management has also been included on the school monitoring tool to establish statistics on the status quo at schools. However the inconsistencies between asset counts and asset registers remain a challenge.

9. Performance information

Performance against the set objectives of the department, are monitored in the form of quarterly reviews and an annual review. Reporting on performance against the strategic plan is done on a quarterly basis within 30 days after the end of each quarter.

10. Resolutions by the Provincial Public Accounts Committee

Reference to previous audit report and PROPAC resolutions	Subject	Findings on progress
23/2003 (par. 6)	Interest levied on outstanding amount	Negotiations are taking place at Executive Level to reach an agreement.
3/2003	Performance contract of Accounting Officer	The performance agreement was submitted.
04/2005	Unauthorised expenditure: - Certificate - Debt - Bi-monthly leave report	The relevant certificate was submitted. The increase in debt will be monitored on a continual basis. The status report on leave for the six months period of 1 October 2004 to 31 March 2005 was submitted. A system to report on outstanding leave is in the process of implementation.
75/2005	Forensic audit investigation: - Control over ABET centres	The department accepted the findings of the forensic report and took action on the findings of the report. Further investigation was not conducted as the forensic

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**REPORT OF THE ACCOUNTING OFFICER
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	<p>- Actions against senior officials</p> <p>- Reply to management letter</p>	<p>report had comprehensive and detailed findings.</p> <p>The department has undertaken disciplinary actions against the departmental officials and three cases have been finalised.</p> <p>Hearings against the other officials will be finalised by 28 April 2006.</p> <p>The management letter in question is still being investigated.</p>
81/2005	Supporting documents	A policy and procedure manual are in place. All BAS and LOGIS batches are authorised and safeguarded at Head Office.
84/2005	Responsibility to report all fraudulent activities	The department has taken steps to promote the legislation including a toll free line. A Fraud Prevention Plan was submitted to Provincial Treasury and the department is busy revising all policies. All cases of thefts and losses are recorded in a register with their case numbers.
85/2005	Capacity building	The qualifications and schedule of experience of the CFO was submitted to Provincial Treasury
86/2005	Unauthorised, Irregular and Fruitless and Wasteful Expenditure	Three officials from the department attended a course in this regard. The CFO discloses in the monthly certificates that such expenditure was disclosed, reported and handled according to Treasury Regulations. The department will continue to adhere to the requirements.
87/2005	Policy for granting overseas study assistance	The department took note of the resolution and will in future monitor the progress of any official studying overseas.

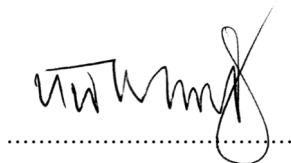
**DEPARTMENT OF EDUCATION
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88/2005	Thefts and losses	The department has a Loss Control Policy to ensure control over assets. The department also has a register of thefts and losses indicating the case number. Risk Assessments and Internal Audits are also utilised to strengthen controls over assets.
89/2005	Late payment of creditors	An action plan has been developed with regard to late payments.
91/2005	Directives received from Members of Executive Committee	The department took note of the resolution and will implement it.

Approval

The Annual Financial Statements set out on pages 9 to 77 have been approved by the Accounting Officer.



Mr M.S. Rakometsi
Superintendent General
31 May 2006

**REPORT OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS OF THE FREE STATE
DEPARTMENT OF EDUCATION FOR THE YEAR ENDED 31 MARCH 2006**

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 93 to 153, for the year ended 31 March 2006, 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). The fixed asset opening balances have not been audited because of the timing of guidance from National Treasury to the departments relating to the treatment, valuation and disclosure of fixed assets. These financial statements are the responsibility of the accounting officer.

2. SCOPE

The audit was conducted in accordance with the International Standards on Auditing read with *General Notice 544 of 2006*, issued in *Government Gazette* no. 28723 of 10 April 2006 and *General Notice 808 of 2006*, issued in *Government Gazette* no. 28954 of 23 June 2006. 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
- evaluating the overall financial statement presentation.

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

3. BASIS OF ACCOUNTING

The Department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as described in the Accounting Policies note 1.1 to the financial statements.

4. QUALIFICATION

4.1. Leave entitlement

The liability for leave entitlement totaling R740,786,000 at 31 March 2006, per note 29 to the financial statements could not be verified, due to the following:

Not all leave taken by officials was captured on the Personnel and Salary System (PERSAL) and numerous leave transactions that had been captured could neither be supported by authorized leave forms or were incorrectly classified on PERSAL. The deficient leave records are attributable to management policies and procedures not being adhered to and the lack of independent management monitoring and controlling. In the absence of reliable leave records it was not possible to verify the completeness, accuracy and validity of the liability for leave entitlement at year-end.

4.2. Contingent Liabilities

It was not possible to perform all the procedures and obtain all the explanations that we deemed necessary to verify the completeness, existence, accuracy and valuation of the contingent liability regarding housing loan guarantees in the sum of R49,812,441 at 31 March 2006 as per note 26 to the financial statements, due to the following:

Despite efforts of the Auditor General and the Department of Education, no independent third party confirmation of the contingent liabilities in respect of housing loan guarantees issued by the department at 31 March 2006, could be obtained for audit purposes. Alternative procedures could not be performed as housing guarantee files were not submitted for audit purposes for several employees.

4.3. Fruitless and Wasteful Expenditure

An amount of R42,876,449 included in a transfer payment amounting to R106,492,000 to the Department of Public Works, Roads & Transport as an advance for capital projects remained unspent at year-end. As the amount was budgeted for and paid as a transfer payment, no roll-forward of the unspent amount could be requested by the Department of Education. Had the amount been budgeted as capital expenditure based on progress certificates from Department of Public Works, Roads and Transport, it can be reasonably expected that a roll-forward would have been requested for amounts not yet paid at year-end and therefore the funds would have been available for use on capital projects required to fulfill its mandate.



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

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**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2006**

Reasonable care has thus not been exercised by the Department in budgeting the amount as a transfer payment and by paying the amount in advance before completion of projects.

Furthermore, the amount was paid out in vain since no economic benefit was realized by the expense, negatively impacting on service delivery by the Department. The unspent amount thus constitutes fruitless and wasteful expenditure as defined in the paragraph 1 of the PFMA (1999).

4.4. Comparative figures

This office was unable to obtain reasonable assurance that the financial statements for the 2004-05 financial year were free of material misstatement, due to a lack of sufficient and acceptable audit evidence on leave entitlement, contingent liabilities, commitments and irregular expenditure, which resulted in a qualified opinion in the prior year.

The department did not provide appropriate supporting documentation to verify the completeness, accuracy and validity of the comparative figures in the current year's financial statements.

4.5. Asset Management

Assets reflected in the fixed asset register could not be physically verified as there were no unique identifiers, either in terms of bar-coding or specific location and vice versa from the floor to the register. Assets reflected in the register could not be verified to supporting documentation including invoice, orders and BAS payment stubs.

Several purchases of major assets, which are assets with a purchase price of higher than R5,000 were not capitalised as required by the guidelines issued by National Treasury.

The Department also performs no periodic reconciliation's between BAS and LOGIS.

Consequently we were unable to verify the completeness, validity and accuracy of the Department's tangible assets purchased during the past year, as disclosed in Annexure 4 to the Financial Statements, amounting to R63,077,000.

5. QUALIFIED AUDIT OPINION

In my opinion, except for the effect on the financial statements of the matters referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of the Department at 31 March 2006 and the results of its operations and its cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury of South Africa, as described in paragraph 3.

6. EMPHASIS OF MATTER

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

6.1 Financial management

According to section 38(1)(a)(i) of the PFMA, the accounting officer must ensure that the department has, and maintains, an effective, efficient and transparent system of financial and risk management and internal control. Contrary to the mentioned section, several deficiencies in financial management and internal control were noted of which the more significant are the following:

6.1.1 Matters not affecting the Financial Statements

a) Human Resources

Employee files, housing guarantee files and payrolls in respect of a number of officials could not be submitted for audit purposes.

A number of employees could not be physically verified, despite all possible alternative procedures being performed.

The BAS/PERSAL reconciliation prepared at year-end reflected a difference of R1,176,707 with which the amount recorded on BAS exceeded the total expense as per PERSAL. The department did not provide appropriate audit evidence explaining the difference.

b) Administration and management of Adult Basic Education Training (ABET) claims

Internal control systems and monitoring mechanisms regarding the administration, authorization, accuracy and validity of periodical payments to ABET educators were inadequate.

In certain instances, the department could not provide employee files and physical claim forms for educators receiving periodical payments. Hours claimed by ABET educators exceeded the approved hours and claim forms for periodical payments were not compared and validated against time registers.

Several employees' files did not contain any recommendation to pay their salaries. We were also unable to obtain signed time registers for certain employees.

Despite the abovementioned matters, this Office takes note of the fact that the Department did subsequent to year-end introduce corrective measures and actions in order to ensure proper control over the ABET claims.

c) Lack of Supporting Documentation

Neither payment files nor any other supporting documentation for payments, including sundry payments, totalling R1,677,533 could be obtained during the audit.

6.2 Non-compliance with laws and regulations

a) Conditional Grants

The department did not provide this office with appropriate audit evidence that monthly reporting in terms of expenditure and risk management and quarterly reporting in terms of progress indicators as required by Section 21(3) of the Division for Revenue Act, 2005 (Act. 1 of 2005) (DORA) as supplemented by Government Gazette No. 27487 (Framework for Conditional Grants to Provinces) regarding the National School Nutrition Program was submitted to the National Transferring Accounting Officer.

Quarterly performance reports were not submitted within 30 days after the end of each quarter as required by Section 21(3) of DORA.

**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2006**

The receiving officer, i.e., the accounting officer of the department, did not, within two months after year-end report in writing to the transferring national officer on the evaluation of the performance in respect of programmes funded wholly or partially by an allocation as required by Section 22(4) of DORA.

b) Human Resources

We were unable to obtain proof of advertisement of certain positions as required by paragraph C.1.2(c) and C.2 of Chapter 1 Part VII of the Public Service Regulations, 2001.

There were no service termination certificates, tax directives or evidence that sufficient funds were available on file for several employees as required by Treasury Circular No 20 of 2001.

Several employees older than the age of 65 were identified that have not yet retired as required by Chapter V.16 (1)(a) of the Public Service Act 1994 (Act number 103 of 1994).

Unpaid leave taken by certain employees was not used correctly in the calculation of the employees' service bonus as required by PSCBC Resolution No 3 of 1999, par 11.1.

Several instances were identified where non-permanent employees receive homeowner allowances in contravention of PSCBC Resolution 3 of 1999.

According to Public Service Regulations, 2001, part VII G.2.2; an executing authority shall record the reasons given by an employee for his/her resignation. Reason for service termination could not be verified, the letter of resignation and notice of acceptance of resignation could not be obtained for several employees.

Selected employee's vacancies were undefined and the required qualifications for the available vacancies could not be measured as required by Public Service Regulations Chapter 1 Part III F.

Contrary to the Public Service Act, Chapter VII, sections 30 to 31, several employees of the Department did not obtain the necessary approval for performing any remunerative work outside their employment in public service.

c) Fraud Risk and Prevention

Several cases of alleged financial misconduct were not investigated within 30 days of discovery as required by Treasury Regulation 4.1.2.

d) Asset Management

During the physical inspection of vehicles, it was noted that some of them were damaged. It was however found that no damages were reported during the year under review. The Department submitted no evidence that they exercised their duty in accordance with the requirements of Paragraph 18 of Transport Circular No. 5 of 2003.

According to Paragraph 18 of Transport Circular No. 5 of 2003, it is the duty of the official to exercise due care and diligence with regard to the custody and maintenance of vehicles. The vehicle should be available for inspection by authorized persons. During the performance of our audit we were unable to physically verify several vehicles of the Department.

e) Performance Information

The audit procedures relating to the Department's Performance Information as disclosed in the Annual Report, revealed the following issues, which are areas of non-compliance to Sections 40(3)(a).

There is no clear link between the measurable objectives, of several programmes, as per the annual budget. The measurable objectives as per the annual report could not be established.

The desired level of performance or measurable objectives could not be identified for the sub-programmes of programme 1 of the annual budget. No indication of set targets was disclosed in the document.

On comparing the measurable objectives from the Strategic Plan (incorporating the Annual Performance Plan) to the Annual Report and budget, it was found that measurable objectives were not clearly and specifically defined. The process of reaching set objectives were not disclosed and objectives could not be clearly measured to set targets.

Several instances were identified where the amounts reflected could not be substantiated.

f) Risk Management Policy and Fraud Prevention Plan

The risk management policy including the fraud prevention plan was formulated in the 2001/2002 and has not been updated or reviewed regularly as required by Regulation 3.2.1. Consequently, the Department is exposed to current risks, which it has not formulated to a plan. An outdated fraud prevention plan exposes the Department to current methods of misappropriation of funds. Furthermore, the risk management strategy should be utilized by the internal audit to focus internal audit priority in terms of Regulation 3.2.1. Internal audit may therefore be focusing on outdated risk priorities of the Department

In terms of Treasury Regulation 16A 3.2(d), the Department's supply chain management policy does not incorporate risk management and regular assessment of supply chain performance.

g) Payments

Several instances were noted where payments for goods and services, to the value of R3,437,728, rendered to the Department was not paid within the 30 day period as required by Treasury Regulation 8.2.3.

The department did not perform any verification that tenderers had been prohibited by the National Treasury in terms of Regulation 16 A9.1 (c).

h) Reporting to Treasury

Through inspection of the monthly reports that the Department is required to submit to Treasury in terms of section 40(4)(b) of the PFMA (1999), it has been confirmed that the Department did not submit the required certificates regarding unauthorized, irregular and fruitless and wasteful expenditure for several months during the past financial year.

7. MATTERS FOR PUBLIC INTEREST

The Department under spent their capital budget by R21,445,924. This amount represents a 25,4% under-spending.

Furthermore, as mentioned in paragraph 4.3, a transfer payment amounting to R42,876,449 was made (for capital projects) which resulted in no economic benefits for the Department.

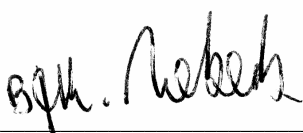
It was furthermore noted that the Department under-spent their budget by R140,500,311 (before taking into account the Department's commitments at year-end). After taking into account the commitments, the amount by which the Department has under-spent is R57,524,105. This matter raises serious concerns about how the Department's service delivery are being hampered due to the fact that the funds were not utilised 100% to uplift the community it serves.

8. LATE SUBMISSION

Despite a detailed process of requesting information agreed upon between the Department and my office, adequate audit evidence regarding compensation of employees, human resource management, leave, lease commitments, fixed assets and contingent liabilities were received subsequent to the agreed dates, resulting in additional audit work being performed and a delay in the completion of the audit process. The evidence was required to enable an appropriate audit opinion to be expressed.

9. APPRECIATION

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



B J K van Niekerk for Auditor-General

Bloemfontein

11 August 2006

**DEPARTMENT OF EDUCATION
VOTE 6**

**ACCOUNTING POLICIES
for the year ended 31 March 2006**

The 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 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), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2005.

1. Presentation of the Financial Statements

1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid or when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

1.2 Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

1.3 Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

1.4 Comparative figures

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

A comparison between actual and budgeted amounts per major classification of expenditure is included in the appropriation statement.

**DEPARTMENT OF EDUCATION
VOTE 6**

**ACCOUNTING POLICIES
for the year ended 31 March 2006**

2. Revenue

2.1 Appropriated funds

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the appropriated funds made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Total appropriated funds are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund, unless approval has been given by the Provincial Treasury to rollover the funds to the subsequent financial year. These rollover funds form part of retained funds in the annual financial statements. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is paid into the Provincial Revenue Fund when received, unless otherwise stated. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position.

2.2.1 Tax revenue

Tax revenue consists of all compulsory unrequited amounts collected by the department in accordance with laws and or regulations (excluding fines, penalties & forfeits).

Tax receipts are recognised in the statement of financial performance when received.

2.2.2 Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the statement of financial performance when the cash is received.

2.2.3 Fines, penalties & forfeits

Fines, penalties & forfeits are compulsory unrequited amounts which were imposed by a court or quasi-judicial body and collected by the department. Revenue arising from fines, penalties and forfeits is recognised in the statement of financial performance when the cash is received.

**DEPARTMENT OF EDUCATION
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**ACCOUNTING POLICIES
for the year ended 31 March 2006**

2.2.4 Interest, dividends and rent on land

Interest, dividends and rent on land is recognised in the statement of financial performance when the cash is received.

2.2.5 Sale of capital assets

The proceeds received on sale of capital assets are recognised in the statement of financial performance when the cash is received.

2.2.6 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. Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

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.

2.2.7 Gifts, donations and sponsorships (transfers received)

All cash gifts, donations and sponsorships are paid into the Provincial Revenue Fund and recorded as revenue in the statement of financial performance when received. Amounts receivable at the reporting date are disclosed in the disclosure notes to the financial statements.

All in-kind gifts, donations and sponsorships are disclosed at fair value in the annexures to the financial statements.

2.3 Local and foreign aid assistance

Local and foreign aid assistance is recognised in the financial records when notification of the donation is received from the National Treasury or when the department directly receives the cash from the donor(s). The total cash amounts received during the year is reflected in the statement of financial performance as revenue.

All in-kind local and foreign aid assistance are disclosed at fair value in the annexures to the annual financial statements

**DEPARTMENT OF EDUCATION
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**ACCOUNTING POLICIES
for the year ended 31 March 2006**

The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the statement of financial performance. A receivable is recognised in the statement of financial position to the value of the amounts expensed prior to the receipt of the funds.

A payable is raised in the statement of financial position where amounts have been inappropriately expensed using local and foreign aid assistance. Unutilised amounts are recognised in the statement of financial position.

3. Expenditure

3.1 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 (by no later than 31 March of each year). Capitalised compensation forms part of the expenditure for capital assets in the statement of financial performance.

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.

3.1.1 Short term employee benefits

Short term employee benefits comprise of leave entitlements (capped leave), thirteenth cheques and performance bonuses. The cost of short-term employee benefits is expensed as salaries and wages in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the notes to the financial statements. These amounts are not recognised in the statement of financial performance.

**DEPARTMENT OF EDUCATION
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**ACCOUNTING POLICIES
for the year ended 31 March 2006**

3.1.2 Long-term employee benefits

3.1.2.1 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the statement of financial performance as a transfer when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.1.2.2 Post employment retirement benefits

The department provides retirement benefits (pension 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 (by no later than 31 March of each year). No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the Provincial Revenue Fund and not in the financial statements of the employer department.

The department provides medical benefits for certain of its employees. Employer contributions to the medical funds are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year).

3.2 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 (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used on a capital project.

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures.

3.4 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or under spending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

All other losses are recognised when authorisation has been granted for the recognition thereof.

**DEPARTMENT OF EDUCATION
VOTE 6**

**ACCOUNTING POLICIES
for the year ended 31 March 2006**

3.5 Unauthorised expenditure

When discovered unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is recognised in the statement of financial performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding it is recognised as expenditure, subject to availability of savings, in the statement of financial performance on the date of approval.

3.6 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

3.7 Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

3.8 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

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VOTE 6**

**ACCOUNTING POLICIES
for the year ended 31 March 2006**

3.9 Expenditure for capital assets

Payments made for capital assets are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year)..

4 Assets

4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

4.2 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made.

4.3 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party.

Revenue receivable not yet collected is included in the disclosure notes. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.4 Investments

Capitalised investments are shown at cost in the statement of financial position. Any cash flows such as dividends received or proceeds from the sale of the investment are recognised in the statement of financial performance.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the disclosure notes.

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**ACCOUNTING POLICIES
for the year ended 31 March 2006**

4.5 Loans

Loans are recognised in the statement of financial position at the nominal amount. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.6 Inventory

Inventories on hand at the reporting date are disclosed at cost in the disclosure notes.

4.7 Asset Registers

Assets are recorded in an asset register, at cost, on receipt of the item. Cost of an asset is defined as the total cost of acquisition. Assets procured in previous financial periods, may be stated at fair value, where determinable, or R1, in instances where the original cost of acquisition or fair value cannot be established. No revaluation or impairment of assets is currently recognised in the asset register. Projects (of construction/development) running over more than one financial year relating to assets, are only brought into the asset register on completion of the project and at the total cost incurred over the duration of the project. Annexure 3 of the disclosure notes, reflect the total movement in the asset register of assets with a cost equal to and exceeding R5000 (therefore capital assets only) for the current financial year. The movement is reflected at the cost as recorded in the asset register and not the carrying value, as depreciation is not recognized in the financial statements under the modified cash basis of accounting. The opening balance reflected on Annexure 3 will include items procured in prior accounting periods and the closing balance will represent the total cost of the register for capital assets on hand.

5 Liabilities

5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are recognised at historical cost in the statement of financial position.

5.2 Lease commitments

Lease commitments represent amounts owing from the reporting date to the end of the lease contract. These commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

Operating and finance lease commitments are expensed when the payments are made. Assets acquired in terms of finance lease agreements are disclosed in the annexures to the financial statements.

**DEPARTMENT OF EDUCATION
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**ACCOUNTING POLICIES
for the year ended 31 March 2006**

5.3 Accruals

Accruals represent goods/services that have been received, but where no invoice has been received from the supplier at the reporting date, or where an invoice has been received but final authorisation for payment has not been effected on the system.

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.4 Contingent liabilities

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

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

Contingent liabilities are included in the disclosure notes.

5.5 Commitments

Commitments represent goods/services that have been approved and/or contracted, but where no delivery has taken place at the reporting date.

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

6 Net Assets

6.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are transferred to the Provincial Revenue Fund on disposal, repayment or recovery of such amounts.

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VOTE 6**

**ACCOUNTING POLICIES
for the year ended 31 March 2006**

6.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made and recognised in a previous financial year becomes recoverable from a debtor.

7 Related party transactions

Related parties are departments that control or significantly influence the department in making financial and operating decisions. Specific information with regards to related party transactions is included in the disclosure notes.

8 Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department.

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

9 Public private partnerships

A public private partnership (PPP) is a commercial transaction between the department and a private party in terms of which the private party:

- Performs an institutional function on behalf of the institution; and/or
- acquires the use of state property for its own commercial purposes; and
- assumes substantial financial, technical and operational risks in connection with the performance of the institutional function and/or use of state property; and
- receives a benefit for performing the institutional function or from utilizing the state property, either by way of:
 - consideration to be paid by the department which derives from a Revenue Fund;
 - charges fees to be collected by the private party from users or customers of a service provided to them;or
- a combination of such consideration and such charges or fees.

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

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**DEPARTMENT OF EDUCATION
VOTE 6**

**APPROPRIATION STATEMENT
for the year ended 31 March 2006**

Appropriation per programme									
	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	341,625	(402)	32,544	373,767	326,576	47,191	87.4%	295,091	286,661
Transfers and subsidies	6,105	-	4,707	10,812	10,808	4	100%	10,030	9,249
Payment for capital assets	26,040	402	4,074	30,516	26,932	3,584	88.3%	24,269	19,164
2. Public Ordinary School Education									
Current payment	3,639,380	(483)	(140,147)	3,498,750	3,479,794	18,956	99.5%	3,401,472	3,276,865
Transfers and subsidies	256,981	-	104,478	361,459	360,061	1,398	99.6%	247,639	213,892
Payment for capital assets	48,497	483	(4,900)	44,080	28,294	15,786	64.2%	31,408	20,259
3. Independent School Subsidies									
Transfers and subsidies	26,422	-	4,000	30,422	30,136	286	99.1%	21,655	21,646
4. Public Special Education									
Current payment	125,139	-	51	125,190	124,076	1,114	99.1%	116,243	115,719
Transfers and subsidies	23,751	-	(161)	23,590	23,587	3	100%	17,414	17,195
Payment for capital assets	83	-	-	83	13	70	15.7%	590	313
5. Further Education and Training									
Current payment	126,967	-	(12,149)	114,818	94,803	20,015	82.6%	112,427	112,469
Transfers and subsidies	25,033	-	(11)	25,022	25,022	-	100%	17,690	17,228
Payment for capital assets	-	-	-	-	-	-	0%	5,752	5,752
6. Adult Basic Education and Training									
Current payment	72,600	-	27,406	100,006	92,718	7,288	92.7%	89,881	45,462
Transfers and subsidies	175	-	118	293	301	(8)	102.7%	352	176
Payment for capital assets	275	-	-	275	144	131	52.4%	358	121
7. Early Childhood Development									
Current payment	13,065	-	(1,001)	12,064	11,826	238	98.0%	12,940	11,802
Transfers and subsidies	20,521	-	81	20,602	20,228	374	98.2%	18,899	17,672
Payment for capital assets	-	-	-	-	-	-	0%	55	35

**DEPARTMENT OF EDUCATION
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**APPROPRIATION STATEMENT
for the year ended 31 March 2006**

	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriat ion	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
8. Auxiliary and Associated Services									
Current payment	141,875	-	(31,108)	110,767	97,760	13,007	88.3%	47,250	37,579
Transfers and subsidies	152,547	-	12,018	164,565	154,939	9,626	94.2%	68,973	68,799
Payment for capital assets	9,553	-	-	9,553	7,694	1,859	80.5%	77,262	64,235
9. Thefts and Losses									
Current payment	-			-	423	(423)	0%	-	37,213
TOTAL	5,056,634	-	-	5,056,634	4,916,635	140,499	97.2%	4,617,650	4,399,506
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				20,262				8,323	
Local and foreign aid assistance received				14				3,354	
Actual amounts per Statements of Financial Performance (Total revenue)				5,076,910				4,629,327	
Add:									
Local and foreign aid assistance					14				3,354
Actual amounts per Statements of Financial Performance (Total expenditure)					4,916,149				4,402,860

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VOTE 6**

**APPROPRIATION STATEMENT
for the year ended 31 MARCH 2006**

Appropriation per economic classification									
	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	4,016,136	(25,852)	(88,067)	3,902,217	3,899,457	2,760	99.9%	3,688,243	3,598,313
Goods and services	444,515	24,967	(36,337)	433,145	328,096	105,049	75.7%	387,061	288,244
Financial transactions in assets and liabilities	-	-	-	-	423	(423)	0%	-	37,213
Transfers and subsidies									
Provinces and municipalities	11,837	-	(151)	11,686	11,694	(8)	100.1%	11,184	10,595
Departmental agencies and accounts	3,971	-	-	3,971	3,971	-	100%	3,617	3,617
Public corporations and private enterprises	-	-	-	-	-	-	-	4,753	2,320
Non-profit institutions	480,565	-	117,644	598,209	586,570	11,639	98.1%	359,402	337,433
Households	15,162	-	7,737	22,899	22,847	52	99.8%	23,696	11,892
Payments for capital assets									
Buildings and other fixed structures	61,699	-	(4,900)	56,799	39,999	16,800	70.4	102,272	81,317
Machinery and equipment	22,749	885	4,074	27,708	23,078	4,630	83.3	37,422	28,562
Total	5,056,634	-	-	5,056,634	4,916,135	140,499	97.2%	4,617,650	4,399,506

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**DETAIL PER PROGRAMME 1 – ADMINISTRATION
for the year ended 31 March 2006**

	2005/06							2004/05	
Programme per subprogramme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Office of the MEC									
Current payment	3,511	72	357	3,940	3,906	34	99.1%	3,120	2,808
Transfers and subsidies	7		1	8	8	-	100%	7	7
Payment for capital assets	90			90	84	6	93.3%	65	63
1.2 Corporate Services									
Current payment	187,904	683	28,273	216,860	167,845	49,015	77.4%	158,338	146,795
Transfers and subsidies	1,994		3,428	5,422	5,414	8	99.9%	3,718	3,369
Payment for capital assets	24,397	80	181	24,658	22,288	2,370	90.4%	20,754	16,530
1.3 Education Management									
Current payment	144,095	(1,157)	4,714	147,652	151,209	(3,557)	102.4%	131,104	134,736
Transfers and subsidies	4,104		1,278	5,382	5,381	1	100%	6,305	5,855
Payment for capital assets	1,553	322	3,893	5,768	4,560	1,208	79.1%	3,450	2,571
1.4 Human Resource Development									
Current payment	6,115		(800)	5,315	3,616	1,699	68%	2,529	2,329
Transfers and subsidies	-			-	5	(5)	0%	-	18
1.5 Conditional Grants									
Current payment	-			-	-	-	-	-	(7)
TOTAL	373,770	-	41,325	415,095	364,316	50,779	87.8%	329,390	315,074

Appropriation per economic classification									
	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	196,584	(156)	14,140	210,568	210,566	2	100.0%	185,088	185,081
Goods and services	145,041	(246)	18,404	163,199	116,009	47,190	71.1%	110,003	101,580
Transfers and subsidies									
Provinces and municipalities	499		193	692	691	1	99.9%	621	615
Public corporations and private enterprises	-			-	-	-	-	8	46
Non-profit institutions	4,583		2,869	7,452	7,452	-	100.0%	7,465	7,109
Households	1,023		1,645	2,668	2,666	2	99.9%	1,936	1,479
Payments for capital assets									
Buildings and other fixed structures	6,770			6,770	6,560	210	96.9%	3,150	2,046
Machinery and equipment	19,270	402	4,074	23,746	20,372	3,374	85.8%	21,119	17,118
Total	373,770	-	41,325	415,095	364,316	50,779	87.8%	329,390	315,074

**DEPARTMENT OF EDUCATION
VOTE 6**

**DETAIL PER PROGRAMME 2 – PUBLIC ORDINARY SCHOOL EDUCATION
for the year ended 31 March 2006**

Programme per subprogramme	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Public Primary Schools									
Current payment	2,139,733	12,266	(85,144)	2,066,855	2,047,188	19,667	99.0%	2,448,973	1,895,673
Transfers and subsidies	151,172	(8,746)	55,700	198,126	197,628	498	99.7%	130,444	111,220
Payment for capital assets	30,714	(2,013)	(2,850)	25,851	17,044	8,807	65.9%	15,859	10,171
2.2 Public Secondary Schools									
Current payment	1,372,363	(29,193)	(48,488)	1,294,682	1,298,859	(4,177)	100.3%	789,091	1,214,544
Transfers and subsidies	100,514	8,745	42,046	151,305	150,411	894	99.4%	113,900	99,099
Payment for capital assets	16,894	2,411	(2,050)	17,255	10,751	6,504	62.3%	11,863	7,581
2.3 Professional Services									
Current payment	91,060	17,260	(646)	107,674	107,689	(15)	100.0%	79,143	93,722
Transfers and subsidies	259	1	58	318	316	2	99.4%	376	675
Payment for capital assets	706	85		791	446	345	56.4%	2,202	1,136
2.4 Human Resource Development									
Current payment	22,793		(5,869)	16,924	13,871	3,053	82.0%	25,848	18,322
Transfers and subsidies	5,000		6,669	11,669	11,664	5	100.0%	1,000	999
2.5 In-school sport and culture									
Current payment	13,431	(816)		12,615	12,187	428	96.6%	12,622	11,652
Transfers and subsidies	36		5	41	42	(1)	102.4%	46	26
Payment for capital assets	183			183	53	130	29.0%	52	47
2.6 Conditional Grants									
Current payment	-			-	-	-	-	45,795	42,952
Transfers and subsidies	-			-	-	-	-	1,873	1,873
Payment for capital assets	-			-	-	-	-	1,432	1,324
TOTAL	3,944,858	-	(40,569)	3,904,289	3,868,149	36,140	99.1%	3,680,519	3,511,016

**DEPARTMENT OF EDUCATION
VOTE 6**

**DETAIL PER PROGRAMME 2 – PUBLIC ORDINARY SCHOOL EDUCATION
for the year ended 31 March 2006**

Appropriation per economic classification									
	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	3,485,896	(25,336)	(101,715)	3,358,845	3,378,482	(19,637)	100.6%	3,184,651	3,133,161
Goods and services	153,484	24,853	(38,432)	139,905	101,313	38,592	72.4%	216,821	143,704
Transfers and subsidies									
Provinces and municipalities	10,500		(468)	10,032	10,032	-	100.0%	9,913	9,150
Public corporations and private enterprises	-			-	-	-	-	4,137	1,791
Non-profit institutions	233,156		98,698	331,854	330,501	1,353	99.6%	213,267	193,740
Households	13,325		6,248	19,573	19,527	46	99.8%	20,322	9,211
Payments for capital assets									
Buildings and other fixed structures	47,002		(4,900)	42,102	27,158	14,944	64.5%	25,722	16,874
Machinery and equipment	1,495	483		1,978	1,136	842	57.4%	5,686	3,385
Total	3,944,858	-	(40,569)	3,904,289	3,868,149	36,140	99.1%	3,680,519	3,511,016

**DEPARTMENT OF EDUCATION
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**DETAIL PER PROGRAMME 3 – INDEPENDENT SCHOOL SUBSIDIES
for the year ended 31 March 2006**

	2005/06							2004/05	
Programme per subprogramme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Primary Phase Transfers and subsidies	15,745		2,081	17,826	17,559	267	98.5%	12,963	12,962
3.2 Secondary Phase Transfers and subsidies	10,677		1,919	12,596	12,577	19	99.8%	8,692	8,684
TOTAL	26,422	-	4,000	30,422	30,136	286	99.1%	21,655	21,646

	2005/06							2004/05	
Economic Classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies to:									
Non-profit institutions	26,422		4,000	30,422	30,136	286	99.1%	21,655	21,646
Total	26,422	-	4,000	30,422	30,136	286	99.1%	21,655	21,646

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**DETAIL PER PROGRAMME 4 – PUBLIC SPECIAL SCHOOL EDUCATION
for the year ended 31 March 2006**

Programme per subprogramme	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Schools									
Current payment	98,063		1,046	99,109	99,290	(181)	100.2%	92,723	93,348
Transfers and subsidies	23,694		(280)	23,414	23,411	3	100.0%	17,360	16,964
Payment for capital assets								166	143
4.2 Professional Services									
Current payment	26,113		(995)	25,118	24,622	496	98.0%	22,728	21,811
Transfers and subsidies	57		119	176	176	-	100.0%	54	231
Payment for capital assets	83			83	13	70	15.7%	424	170
4.3 Human Resource Development									
Current payment	923			923	145	778	15.7%	792	536
4.4 In-school Sport and Culture									
Current payment	40			40	19	21	47.5%	-	24
TOTAL	148,973	-	(110)	148,863	147,676	1,187	99.2%	134,247	133,227

Appropriation per economic classification									
	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	121,547	(263)	136	121,420	121,419	1	100.0%	109,990	110,310
Goods and services	3,592	263	(85)	3,770	2,657	1,113	70.5%	6,253	5,409
Transfers and subsidies									
Provinces and municipalities	310		70	380	380	-	100.0%	334	341
Public corporations and private enterprises	-			-	-	-	-	430	369
Non-profit institutions	22,850			22,850	22,850	-	100.0%	15,982	15,596
Households	591		(231)	360	357	3	99.2%	668	889
Payments for capital assets									
Machinery and equipment	83			83	13	70	15.7%	590	313
Total	148,973	-	(110)	148,863	147,676	1,187	99.2%	134,247	133,227

**DEPARTMENT OF EDUCATION
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**DETAIL PER PROGRAMME 5 – FURTHER EDUCATION AND TRAINING
for the year ended 31 March 2006**

	2005/06							2004/05	
Programme per subprogramme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Public Institution									
Current payment	126,364		(12,149)	114,215	94,361	19,854	82.6%	112,262	112,264
Transfers and subsidies	25,033		(11)	25,022	25,016	6	100.0%	17,690	17,228
Payment for capital assets	-			-	-	-	-	5,752	5,752
5.2 Human Resource Development									
Current payment	603			603	442	161	73.3%	165	205
Transfers and subsidies	-			-	6	(6)	0.0%	-	-
TOTAL	152,000	-	(12,160)	139,840	119,825	20,015	85.7%	135,869	135,449

Appropriation per economic classification									
	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	126,364		(12,149)	114,215	94,328	19,887	82.6%	112,262	112,258
Goods and services	603			603	475	128	78.8%	165	211
Transfers and subsidies									
Provinces and municipalities	284		31	253	253	-	100.0%	254	258
Non-profit institutions	24,566			24,566	24,566	-	100.0%	16,785	16,678
Households	183		20	203	203	-	100.0%	651	292
Payments for capital assets									
Machinery and equipment	-			-	-	-	-	5,752	5,752
Total	152,000	-	(12,160)	139,840	119,825	20,015	85.7%	135,869	135,449

**DEPARTMENT OF EDUCATION
VOTE 6**

**DETAIL PER PROGRAMME 6 – ADULT BASIC EDUCATION AND TRAINING
for the year ended 31 March 2006**

	2005/06							2004/05	
Programme per subprogramme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.1 Public Centres									
Current payment	63,571	130	26,789	90,490	83,990	6,500	92.8%	79,345	37,482
Transfers and subsidies	131		98	229	238	(9)	103.9%	322	80
Payment for capital assets	-			-	-	-	-	-	(15)
6.2 Professional Services									
Current payment	8,890	(129)	617	9,378	8,557	821	91.2%	8,315	6,379
Transfers and subsidies	44		20	64	63	1	98.4%	30	96
Payment for capital assets	275			275	144	131	52.4%	358	136
6.3 Human Resource Development									
Current payment	139	(1)		138	171	(33)	123.9%	2,221	1,601
TOTAL	73,050	-	27,524	100,574	93,163	7,411	92.6%	90,591	45,759

Appropriation per economic classification									
	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	50,287	(97)	28,999	79,189	79,027	162	99.8%	74,477	39,863
Goods and services	22,313	97	(1,593)	20,817	13,691	7,126	65.8%	15,404	5,599
Transfers and subsidies									
Provinces and municipalities	146		131	277	285	(8)	102.9%	18	159
Non-profit institutions	-			-	-	-	-	318	-
Households	29		(13)	16	16	-	100.0%	16	17
Payments for capital assets									
Machinery and equipment	275			275	144	131	52.4%	358	121
Total	73,050	-	27,524	100,574	93,163	7,411	92.6%	90,591	45,759

**DEPARTMENT OF EDUCATION
VOTE 6**

**DETAIL PER PROGRAMME 7 – EARLY CHILDHOOD DEVELOPMENT
for the year ended 31 March 2006**

Programme per subprogramme	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
7.1 Grade R in Public Schools									
Current payment	12,116		(1,001)	11,115	10,844	271	97.6%	11,210	10,621
Transfers and subsidies	16,411	(1,500)	81	14,992	14,778	214	98.6%	12,622	11,887
7.2 Grade R in Community Centres									
Transfers and subsidies	3,950	1,500		5,450	5,450	-	100.0%	6,117	5,762
7.3 Professional Services									
Current payment	201			201	185	16	92.0%	153	177
Transfers and subsidies	-			-	-	-	-	-	22
Payment for capital assets	-			-	-	-	-	55	35
7.4 Human Resource Development									
Current payment	171			171	41	130	24.0%	-	5
7.5 Conditional Grants									
Current payment	577			577	756	(179)	131.0%	1,577	999
Transfers and subsidies	160			160	-	160	0.0%	160	1
TOTAL	33,586	-	(920)	32,666	32,054	612	98.1%	31,894	29,509

Appropriation per economic classification									
	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	12,116		(1,001)	11,115	10,925	190	98.3%	11,213	10,807
Goods and services	949			949	901	48	94.9%	1,727	995
Transfers and subsidies									
Provinces and municipalities	31		2	33	34	(1)	103.0%	30	55
Non-profit institutions	20,490			20,490	20,116	374	98.2%	18,777	17,617
Households	-		79	79	78	1	98.7%	92	-
Payments for capital assets									
Machinery and equipment	-			-	-	-	-	55	35
Total	33,586		(920)	32,666	32,054	612	98.1%	31,894	29,509

**DEPARTMENT OF EDUCATION
VOTE 6**

**DETAIL PER PROGRAMME 8 – AUXILIARY AND ASSOCIATED SERVICES
for the year ended 31 March 2006**

Programme per subprogramme	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
8.1 Payments to SETA									
Transfers and subsidies	3,971			3,971	3,971	-	100.0%	3,617	3,617
8.2 Conditional Grant Projects									
Current payment	67,512		(11,476)	56,036	54,745	1,291	97.7%	7,792	7,394
Transfers and subsidies	140,263		11,476	151,739	142,167	9,572	93.7%	64,633	64,527
Payment for capital assets	9,418			9,418	7,306	2,112	77.6%	73,400	62,397
8.3 Special Projects									
Current payment	30,382		(601)	29,781	25,005	4,776	84.0%	9,219	11,425
Transfers and subsidies	8,234		601	8,835	8,782	53	99.4%	698	635
Payment for capital assets	-			-	255	(255)	0.0%	3,408	1,442
8.4 External Examinations									
Current payment	43,981		(19,031)	24,950	18,010	6,940	72.2%	30,239	18,760
Transfers and subsidies	79		(59)	20	19	1	95.0%	25	20
Payment for capital assets	135			135	133	2	98.5%	454	396
TOTAL	303,975	-	(19,090)	284,885	260,393	24,492	91.4%	193,485	170,613

**DEPARTMENT OF EDUCATION
VOTE 6**

**DETAIL PER PROGRAMME 8 – AUXILIARY AND ASSOCIATED SERVICES
for the year ended 31 March 2006**

Appropriation per economic classification									
	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	23,342		(16,477)	6,865	4,710	2,155	68.6%	10,562	6,833
Goods and services	118,533		(14,631)	103,902	93,050	10,852	89.6%	36,688	30,746
Transfers and subsidies									
Provinces and municipalities	67		(48)	19	19	-	100.0%	14	17
Departmental agencies and accounts	3,971			3,971	3,971	-	100.0%	3,617	3,617
Public corporations and private enterprises	-			-	-	-	-	178	114
Non-profit institutions	148,498		12,077	160,575	150,949	9,626	94.0%	65,153	65,047
Households	11		(11)	-	-	-	-	11	4
Payments for capital assets									
Buildings and other fixed structures	7,927			7,927	6,281	1,646	79.2%	73,400	62,397
Machinery and equipment	1,626			1,626	1,413	213	86.9%	3,862	1,838
Total	303,975	-	(19,090)	284,885	260,393	24,492	91.4%	193,485	170,613

**DEPARTMENT OF EDUCATION
VOTE 6**

**DETAIL PER PROGRAMME 9 – THEFTS AND LOSSES
for the year ended 31 March 2006**

	2005/06							2004/05	
Programme per subprogramme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
9.1 Thefts and Losses									
Current payment	-			-	423	(423)	0.0%	-	37,213
TOTAL	-	-	-	-	423	(423)	0.0%	-	37,213

Appropriation per economic classification									
	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Financial transactions in assets and liabilities	-			-	423	(423)	0.0%	-	37,213
Total	-			-	423	(423)	0.0%	-	37,213

**DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2006**

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in note 9 (Transfers and subsidies) and Annexure 1 (A-G) to the Annual Financial Statements.

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

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

3. Detail on financial transactions in assets and liabilities

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

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

**DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2006**

4.1 Per Programme	Final Appropriation R'000	Actual Expenditure R,000	Variance R'000	Variance as a % of Final Appropriation
Programme 1 - Administration	415,095	364,316	50,779	12.2%

The variance represents an under spending and consists mainly of outstanding commitments on goods and services to the amount of R44,356 million that includes R36,4 million in respect of commitments for computer equipment. R0,814 million is in respect of buildings and fixed structures and R1,992 million for committed machinery and equipment. The remaining R3,618 million unspent funds is due to procurement incapacity.

Programme 2 – Public Ordinary School Education	3,904,289	3,868,149	36,140	0.9%
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The variance represents an under spending and consists mainly of outstanding commitments on goods and services to the amount of R19,487 million that includes R2,313 million in respect of textbooks. R7,951 million is in respect of commitments for buildings and fixed structures and R0,255 million for machinery and equipment. The remaining R8,702 million unspent funds is due to procurement incapacity.

Programme 5 – Further Education and Training	139,840	119,825	20,015	14.3%
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An overprovision was made for compensation of employees under this programme due to the restructuring of the FET colleges in the province.

Programme 6 – Adult Basic Education and Training	100,574	93,163	7,411	7.4%
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The variance represents an under spending consisting of outstanding commitments on learning materials to the amount of R1,953 million and an unspent amount in respect of goods and services.

**DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2006**

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
Programme 7 – Early Childhood Development	32,666	32,054	612	1.9%

The under spending of R0,612 million mainly comprises of an under spending of R0,190 million against compensation, R0,049 million against goods and services, R0,214 million against transfer payments to Grade R in public schools and an under spending of R0,130 million against human resource development.

Programme 8 – Auxiliary and Associated Services	284,885	260,393	24,492	8.6%
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The amount of R24,492 million mainly comprises of commitments against Own Infrastructure Grant amounting to R5,994 million, transfer payments to Public Ordinary Schools under the National School Nutrition Programme to the amount of R6,571 million and other commitments to the amount of R6,995 million. The remaining balance is due to an under spending on compensation to the amount of R2,155 million as well as an under spending against goods and services.

**DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2006**

4.2 Per Economic classification

R'000

Current payments:

Goods and services	105,049
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The amount of R105,049 million represents an under spending and mainly comprises of outstanding commitments to the amount of R73,543 million in respect of computer hardware and learning support materials as well as unspent funds on various other items.

Transfers and subsidies:

Non-profit institutions	11,639
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The amount of R11,639 million is an under spending and mainly comprises of transfer payments to Public Ordinary Schools that did not comply in order to receive funds during the financial year and due to the lack of existing banking accounts registered on the financial Basic Accounting System (BAS). The remaining amount mainly comprises of R1, 353 million under Programme 2, R6,571 million under the National School Nutrition Programme and R3 million under the EPWP, Programme 8.

Payments for capital assets:

Buildings and other fixed structures	16,800
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The variance represents an under spending and mainly comprises of outstanding commitments committed to building projects.

**DEPARTMENT OF EDUCATION
VOTE 6**

**STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2006**

	Note	2005/06 R'000	2004/05 R'000
REVENUE			
Annual appropriation	1	5,056,634	4,617,650
Departmental revenue	2	20,262	8,323
Local and foreign aid assistance	3	14	3,354
TOTAL REVENUE		5,076,910	4,629,327
EXPENDITURE			
Current expenditure			
Compensation of employees	4	3,899,457	3,598,313
Goods and services	5	328,274	288,244
Financial transactions in assets and liabilities	6	423	37,213
Local and foreign aid assistance	3	14	3,354
Total current expenditure		4,228,168	3,927,124
Transfers and subsidies	7	625,082	365,857
Expenditure for capital assets			
Buildings and other fixed structures	8	39,999	81,317
Machinery and equipment	8	23,078	28,562
Total expenditure for capital assets		63,077	109,879
TOTAL EXPENDITURE		4,916,327	4,402,860
SURPLUS/(DEFICIT)		160,583	226,467
Add back fruitless and wasteful expenditure	10	178	-
SURPLUS/(DEFICIT) FOR THE YEAR		160,761	226,467
Reconciliation of Surplus/(Deficit) for the year			
Voted Funds	15	140,499	218,144
Departmental Revenue	16	20,262	8,323
SURPLUS/(DEFICIT) FOR THE YEAR		160,761	226,467

**DEPARTMENT OF EDUCATION
VOTE 6**

**STATEMENT OF FINANCIAL POSITION
at 31 March 2006**

	<i>Note</i>	2005/06 R'000	2004/05 R'000
ASSETS			
Current assets		157,035	140,426
Unauthorised expenditure	9	134,568	134,568
Fruitless and wasteful expenditure	10	234	56
Cash and cash equivalents	11	2	8
Prepayments and advances	12	153	622
Receivables	13	22,078	5,172
Non-current assets		306	287
Investments	14	306	287
TOTAL ASSETS		<u>157,341</u>	<u>140,713</u>
LIABILITIES			
Current liabilities		154,836	132,660
Voted funds to be surrendered to the Revenue Fund	15	140,499	91,779
Departmental revenue to be surrendered to the Revenue Fund	16	3,624	10,865
Bank overdraft	17	7,438	26,735
Payables	18	3,275	3,281
Non-current liabilities			
Payables	19	306	287
TOTAL LIABILITIES		<u>155,142</u>	<u>132,947</u>
NET ASSETS		<u>2,199</u>	<u>7,766</u>
Represented by:			
Recoverable revenue		2,199	7,766
TOTAL		<u>2,199</u>	<u>7,766</u>

**DEPARTMENT OF EDUCATION
VOTE 6**

**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2006**

	<i>Note</i>	2005/06 R'000	2004/05 R'000
Recoverable revenue			
Opening balance		7,766	6,519
Transfers		(5,567)	1,247
Debts written off	6.5	(5,732)	-
Debts revised	13.3	(197)	-
Debts recovered (included in departmental revenue)		(1,091)	(778)
Debts raised		1,453	2,025
Closing balance		<u>2,199</u>	<u>7,766</u>
TOTAL		<u><u>2,199</u></u>	<u><u>7,766</u></u>

**DEPARTMENT OF EDUCATION
VOTE 6**

**CASH FLOW STATEMENT
for the year ended 31 March 2006**

	<i>Note</i>	2005/06 R'000	2004/05 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		5,087,290	4,512,692
Annual appropriated funds received	1.1	5,056,634	4,491,285
Departmental revenue received		30,642	18,053
Local and foreign aid assistance received	3	14	3,354
Net (increase)/decrease in working capital		(16,621)	27,031
Surrendered to Revenue Fund		(129,662)	(158,423)
Current payments		(4,227,990)	(3,927,068)
Transfers and subsidies paid		(625,082)	(365,857)
Net cash flow available from operating activities	20	87,935	88,375
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets		(63,077)	(109,879)
(Increase)/decrease in investments		(19)	(21)
Net cash flows from investing activities		(63,096)	(109,900)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(5,567)	1,247
Increase/(decrease) in non-current payables		19	(4,979)
Net cash flows from financing activities		(5,548)	(3,732)
Net increase/(decrease) in cash and cash equivalents		19,291	(25,257)
Cash and cash equivalents at the beginning of the period		(26,727)	(1,470)
Cash and cash equivalents at end of period	21	(7,436)	(26,727)

**DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

1. Annual Appropriation

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act for National Departments (Voted funds) and Provincial Departments : **

	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Appropriation received 2004/05 R'000
Administration	415,095	415,095	-	329,390
Public Ordinary School Education	3,924,068	3,924,068	-	3,680,519
Independent School Subsidies	30,422	30,422	-	21,655
Public Special School Education	148,863	148,863	-	134,247
Further Education and Training	120,061	120,061	-	135,869
Adult Basic Education and Training	100,574	100,574	-	90,591
Early Childhood Development	32,666	32,666	-	31,894
Auxiliary and Associated Services	284,885	284,885	-	193,485
All Programmes	-	-	-	(126,365)
Total	5,056,634	5,056,634	-	4,491,285
		<i>Note</i>	2005/06 R'000	2004/05 R'000

1.2 Conditional grants

Total grants received	<i>Annexure 1A</i>	<u>217,930</u>	<u>196,662</u>
Provincial grants included in Total Grants received		80,017	70,059

** It should be noted that the Conditional grants are included in the amounts per the Total Appropriation in Note 1.1.

**DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

2. Departmental revenue to be surrendered to revenue fund Description

(Specify material amounts separately)

	<i>Note</i>	2005/06 R'000	2004/05 R'000
Tax revenue			
Sales of goods and services other than capital assets	2.1	8,792	8,968
Fines, penalties and forfeits		116	10
Interest, dividends and rent on land	2.2	11,259	1,770
Financial transactions in assets and liabilities	2.3	10,475	7,305
Total revenue collected		<u>30,642</u>	<u>18,053</u>
Less: Departmental Revenue Budgeted	16	<u>10,380</u>	<u>9,730</u>
Departmental revenue collected		<u><u>20,262</u></u>	<u><u>8,323</u></u>

2.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the department	8,789	8,943
Administrative fees	71	103
Other sales	8,718	8,840
Sales of scrap, waste and other used current goods	3	25
Total	<u><u>8,792</u></u>	<u><u>8,968</u></u>

2.2 Interest, dividends and rent on land

Interest	11,259	1,770
Total	<u><u>11,259</u></u>	<u><u>1,770</u></u>

2.3 Financial transactions in assets and liabilities

Nature of loss recovered

Other Receipts including Recoverable Revenue	10,475	7,305
Total	<u><u>10,475</u></u>	<u><u>7,305</u></u>

**DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

3. Local and foreign aid assistance

Assistance received in cash: Other	2005/06 R'000	2004/05 R'000
Foreign		
Opening Balance	-	-
Revenue	14	3,354
Expenditure	14	3,354
Current	14	3,354
Closing Balance	-	-
	<hr/> <hr/>	<hr/> <hr/>
Total		
Opening Balance	-	-
Revenue	14	3,354
Expenditure	14	3,354
Current	14	3,354
Closing Balance	-	-
	<hr/> <hr/>	<hr/> <hr/>

**DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

4. Compensation of employees

4.1 Salaries and Wages

Basic salary	2,895,501	2,646,696
Performance award	32,518	20,395
Service Based	6,485	257,942
Compensative/circumstantial	10,875	10,204
Periodic payments	30,834	73,317
Other non-pensionable allowances	373,207	24,045
	<u>3,349,420</u>	<u>3,032,599</u>

4.2 Social contributions

4.2.1 Employer contributions

Pension	355,806	376,575
Medical	193,478	188,383
UIF	4	5
Bargaining council	313	315
Official unions and associations	434	434
Insurance	2	2
	<u>550,037</u>	<u>565,714</u>

Total compensation of employees

<u>3,899,457</u>	<u>3,598,313</u>
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Average number of employees

<u>29,291</u>	<u>29,494</u>
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**DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

5. Goods and services

	<i>Note</i>	2005/06	2004/05
		R'000	R'000
Advertising		3,382	2,204
Attendance fees (including registration fees)		6,485	5,586
Bank charges and card fees		617	564
Bursaries (employees)		5,951	13,187
Communication		17,751	16,061
Computer services		4,108	3,719
Consultants, contractors and special services		11,213	15,228
Courier and delivery services		155	81
Drivers' licences and permits		27	11
Entertainment		129	174
External audit fees	5.1	5,065	4,055
Equipment less than R5000		7,544	4,465
Inventory	5.2	156,882	145,025
Legal fees		2,000	1,454
Maintenance, repairs and running cost		10,517	8,211
Operating leases		15,036	12,262
Photographic services		4	1
Plant flowers and other decorations		-	11
Resettlement cost		1,485	1,918
Owned leasehold property expenditure		16,354	12,603
Translations and transcriptions		14	29
Transport provided as part of the departmental activities		14,912	4,368
Travel and subsistence	5.3	43,858	33,028
Venues and facilities		4,369	3,871
Protective, special clothing & uniforms		82	128
Training & staff development		334	-
Total		328,274	288,244

5.1 External audit fees

Regulatory audits	5,065	4,055
Total external audit fees	5,065	4,055

**DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	<i>Note</i>	2005/06 R'000	2004/05 R'000
5.2 Inventory			
Domestic consumables		2,824	2,225
Learning and teaching support material		56,271	55,969
Food and Food supplies		74,793	65,381
Fuel, oil and gas		7	6
Other consumables		138	29
Parts and other maintenance material		101	255
Sport and recreation		507	103
Stationery and printing		22,241	21,056
Medical supplies		-	1
		<hr/> 156,882	<hr/> 145,025
	<i>Note</i>	2005/06 R'000	2004/05 R'000
5.3 Travel and subsistence			
Local		43,688	32,755
Foreign		170	273
Total travel and subsistence		<hr/> 43,858	<hr/> 33,028
6. Financial transactions in assets and liabilities			
Material losses through criminal conduct	6.1	4	4,470
Other material losses written off	6.2	311	884
Debts written off	6.3	-	31,147
Theft	6.4	108	712
		<hr/> 423	<hr/> 37,213
6.1 Material losses through criminal conduct			
Nature of losses			
Incident	Disciplinary Steps taken/ Criminal proceedings		
Vandalism		-	334
Arson		-	3,639
Fraudulent		4	497
Activities		<hr/> 4	<hr/> 4,470

**DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	<i>Note</i>	2005/06	2004/05
		R'000	R'000
6.2 Other material losses			
Nature of losses			
Accidents and Damages – GG vehicles		-	767
Accidents and Damages – Subsidised vehicles		12	11
Other		299	106
		<u>311</u>	<u>884</u>
6.3 Debts written off			
Nature of debts written off			
Transfer to debts written off			
Bursary debt		-	20,604
In-service debt		-	393
Ex-Employee debt		-	7,924
Housing Guarantee debt		-	1,790
Supplier debt		-	436
		<u>-</u>	<u>31,147</u>
6.4 Detail of Theft			
Theft of cell phones		5	8
Theft of equipment		77	433
Theft of stationery and other consumables		-	24
Theft of electrical and other material		-	151
Theft of live stock		25	-
Other theft		1	96
		<u>108</u>	<u>712</u>

**DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	<i>Note</i>	2005/06 R'000	2004/05 R'000
6.5 Recoverable revenue debts written off			
(Total not included above)			
Bursary debt		(5,724)	-
Ex-employee debt		(8)	-
		<u>(5,732)</u>	<u>-</u>
9. Transfers and subsidies			
Provinces and municipalities	<i>Annex 1B</i>	11,694	10,595
Departmental agencies and accounts	<i>Annex 1C</i>	3,971	3,617
Public corporations and private enterprises	<i>Annex 1D</i>	-	2,320
Non-profit institutions	<i>Annex 1E</i>	586,570	337,433
Households	<i>Annex 1F</i>	22,847	11,892
		<u>625,082</u>	<u>365,857</u>
8. Expenditure for capital assets			
Buildings and other fixed structures	<i>Annex 3</i>	39,999	81,317
Machinery and equipment	<i>Annex 3</i>	23,078	28,562
Total		<u>63,077</u>	<u>109,879</u>
9. Unauthorised expenditure			
9.1. Reconciliation of unauthorised expenditure			
Opening balance		134,568	134,568
Unauthorised expenditure awaiting authorisation		<u>134,568</u>	<u>134,568</u>
9.2 Analysis of Current Unauthorised expenditure			
Incident	Disciplinary steps taken/criminal proceedings	2005/06	
Funding of personnel expenditure from allocation to capital expenditure	Under investigation		104,816
Payment i.r.o. Legislature Resolution 59	Payment made on legal advice. No disciplinary steps to be undertaken.		5,000
Stationery: EJ Kruger & Freedom – 1996/97	Under investigation		21,544
Packages: Khoali & Rumbol – 1998/99	Under investigation		3,208
			<u>134,568</u>

**DEPARTMENT OF EDUCATION
VOTE 6**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	<i>Note</i>	2005/06	2004/05
		R'000	R'000
10. Fruitless and wasteful expenditure			
10.1 Reconciliation of fruitless and wasteful expenditure			
Opening balance		56	-
Fruitless and wasteful expenditure – current year		178	56
Current		178	56
Fruitless and wasteful expenditure awaiting condonement		234	56
		234	56
10.2 Analysis of Current Fruitless and wasteful expenditure			
Incident	Disciplinary steps taken/criminal proceedings		
ACB penalties	Still to be investigated		15
Interest on late payments	Still to be investigated		195
Interest on late payments	To be recovered from PWRT		24
			234
			234
11. Cash and cash equivalents			
Cash on hand		2	8
		2	8
		2	8
12. Prepayments and advances			
Description			
Travel and subsistence		153	622
		153	622
		153	622

**DEPARTMENT OF EDUCATION
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

13. Receivables

		Less than one year	One to three years	Older than three years	Total	Total
Staff debt	13.1	3,366	1,642	1,271	6,279	2,509
Other Debtors	13.2	5,399	4,236	4,333	13,968	2,509
Claims recoverable	Annex 4	1,831			1,831	154
		<u>10,596</u>	<u>5,878</u>	<u>5,604</u>	<u>22,078</u>	<u>5,172</u>

13.1 Staff Debt

Housing guarantees	2,219	1,720
Private cellular phone debt	117	171
Interest	(609)	(1,886)
In-service debts	4,552	2,504
	<u>6,279</u>	<u>2,509</u>

13.2 Other debtors

Salary tax debt	95	19
Salary deductions	160	672
Disallowance Damages and Losses	-	261
Disallowance Payment Fraud	2,852	2,857
Debt conversion	-	137
Supplier debt	374	522
Bursary debt	748	70
Ex-employee debt	11,761	9,214
Interest	(2,022)	(11,243)
	<u>13,968</u>	<u>2,509</u>

**DEPARTMENT OF EDUCATION
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	<i>Note</i>	2005/06 R'000	2004/05 R'000
13.3 Debts revised			
Bursary debt		(166)	-
Ex-employee debt		(25)	-
In-service debts		(6)	-
		<u>(197)</u>	<u>-</u>
14. Investments			
Non-Current			
Securities other than shares			
James Robertson Bursary Fund		49	47
Thomas Robertson Bursary Fund		257	240
		<u>306</u>	<u>287</u>
Total non-current			
		<u>306</u>	<u>287</u>
Analysis of non current investments			
Opening balance		287	266
Non-cash movements		19	21
Closing balance		<u>306</u>	<u>287</u>
15. Voted funds to be surrendered to the Revenue Fund			
Opening balance		91,779	151,235
Transfer from Statement of Financial Performance		140,499	218,144
Voted funds not requested/not received	15.1	-	(126,365)
Paid during the year		(91,779)	(151,235)
		<u>140,499</u>	<u>91,779</u>
Closing balance		<u>140,499</u>	<u>91,779</u>
15.1 Voted funds not requested/not received			
Funds to be rolled over		-	(104,736)
Funds not to be requested		-	(21,629)
		<u>-</u>	<u>(126,365)</u>

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	<i>Note</i>	2005/06 R'000	2004/05 R'000
16. Departmental revenue to be surrendered to the Revenue Fund			
Opening balance		10,865	-
Transfer from Statement of Financial Performance		20,262	8,323
Departmental revenue budgeted	2	10,380	9,730
Paid during the year		(37,883)	(7,188)
Closing balance		<u>3,624</u>	<u>10,865</u>
17. Bank overdraft			
Consolidated Paymaster General Account		7,438	26,735
		<u>7,438</u>	<u>26,735</u>

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

					2005/06 R'000	2004/05 R'000
18. Payables – current						
Description	<i>Notes</i>	30 Days	30+ Days	Total	Total	
Amounts owing to other entities	Annexure 5			-		91
Clearing accounts	18.1	3,275		3,275		3,190
		3,275	-	3,275		3,281
18.1 Clearing accounts						
Description						
Pension recoverable				144		392
Salary ACB recalls				298		433
State guarantees				2,743		2,192
Salary deductions				90		173
				3,275		3,190
19. Payables – Non-current						
Description	<i>Notes</i>	One to two years	Two to three years	More than three years	Total	Total
Other payables	19.1			306	306	287
				306	306	287
19.1 Other payables						
Description						
Provision – James Robertson Bursary Fund					49	47
Provision – Thomas Robertson Bursary Fund					257	240
					306	287
20. Net cash flow available from operating activities						
Net surplus/(deficit) as per Statement of Financial Performance					160,761	226,467
(Increase)/decrease in receivables – current					(16,906)	26,757

**DEPARTMENT OF EDUCATION
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	2005/06	2004/05
	R'000	R'000
(Increase)/decrease in prepayments and advances	469	(463)
(Increase)/decrease in other current assets	(178)	(56)
Increase/(decrease) in payables – current	(6)	849
Surrenders to Revenue Fund	(129,662)	(158,423)
Expenditure on capital assets	63,077	109,879
Voted funds not requested/not received	-	(126,365)
Other non-cash items	10,380	9,730
	<hr/>	<hr/>
Net cash flow generated by operating activities	87,935	88,375
	<hr/>	<hr/>

**DEPARTMENT OF EDUCATION
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	<i>Note</i>	2005/06	2004/05
		R'000	R'000
21. Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		(7,438)	(26,735)
Cash on hand		2	8
		<u>(7,436)</u>	<u>(26,727)</u>

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

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

		Note	2005/06 R'000	2004/05 R'000
22. Contingent liabilities				
Liable to	Nature			
Housing loan guarantees	Employees	Annex 2A	49,812	74,793
Claims against the department		Annex 2B	36	36
Other departments (interdepartmental unconfirmed balances)		Annex 5	-	391
			<u>49,848</u>	<u>75,220</u>

The comparative figure in respect of housing loan guarantees has been restated.

23. Commitments

Current expenditure

Approved and contracted	80,083	70,644
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Capital expenditure

Approved and contracted	165,434	15,533
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Total Commitments

<u>245,517</u>	<u>86,177</u>
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The comparative figure for current expenditure approved and contracted has been restated due to the amount being understated with R39,571,393 previously.

24. Accruals

Listed by economic classification

	30 Days	30+ Days	Total	Total
Compensation of employees			-	896
Goods and services	2,082	7,693	9,775	7,032
Transfers and subsidies			-	1,117
	<u>2,082</u>	<u>7,693</u>	<u>9,775</u>	<u>9,045</u>

Listed by programme level

Programme 1	6,726	4,956
Programme 2	1,274	2,059
Programme 3	-	122

**DEPARTMENT OF EDUCATION
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	2005/06	2004/05
	R'000	R'000
Programme 4	1	34
Programme 5	-	744
Programme 6	6	-
Programme 7	-	1,128
Programme8	1,768	2
	<u>9,775</u>	<u>9,045</u>
Confirmed balances with other departments	<i>Annex 5</i> -	91
	<u>-</u>	<u>91</u>

25. Employee benefits

Leave entitlement	26,072	24,972
Thirteenth cheque	126,742	100,128
Performance awards	-	3,859
Capped leave commitments	714,714	698,769
	<u>867,528</u>	<u>827,728</u>

26. Lease Commitments

26.1 Operating leases

	Machinery and equipment R'000	Total	Total
Not later than 1 year	477	477	845
Later than 1 year and not later than 5 years	3,929	3,929	1,083
Total present value of lease liabilities	<u>4,406</u>	<u>4,406</u>	<u>1,928</u>

**DEPARTMENT OF EDUCATION
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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27. Irregular expenditure

27.1 Reconciliation of irregular expenditure

Opening balance	1,871	1,871
Irregular expenditure – current year	1,441	-
Irregular expenditure awaiting condonement	<u>3,312</u>	<u>1,871</u>

Analysis

Current	1,441	-
Prior years	1,871	1,871
Total	<u>3,312</u>	<u>1,871</u>

27.2 Irregular expenditure

Incident	Disciplinary steps taken/criminal proceedings	
Interest and reconnection fees on electricity accounts	Under investigation	1,780
Subsistence and transport claims	Under investigation	91
Transfer payments	Under investigation	734
Consultants	Under investigation	383
Suppliers	Under investigation	324
		<u>3,312</u>

28. Key management personnel

	No. of Individuals	2005/06 R'000	2004/05 R'000
Political office bearers (provide detail below)	1	909	786
Officials			
Level 15 to 16	4	3,321	2,063
Level 14	3	1,635	2,736
Family members of key management personnel	3	588	545
		<u>6,453</u>	<u>6,130</u>

DEPARTMENT OF EDUCATION
VOTE 6

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

29. Public Private Partnership

No Public Private Partnerships have been entered into by the department

**DEPARTMENT OF EDUCATION
VOTE 6**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT			2004/05	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Division of Revenue Act										
National School Nutrition Programme	53,817	2,951		11,747	68,515	68,515	60,627	88.5%	49,100	46,149
Early Childhood Development	-	737			737	737	756	102.6%	1,737	1,000
HIV/AIDS	7,947	455			8,402	8,402	7,961	94.8%	7,792	7,337
National Infrastructure Grant	55,913	4,346			60,259	60,259	61,607	102.2%	54,676	48,311
National Infrastructure Grant (Floods)									13,298	13,297
Provincial Grants										
Provincial Infrastructure Grant	73,360	6,657			80,017	80,017	74,023	92.5%	70,059	65,315
Total	191,037	15,146		11,747	217,930	217,930	204,974		196,662	181,409

ANNEXURE 1B

STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2004/05
	Amount	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Total Available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Motho District Municipality	4,111		(536)	3,575	4,006	112.1%				3,400
Northern FS District Council	1,920		(23)	1,897	1,890	99.6%				2,068
Thabo Mafutsanyana District Council	3,266		(47)	3,219	3,231	100.4%				1,816
Lejweleputswa District municipality	1,936		426	2,362	1,885	79.8%				3,841
Xhariep District Municipality	604		29	633	682	107.7%				56
Total	11,837		(151)	11,686	11,694					11,181

**DEPARTMENT OF EDUCATION
VOTE 6**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

ANNEXURE 1C

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2004/05
	Adjusted	Roll	Adjustments	Total	Actual	% of	Appropriation Act
	Appropriation Act	Overs		Available	Transfer	Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
SETA	3,971			3,971	3,971	100%	3,617
Total	3,971			3,971	3,971		3,617

ANNEXURE 1D

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2004/05
	Adjusted	Roll	Adjustments	Total	Actual	% of	Capital	Current	Appropriation Act
	Appropriation Act	Overs		Available	Transfer	Available funds Transferred			
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public Corporations									
Transfers									
Bloemwater				-	-				534
Eskom				-	-				3,397
Sedibeng Water				-	-				822
				-	-				4,753
Total				-	-				4,753

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

ANNEXURE 1E

STATEMENT OF TRANSFERS TO NON-PROFIT ORGANISATIONS

NON-PROFIT ORGANISATIONS	TRANSFER ALLOCATION				EXPENDITURE		2004/05
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
ECD sites	3,950	160	1,500	5,610	5,450	97.1%	18,777
FET Institutions	24,566			24,566	24,566	100%	16,785
MST Thintana Hubs	480			480	480	100%	520
Public ABET centres							318
Public Ordinary Schools	206,626	19,050	152,774	378,450	370,258	97.8%	213,267
Public Special Schools	22,850			22,850	22,850	100%	15,982
Public Works, Roads and Transport	122,647		9,701	132,348	129,348	97.7%	64,633
Sport Associations/ Federations	4,738		(1,255)	3,483	3,482	100%	5,465
Warehouses							2,000
	385,857	19,120	162,720	567,787	556,434		337,747
Subsidies							
Independent Ordinary Schools	26,422		4,000	30,422	30,136	99.1%	21,655
	26,422		4,000	30,422	30,136		21,655
Total	412,279	19,120	166,720	598,209	586,570		359,402

ANNEXURE 1F

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2004/05
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Claims against the State	447		300	747	748	100.1%	545
Employment Social Benefits	9,657		745	10,402	10,359	99.6%	21,103
Bursaries	5,000		6,670	11,670	11,664	99.9%	1,000
Payment/Refund of remuneration	-		-	-	-	-	301
Gifts and donations	58		22	80	76	95.0%	366
Subsidies							
Clothing for learners	-			-	-	-	245
Pocket money for learners	-			-	-	-	136
Total	15,162	-	7,737	22,899	22,847		23,696

**DEPARTMENT OF EDUCATION
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

ANNEXURE 1G

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2005/06	2004/05
		R'000	R'000
Received in kind			
Cambridge University Press	Jackets and printing of programs for ELITS & E-Education Conference		8
Lectio Publishers	Windbreakers for ELITS & E-Education Conference		3
Schoolnet SA	100 T-shirts for ELITS & E-Education Conference		9
Oxford University Press	Books for lucky draw for ELITS & E-Education Conference		3
World Book	Books for lucky draw for ELITS & E-Education Conference		4
GTZ	Accommodation of presenter for ELITS & E-Education Conference		9
New Africa Publishers	Welcoming function for ELITS & E-Education Conference		15
FDC	Conference bags for ELITS & E-Education Conference		20
FNB	Trophies for Excellence Awards for Public Servants	5	
GTZ	Furniture and equipment	127	
GTZ	VW Golf Estate	112	
National Education	Nissan Hardbody		
		244	71

ANNEXURE 2A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2006 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2005	Guarantees issued during the year	Guarantees released/paid/cancelled/reduced during the year	Guaranteed interest for year ended 31 March 2006	Closing balance 31 March 2006	Realised losses not recoverable
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Housing							
Standard Bank			6,227	147	913		5,461	
Nedbank			5,244	251	329		5,166	
FNB			8,073	328	1,050		7,351	
Nedbank BOE			66		20		46	
ABSA			21,170	899	14,735		7,334	
Company Unique Finance			1,542	33	83		1,492	
Old Mutual			228		39		189	
Peoples Bank (FBC)			972		11		961	
Peoples Bank (NBS)			1,886		132		1,754	
FNB (Saambou)			8,742	103	843		8,002	
Old Mutual (Nedbank)			13,746	154	8,061		5,839	
GBS			16		16		-	
Hlano Fin			92				92	
FDC			6,615	646	1,277		5,984	
VBS Mutual Bank			31				31	
Green Start Home Loans			143		33		110	
	Total		74,793	2,561	27,542	-	49,812	

The opening balance as at 01/04/2005 has been restated.

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

ANNEXURE 2B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2006

Nature of Liability	Opening Balance	Liabilities incurred during the year	Liabilities paid/cancelled/reduced during the year	Liabilities recoverable(Provide details hereunder)	Closing Balance
	01/04/2005 R'000				31/03/2006 R'000
Claims against the department					
Injury – Presmed Hospitals	10				10
Damages to vehicle – MJ Radebe	26				26
Total	36	-	-	-	36

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 3

CAPITAL TANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	-	39,999		39,999
Non-residential buildings	-	39,999		39,999
MACHINERY AND EQUIPMENT	157,596	23,078		180,674
Transport assets	1,541	284		1,825
Computer equipment	21,590	18,869		40,459
Furniture and office equipment	114,880	2,735		117,615
Other machinery and equipment	19,585	1,190		20,775
TOTAL CAPITAL ASSETS	157,596	63,077		220,673

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 3.1

ADDITIONS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31

MARCH 2006

	Cash	In-Kind	Total
	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	39,999		39,999
Non-residential buildings	39,999		39,999
MACHINERY AND EQUIPMENT	23,078		23,078
Transport assets	284		284
Computer equipment	18,869		18,869
Furniture and office equipment	2,735		2,735
Other machinery and equipment	1,190		1,190
TOTAL CAPITAL ASSETS	63,077		63,077

**DEPARTMENT OF EDUCATION
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 3.2

CAPITAL TANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Additions	Disposals	Total Movement
	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES			
Non-residential buildings	81,317		81,317
MACHINERY AND EQUIPMENT	28,562	4,393	24,169
Transport assets	11,032		11,032
Specialised military assets			
Computer equipment	11,938	185	11,753
Furniture and office equipment	4,962	4,154	808
Other machinery and equipment	630	54	576
TOTAL CAPITAL ASSETS	109,879	4,393	105,468

**DEPARTMENT OF EDUCATION
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

ANNEXURE 4

INTER-GOVERNMENT RECEIVABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2006	31/03/2005	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
FS Health				57	-	57
Gauteng Department of Education			69	2	69	2
Department of Correctional Services		18			-	18
Tourism, Environmental and Economic Affairs				12		12
Social Welfare				7		7
Public, Works, Roads and Transport				7		7
North West Provincial government		7	5		5	7
National Education		44				44
Eastern Cape Department of Education			2		2	
Limpopo Department of Health			20		20	
FS Department of Water Affairs & Forestry			4		4	
FS Department of Public Safety and Security			14		14	
Department of Justice & Constitutional Development			2		2	
Western Cape Department of Education			6		6	
SARS			1,709		1,709	
					-	-
TOTAL	-	69	1,831	85	1,831	154

DEPARTMENT OF EDUCATION
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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2006	31/03/2005	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
FS Provincial Department of Foreign Affairs		86			-	86
National Treasury		4			-	4
Nedbank LTD		1			-	1
Gauteng Provincial Government				391		391
Total	-	91	-	391	-	482

SECTION E

Service Delivery

Table 1.1 – Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Administration	Learners	Business	Consultation	Delivery of quality of Education
Public Ordinary	Parents	Religious bodies	Access	Establishment of Governing Bodies
School Education	Educators	Higher Education Institution	Redress	Provision of resources in terms of greatest area of need District meetings with principals educators, parents District visits to schools

Table 1.2 – Consultation arrangements with customers

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
District visit	Principals Educators Parents Officials	Community organisations	Better understanding of Departmental Strategic direction
Visit to schools by Senior Management	Educators Learners	School Governing Body	Visible support provided to schools Improved Grade 12 results

Table 1.3 – Service delivery access strategy

Access Strategy	Actual achievements
Admission policy for learners, compulsory and free	Education up to Grade 8
High rate of enrolment of learners at institutions.	Public Offices operating from 07:30 – 16:00 Offices accessible to the public

Table 1.4 – Service information tool

Types of information tool	Actual achievements
Administration Learners Business Consultation Delivery of quality education	Public Ordinary Parents Religious bodies Access Establishment of Governing Bodies
School Education Educators Higher education	Institution
Redress Provision of resources in terms of	Greatest area of need

Table 1.5 – Complaints mechanism

Complaints Mechanism	Actual achievements
Toll-free number on Service Delivery and	Anti-Corruption
Number of reported cases of fraud and corruption equals to 84 and	Toll-free equals to 21.
Transformation Service Delivery Unit	Established in some Directorates

6.2 Expenditure

TABLE 2.1 – Personnel costs by programme, 2005/06

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)
Prog 1: administration	306,447	190,718	0	0	62.2	7
Prog 2: public ord school educ	3,469,285	3,090,475	0	0	89.1	105
Prog 3: independent school sub	23,773	0	0	0	0	0
Prog 4: public spec school edu	134,789	110,357	0	0	81.9	4
Prog 5: further educ & training	108,350	87,372	0	0	80.6	3
Prog 6: adult basic educ & training	80,865	69,634	0	0	86.1	2
Prog 7: early childhood dev	27,955	10,049	0	0	35.9	0
Prog 8: auxiliary & ass service	239,857	4,191	0	0	1.7	0
Theft and losses	27,083	0	0	0	0	0
Total	4,418,404	3,562,795	0	0	80.6	121

TABLE 2.2 – Personnel costs by salary bands, 2005/06

Salary bands	Personnel Expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	125,489	3.5	74,607
Skilled (Levels 3-5)	205,499	5.7	54,523
Highly skilled production (Levels 6-8)	2,454,739	68.4	121,288
Highly skilled supervision (Levels 9-12)	670,502	18.7	197,730
Senior management (Levels 13-16)	14,603	0.4	429,500
Total	3,470,832	96.7	74,607

TABLE 2.3 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme, 2005/06

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	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
Administration	0	0	0	0	0	0	0	0
Auxiliary & associated services	0	0	0	0	0	0	0	0
Further Education & Training	0	0	0	0	0	0	0	0
Non formal education	323	1.3	0	0	0	0	0	323
Prog 1: administration	131365	66.5	1001	0.5	2381	1.2	8501	131365
Prog 2: Public Ord School Educ	2380680	76	448	0	29361	0.9	159694	2380680
Prog 4: Public Spec School Educ	67866	74.7	0	0	899	1	4544	67866
Prog 5: Further Educ & Training	57133	75.4	0	0	829	1.1	3387	57133
Prog 6: Adult Basic Educ & Training	5483	11.1	0	0	66	0.1	288	5483
Prog 7: Early Childhood Dev	7948	78	0	0	67	0.7	432	7948
Prog 8: auxiliary & ass services	2845	58.9	149	3.1	68	1.4	191	2845
Public Ordinary School Education	258	51.1	0	0	0	0	1	258
Special School Education	0	0	0	0	0	0	0	0
Teachers' training	0	0	0	0	0	0	0	0
Total	2653901	73.9	1598	0	33671	0.9	177038	2653901

TABLE 2.4 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands, 2005/06

Salary Bands	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	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)	96902	76.3	25	0	1299	1	4980	96902
Skilled (Levels 3-5)	152940	73.8	254	0.1	2276	1.1	14369	152940
Highly skilled production (Levels 6-8)	1887104	76.5	485	0	23633	1	128327	1887104

Highly skilled supervision (Levels 9-12)	500267	72.9	829	0.1	6432	0.9	28758	500267
Senior management (Levels 13-16)	8594	54.5	0	0	28	0.2	432	8594
Other	595	84	0	0	0	0	32	595
Contract (Levels 1-2)	3596	91.5	0	0	1	0	64	3596
Contract (Levels 3-5)	1914	91.3	0	0	1	0	54	1914
Contract (Levels 9-12)	1647	87.1	5	0.3	0	0	21	1647
Periodical Remuneration	0	0	0	0	0	0	0	0
Abnormal Appointment	342	0.5	0	0	0	0	0	342
Total	2653901	73.9	1598	0	33670	0.9	177037	2653901

TABLE 3.1 – Employment and vacancies by programme, 31 March 2006

Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Administration, Permanent	1	0	100	0
Prog 1: administration, Permanent	2333	1513	35.1	45
Prog 2: Public Ord School Educ, Permanent	30808	25937	15.8	1146
Prog 2: Public Ord School Educ, Temporary	31	31	0	0
Prog 4: Public Spec School Educ, Permanent	1062	888	16.4	11
Prog 4: Public Spec School Educ, Temporary	2	2	0	0
Prog 5: Further Educ & Training, Permanent	1241	607	51.1	13
Prog 6: Adult Basic Educ & Train, Permanent	52	41	21.2	1
Prog 7: Early Childhood Dev, Permanent	84	74	11.9	2
Prog 7: Early Childhood Dev, Temporary	14	14	0	0
Prog 8: Auxiliary & Ass Services, Permanent	56	38	32.1	0
Total	35684	29145	18.3	1218

TABLE 3.2 – Employment and vacancies by salary bands, 31 March 2006

Salary band	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2)	3480	2506	28	142
Skilled (Levels 3-5)	2253	1688	25.1	24
Highly skilled production (Levels 6-8)	18	18	0	0
Highly skilled supervision (Levels 9-12)	23563	19523	17.1	919
Senior management (Levels 13-16)	29	29	0	0
Other, Permanent	106	106	0	2
Contract (Levels 1-2), Permanent	103	103	0	0
Contract (Levels 3-5), Permanent	47	47	0	8
Contract (Levels 9-12), Permanent	12	12	0	3
Total	29611	24032	18.3	1098

TABLE 3.3 – Employment and vacancies by critical occupation, 31 March 2006

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Administrative related, Permanent	67	44	34.3	7
All artisans in the building metal machinery etc., Permanent	3	1	66.7	0
Appraisers-valuers and related professionals, Permanent	1	1	0	0
Artisan project and related superintendents, Permanent	1	1	0	0
Auxiliary and related workers, Permanent	6	0	100	0
Building and other property caretakers, Permanent	231	212	8.2	49
Bus and heavy vehicle drivers, Permanent	10	9	10	5
Cleaners in offices workshops hospitals etc., Permanent	1899	1462	23	91
Cleaners in offices workshops hospitals etc., Temporary	11	11	0	0
Client inform clerks (switchboard reception inform clerks), Permanent	19	14	26.3	0
Communication and information related, Permanent	11	3	72.7	0
Computer programmers, Permanent	4	3	25	0
Computer system designers and analysts, Permanent	2	0	100	0
Farm hands and labourers, Permanent	84	46	45.2	0
Farming forestry advisors and farm managers, Permanent	1	1	0	0
Finance and economics related, Permanent	42	23	45.2	1
Financial and related professionals, Permanent	49	28	42.9	1
Financial clerks and credit controllers, Permanent	184	103	44	0
Food services aids and waiters, Permanent	21	20	4.8	0
General legal administration & rel. professionals, Permanent	3	2	33.3	0

Head of /chief executive officer, Permanent	4	4	0	0
Household and laundry workers, Permanent	1169	978	16.3	0
Human resources & organisat developm & relate prof, Permanent	47	21	55.3	1
Human resources clerks, Permanent	261	202	22.6	7
Human resources related, Permanent	52	41	21.2	0
Inspectors of apprentices works and vehicles, Permanent	57	30	47.4	0
Librarians and related professionals, Permanent	10	2	80	0
Library mail and related clerks, Permanent	94	60	36.2	0
Light vehicle drivers, Permanent	40	28	30	3
Logistical support personnel, Permanent	40	24	40	4
Material-recording and transport clerks, Permanent	248	179	27.8	0
Messengers porters and deliverers, Permanent	52	20	61.5	0
Motor vehicle drivers, Permanent	1	1	0	1
Motorised farm and forestry plant operators, Permanent	4	2	50	0
Other administrat & related clerks and organisers, Permanent	1910	1435	24.9	1
Other administrat & related clerks and organisers, Temporary	18	18	0	0
Other administrative policy and related officers, Permanent	76	44	42.1	2
Other information technology personnel., Permanent	21	8	61.9	0
Other occupations, Permanent	28307	23686	16.3	1038
Other occupations, Temporary	18	18	0	0
Printing and related machine operators, Permanent	44	16	63.6	0
Professional nurse, Permanent	11	11	0	0

Quantity surveyors & rela prof not class elsewhere, Permanent	1	0	100	0
Rank: Genaral foreman, Permanent	1	0	100	0
Secretaries & other keyboard operating clerks, Permanent	144	88	38.9	4
Security guards, Permanent	179	111	38	1
Security officers, Permanent	37	14	62.2	2
Senior managers, Permanent	33	27	18.2	0
Social work and related professionals, Permanent	2	1	50	0
Trade labourers, Permanent	154	92	40.3	0
Total	35684	29145	18.3	1218

TABLE 4.1 – Job Evaluation, 1 April 2005 to 31 March 2006

Salary band	Number of posts	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	3480	0	0	0	0	0	0
Skilled (Levels 3-5)	2271	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	23592	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	6032	1	0	0	0	0	0
Senior Management Service Band A	31	0	0	2	0	0	0
Senior Management Service Band B	5	0	0	0	0	0	0
Senior Management Service Band C	4	0	0	1	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Total	35416	1	0	3	0	0	0

TABLE 4.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2005 to 31 March 2006

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	0	0	0	0

TABLE 4.3 – Employees whose salary level exceed the grade determined by job evaluation, 1 April 2005 to 31 March 2006 (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 2004/05				
Percentage of total employment				

Table 4.4 summarises the beneficiaries of the above in terms of race, gender, and disability.

TABLE 4.4 – Profile of employees whose salary level exceed the grade determined by job evaluation, 1 April 2005 to 31 March 2006 (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

TABLE 5.1 – Annual turnover rates by salary band for the period 1 April 2005 to 31 March 2006

Salary Band	Number of employees per band as on 1 April 2004	Appointments and transfers into the	Terminations and transfers out of the	Turnover rate
Lower skilled (Levels 1-2)	2674	25	184	6.9
Skilled (Levels 3-5)	3148	158	230	7.3
Highly skilled production (Levels 6-8)	20405	2703	2766	13.6
Highly skilled supervision (Levels 9-12)	3106	17	156	5
Senior Management Service Band A	21	2	0	0
Senior Management Service Band B	7	1	1	14.3
Senior Management Service Band C	2	0	0	0
Senior Management Service Band D	1	0	0	0
Total	29364	2906	3337	11.4

TABLE 5.2 – Annual turnover rates by critical occupation for the period 1 April 2005 to 31 March 2006

Occupation:	Number of employees per occupation as on 1 April 2005	Appointments and transfers into the	Terminations and transfers out of the	Turnover rate
Administrative related, Permanent	45	6	10	22.2
All artisans in the building metal machinery etc., Permanent	1	0	0	0
Ambulance and related workers, Permanent	0	0	1	0
Appraisers-valuers and related professionals, Permanent	0	1	0	0
Artisan project and related superintendents, Permanent	1	0	0	0
Auxiliary and related workers, Permanent	1	0	0	0
Biochemistry pharmacol. zoology & life scie.techni, Permanent	0	0	1	0
Building and other property caretakers, Permanent	299	1	24	8
Bus and heavy vehicle drivers, Permanent	8	0	1	12.5
Cleaners in offices workshops hospitals etc., Permanent	1457	38	111	7.6
Cleaners in offices workshops hospitals etc., Temporary	13	0	1	7.7
Client inform clerks(switchb receipt inform clerks), Permanent	14	0	0	0
Communication and information related, Permanent	2	2	1	50
Computer programmers., Permanent	1	0	1	100
Computer system designers and analysts., Permanent	0	0	1	0
Educationists., Permanent	32	0	1	3.1
Environmental health, Permanent	0	0	1	0
Farm hands and labourers, Permanent	51	0	5	9.8
Farming forestry advisors and farm managers, Permanent	1	0	0	0
Finance and economics related, Permanent	22	0	1	4.5
Financial and related professionals, Permanent	23	0	0	0
Financial clerks and credit controllers, Permanent	115	5	4	3.5
Food services aids and waiters, Permanent	20	1	4	20
General legal administration & rel. professionals, Permanent	0	1	0	0
Head of /chief executive officer, Permanent	2	0	0	0
Household and laundry workers, Permanent	1014	130	196	19.3

Human resources & organisational development & related professionals, Permanent	20	3	2	10
Human resources clerks, Permanent	189	16	6	3.2
Human resources related, Permanent	32	1	3	9.4
Inspectors of apprentices works and vehicles, Permanent	30	2	2	6.7
Librarians and related professionals, Permanent	2	0	0	0
Library mail and related clerks, Permanent	61	2	2	3.3
Light vehicle drivers, Permanent	29	1	3	10.3
Logistical support personnel, Permanent	21	0	0	0
Material-recording and transport clerks, Permanent	182	6	7	3.8
Messengers porters and deliverers, Permanent	17	3	2	11.8
Motor vehicle drivers, Permanent	3	0	0	0
Motorised farm and forestry plant operators, Permanent	6	0	0	0
Nursing assistants, Permanent	0	0	5	0
Other administrat & related clerks and organisers, Permanent	1456	64	75	5.2
Other administrat & related clerks and organisers, Temporary	19	0	1	5.3
Other administrative policy and related officers, Permanent	47	0	2	4.3
Other information technology personnel., Permanent	6	0	0	0
Other occupations, Permanent	23872	2829	3024	12.7
Other occupations, Temporary	19	0	3	15.8
Printing and related machine operators, Permanent	18	1	4	22.2
Professional nurse, Permanent	9	0	3	33.3
Quantity surveyors & related professionals not class elsewhere, Permanent	1	0	0	0
Radiography, Permanent	0	0	1	0
Rank: Teacher (school-based), Permanent	2	0	9	450
Rank: Unknown, Permanent	4	0	0	0

Regulatory inspectors, Permanent	0	0	1	0
Road workers, Permanent	1	0	0	0
Secretaries & other keyboard operating clerks, Permanent	82	11	4	4.9
Security guards, Permanent	115	1	6	5.2
Security officers, Permanent	14	0	0	0
Senior managers, Permanent	24	3	0	0
Social work and related professionals, Permanent	1	0	2	200
Staff nurses and pupil nurses, Permanent	0	0	1	0
Trade labourers, Permanent	96	0	3	3.1
Total	29500	3128	3535	12

Table 5.3 identifies the major reasons why staff left the .

Table 5.3 – Reasons why staff are leaving the

Termination Type	Number	% of total
Death	250	7.1
Resignation	464	13.1
Expiry of contract	2431	68.8
Dismissal – operational changes		
Dismissal – misconduct	57	1.6
Dismissal – inefficiency		
Discharged due to ill-health	36	1
Retirement	284	8
Transfers to other Public Service Departments		
Other	13	1
Total	3535	
Total number of employees who left as a % of the total employment		12

Table 5.4 – Promotions by critical occupation

Occupation	Employees as at 1 April 2005	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	45	4	8.9	16	35.6
All artisans in the building metal machinery etc.	1	0	0	1	100
Artisan project and related superintendents	1	0	0	1	100
Auxiliary and related workers	1	0	0	0	0
Building and other property caretakers	299	0	0	179	59.9
Bus and heavy vehicle drivers	8	0	0	8	100
Cleaners in offices workshops hospitals etc.	1470	0	0	1166	79.3
Client inform clerks (switchboard receipt inform clerks)	14	0	0	11	78.6
Communication and information related	2	0	0	1	50
Computer programmers.	1	1	100	2	200
Educationists.	32	0	0	22	68.8
Farm hands and labourers	51	0	0	40	78.4
Farming forestry advisors and farm managers	1	0	0	0	0
Finance and economics related	22	5	22.7	5	22.7
Financial and related professionals	23	4	17.4	21	91.3
Financial clerks and credit controllers	115	8	7	94	81.7
Food services aids and waiters	20	0	0	18	90
Head of /chief executive officer	2	2	100	0	0
Household and laundry workers	1014	0	0	765	75.4

Human resources & organisat developm & relate prof	20	1	5	10	50
Human resources clerks	189	3	1.6	150	79.4
Human resources related	32	3	9.4	20	62.5
Inspectors of apprentices works and vehicles	30	1	3.3	23	76.7
Librarians and related professionals	2	0	0	2	100
Library mail and related clerks	61	0	0	46	75.4
Light vehicle drivers	29	0	0	19	65.5
Logistical support personnel	21	3	14.3	17	81
Material-recording and transport clerks	182	0	0	155	85.2
Messengers porters and deliverers	17	0	0	13	76.5
Motor vehicle drivers	3	0	0	2	66.7
Motorised farm and forestry plant operators	6	0	0	5	83.3
Other administrat & related clerks and organisers	1475	4	0.3	1262	85.6
Other administrative policy and related officers	47	3	6.4	33	70.2
Other information technology personnel.	6	2	33.3	4	66.7
Other occupations	23891	242	1	17647	73.9
Printing and related machine operators	18	0	0	14	77.8
Professional nurse	9	0	0	9	100
Quantity surveyors & rela prof not class elsewhere	1	0	0	0	0
Rank: Teacher (school-based)	2	0	0	1	50
Rank: Unknown	4	0	0	0	0
Road workers	1	0	0	0	0

Secretaries & other keyboard operating clerks	82	5	6.1	56	68.3
Security guards	115	0	0	100	87
Security officers	14	0	0	13	92.9
Senior managers	24	2	8.3	0	0
Social work and related professionals	1	0	0	1	100
Trade labourers	96	0	0	79	82.3
Total	29500	293		22031	74.7

Table 5.5 – Promotions by salary band

Salary Band	Employees 1 April 2005	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)	2674	0	0	2061	77.1
Skilled (Levels 3-5)	3148	5	0.2	2228	70.8
Highly skilled production (Levels 6-8)	20405	161	0.8	15420	75.6
Highly skilled supervision (Levels 9-12)	3106	119	3.8	2270	73.1
Senior management (Levels 13-16)	31	8	25.8	0	0
Total	29364	293	1	21979	74.9

6.1 – Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2006

Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	15	2	0	1	7	0	1	3	29
Professionals	7608	212	7	1103	11980	317	7	2691	23925
Technicians and associate professionals									
Clerks	517	20	0	15	1126	59	1	361	2099
Service and sales workers	118	0	0	5	3	0	0	0	126
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	17	1	0	13	1	0	0	0	32

Plant and machine operators and assemblers	50	0	0	2	2	5	0	0	59
Elementary occupations	1145	72	0	62	1291	78	0	195	2843
Total	9470	307	7	1201	14410	459	9	3250	29113
Employees with disabilities	1	0	0	0	2	0	0	1	4

6.2 – Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	5	0	0	0	1	0	0	0	6
Senior Management	13	2	0	2	7	1	1	2	28
Professionally qualified and experienced specialists and mid-management	1389	61	6	588	839	33	3	470	3389
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	5930	156	1	510	10665	286	4	2470	20022
Semi-skilled and discretionary decision making	1171	42	0	64	2072	93	1	275	3718
Unskilled and defined decision making	864	44	0	6	726	43	0	2	1685
Total	9372	305	7	1170	14310	456	9	3219	28848

6.3 – Recruitment for the period 1 April 2005 to 31 March 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	2	0	0	0	1	0	0	0	3
Professionally qualified and experienced specialists and mid-management	5	1	0	6	2	0	0	3	17
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	665	36	0	113	1297	33	1	558	2703
Semi-skilled and discretionary decision making	76	8	0	0	44	8	0	22	158

Unskilled and defined decision making	13	0	0	0	10	0	0	2	25
Total	761	45	0	119	1354	41	1	585	2906

Employees with disabilities									
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6.4 – Promotions for the period 1 April 2005 to 31 March 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3	0	0	0	0	0	0	0	3
Senior Management	3	0	0	1	1	0	0	0	5
Professionally qualified and experienced specialists and mid-management	1077	43	5	383	622	27	2	240	2399
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	4570	137	1	402	8186	242	3	2050	15591
Semi-skilled and discretionary decision making	578	18	0	54	1302	58	0	224	2234
Unskilled and defined decision making	955	57	0	9	974	64	0	1	2060
Total	7186	255	6	849	11085	391	5	2515	22292

Employees with disabilities	1	0	0	0	2	0	0	1	4
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6.5 – Terminations for the period 1 April 2005 to 31 March 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									
Senior Management	0	0	0	0	0	0	0	1	1
Professionally qualified and experienced specialists and mid-management	61	1	0	37	26	0	0	31	156
Skilled technical and academically qualified workers, junior	714	47	0	112	1240	37	1	615	2766

management, supervisors, foreman and superintendents									
Semi-skilled and discretionary decision making	64	6	0	10	96	15	0	39	230
Unskilled and defined decision making	91	5	0	3	79	5	0	1	184
Total	930	59	0	162	1441	57	1	687	3337

Employees with disabilities	1	0	0	0	0	0	0	0	1
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6.6 – Disciplinary action for the period 1 April 2005 to 31 March 2006

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	11	1	0	0	2	0	0	0	14

6.7 – Skills development for the period 1 April 2005 to 31 March 2006

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	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0	0
Employees with disabilities	0	0	0	0	0	0	0	0	0

TABLE 7.1 – Performance Rewards by race, gender, and disability, 1 April 2005 to 31 March 2006

	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
African	882	24108	7.4	4809	10959
Male	507	14553	3.5	2,689	5,305
Female	375	9555	3.9	2,120	5,654
Asian	0	16	0	0	0
Male	0	9	0	0	0
Female	0	7	0	0	0
Coloured	72	782	17.5	462	13143
Male	52	463	11.2	324	6,224
Female	20	319	6.3	138	6,919
White	360	4505	14.4	3405	19408
Male	294	3301	8.9	2,739	9,316
Female	66	1204	5.5	666	10,092
Employees with a disability	4	4	100	21	5,224
Total	1318	29411	39.3	8676	43510

TABLE 7.2 – Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2005 to 31 March 2006

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)	366	1682	21.8	1,229	3,358	366
Skilled (Levels 3-5)	423	3769	11.2	2,058	4,865	423
Highly skilled production (Levels 6-8)	460	20239	2.3	4,347	9,450	460
Highly skilled supervision (Levels 9-12)	65	3391	1.9	986	15,169	65
Total	1314	29081	4.5	8620	32,842	1314

TABLE 7.3 – Performance Rewards by critical occupations, 1 April 2005 to 31 March 2006

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, Permanent	13	43	30.2	248	19,077
All artisans in the building metal machinery etc., Permanent	1	1	100	8	8,000
Appraisers-valuers and related professionals, Permanent	0	1	0	0	0
Artisan project and related superintendents, Permanent	0	1	0	0	0
Building and other property caretakers, Permanent	24	209	11.5	82	3,417
Bus and heavy vehicle drivers, Permanent	2	11	18.2	14	7,000
Cleaners in offices workshops hospitals etc., Temporary	192	1487	12.9	666	3,469
Client inform clerks (switchb receipt inform clerks), Permanent	2	14	14.3	10	5,000
Communication and information related, Permanent	0	3	0	0	0
Computer programmers., Permanent	1	3	33.3	13	13,000
Educationists	0	30	0	0	0
Farm hands and labourers, Permanent	2	47	4.3	6	3,000
Farming forestry advisors and farm managers, Permanent	1	1	100	7	7,000
Finance and economics related, Permanent	8	23	34.8	161	20,125
Financial and related professionals, Permanent	14	27	51.9	162	11,571
Financial clerks and credit controllers, Permanent	71	104	68.3	475	6,690
Food services aids and waiters, Permanent	4	20	20	13	3,250
General legal administration & rel. professionals, Permanent	0	2	0	0	0
Head of /chief executive officer, Permanent	0	3	0	0	0
Household and laundry workers, Permanent	156	981	15.9	613	3,929
Human resources & organisat developm & relate prof, Permanent	9	22	40.9	88	9,778
Human resources clerks, Permanent	110	208	52.9	932	8,473
Human resources related, Permanent	12	36	33.3	202	16,833
Inspectors of apprentices	14	30	46.7	193	13,786

works and vehicles, Permanent					
Librarians and related professionals, Permanent	0	2	0	0	0
Library mail and related clerks, Permanent	25	60	41.7	186	7,440
Light Vehicle drivers	11	25	44	66	6,000
Logistical support personnel, Permanent	14	23	60.9	151	10,786
Material-recording and transport clerks, Permanent	94	179	52.5	682	7,255
Messengers porters and deliverers, Permanent	5	18	27.8	16	3,200
Motor vehicle drivers, Permanent	0	2	0	0	0
Motorised farm and forestry plant operators, Permanent	0	6	0	0	0
Other administrat & related clerks and organisers, Permanent	384	1458	26.3	2,556	6,656
Other administrative policy and related officers, Permanent	24	45	53.3	329	13,708
Other information technology personnel., Permanent	3	8	37.5	26	8,667
Other occupations	2	23907	0	20	10,000
Printing and related machine operators	5	17	29.4	21	4,200
Professional nurse	3	11	27.3	42	14,000
Rank: Education specialist chief (office-based)	2	0	0	22	11,000
Rank: Education specialist deputy chief (office-based)	16	0	0	205	12,813
Rank: Education specialist senior (office-based)	7	0	0	66	9,429
Rank: Teacher (school-based)	1	1	100	5	5,000
Rank: Unknown	0	12	0	0	0
Secretaries & other keyboard operating clerks	32	86	37.2	191	5,969
Security guards	32	112	28.6	114	3,563
Security officers	7	14	50	59	8,429
Senior managers	0	28	0	0	0
Social work and related professionals	0	1	0	0	0
Trade labourers	15	93	16.1	49	3,267
Total	1318	29415	4.5	8699	6600

TABLE 7.4 – Performance related rewards (cash bonus), by salary band, for Senior Management Service

Salary Band	Beneficiary Profile			Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within band			
Band A	2	24	8.3	53	2,650	-
Band B	0	7	0	0	0	-
Band C	0	2	0	0	0	-
Band D	0	1	0	0	0	-
Total	2	34	5.9	53	2650	

TABLE 8.1 – Foreign Workers, 1 April 2005 to 31 March 2006, by salary band

Salary Band	1 April 2005		31 March 2006		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)	24	82.8	23	74.2	-1	
Highly skilled supervision (Levels 9-12)	4	13.8	6	19.4	2	
Senior management (Levels 13-16)						
Abnormal Employment	1	3.4	2	6.5	1	
Total	29		31		2	

TABLE 8.2 – Foreign Worker, 1 April 2005 to 31 March 2006, by major occupation

Major Occupation	1 April 2005		31 March 2006		Change	
	Number	% of total	Number	% of total	Number	% change
Principal: Grd 10	29	100	31	100	2	
Total	29	100	31	100	2	

TABLE 9.1 – Sick leave, 1 January 2005 to 31 December 2005

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)
Lower skilled (Levels 1-2)	9665.5	83.2	1378	7.2	7	1,472
Skilled (Levels 3-5)	12359	77.9	1836	9.6	7	2,544
Highly skilled production (Levels 6-8)	89018	76.3	13792	72.2	6	32,526
Highly skilled supervision (Levels 9-12)	12754	78.3	2062	10.8	6	7,528
Senior management (Levels 13-16)	270	94.4	20	0.1	14	451
Total	124066.5	77.3	19088	0	6	44521

TABLE 9.2 – Disability leave (temporary and permanent), 1 January 2005 to 31 December 2005

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)
Lower skilled (Levels 1-2)	329	100	6	8.3	55	49
Skilled (Levels 3-5)	664	99.8	11	15.3	60	142
Highly skilled production (Levels 6-8)	2403	99.5	45	62.5	53	885
Highly skilled supervision (Levels 9-12)	254	100	10	13.9	25	161
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	3650	99.6	72	100	51	1237

TABLE 9.3 – Annual Leave, 1 January 2005 to 31 December 2005

Salary Bands	Total days taken	Average per employee
Lower skilled (Levels 1-2)	42235.7	19
Skilled Levels 3-5)	28349.83	14
Highly skilled production (Levels 6-8)	48752.24	5
Highly skilled supervision (Levels 9-12)	20707.16	10
Senior management (Levels 13-16)	641	19
Total	140685.9	9

TABLE 9.4 – Capped leave, 1 January 2005 to 31 December 2005

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2005
Lower skilled (Levels 1-2)	1079	7	73
Skilled Levels 3-5)	2325	4	81
Highly skilled production (Levels 6-8)	28772	3	71
Highly skilled supervision (Levels 9-12)	5450	4	89
Senior management (Levels 13-16)	6	6	81
Total	37632	24	74

TABLE 9.5 – Leave payouts for the period 1 April 2005 to 31 March 2006

REASON	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2005/06 due to non-utilisation of leave for the previous cycle	67	4	16750
Capped leave payouts on termination of service for 2005/06	4,049	944	4289
Current leave payout on termination of service for 2005/06	5	9	556
Total	4121	957	4306

HIV and 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
Males	Mental Wellness day targeting males, HIV Advocacy programmes, condom distribution
Young employees	HIV Advocacy Programmes, Health Walk and STI/Condom week in February focus more on young employees, condom distributions

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

Question	Yes	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X	Director: MS Sani

2. Does the Department have a dedicated unit or has it 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	Employee Wellness Sub-directorate established in OHRD Deputy Director, Assistant Director and 2 Counsellors appointed
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X	Implement the following programme, HIV and AIDS. Substance abuse, Mental Health Programme, Counselling, Legal and Financial Management Programmes, VCCT, Disease Management Programme and etc
4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X	Employee Wellness Forum established and continuously capacitated
5. Has the Department reviewed its employment policies and practices 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	Departmental policies are reviewed annually where discrimination detected is reported to the relevant component
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X	Through advocacy the Department educate employees about their rights
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X	The VCCT is implemented through the contracted service provider, 420 employees tested in 2006
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X	<ul style="list-style-type: none"> • 10% utilisation rate, • 5%Self referral utilisation rate, • 5%Clinical referrals, • 800 employees Advocacy attendance

Labour relations

The following collective agreements were entered into with trade unions within the .

TABLE 11.1 – Misconduct and disciplinary hearings finalised, 1 April 2005 to 31 March 2006

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	
Verbal warning	0	
Written warning	0	
Final written warning	5	3.57
Suspended without pay	28	20
Fine	5	3.57
Demotion	3	2.14
Dismissal	39	27.86
Not guilty	15	10.71
Case withdrawn	41	29.29
Resigned	4	2.86
Total	140	

TABLE 11.2 – Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	% of total
Assault and rape	47	
Absenteeism	32	
Sexual relationship and sexual assault	8	
Fraud and Corruption	12	
Alcohol abuse	1	
Mismanagement of funds /Theft	29	
Negligence	9	
Poor performance	4	
Improper behaviour	42	
Insubordination	14	
Misuse of property	2	
False statements (incorporated in fraud above)		
Harassment	0	
Discrimination	0	
Late coming	0	
Imprisonment	0	
Illegal Strike	1	
Bribery (incorporated in fraud and corruption)	19	
Total	220	

TABLE 11.3 – Grievances lodged for the period 1 April 2005 to 31 March 2006

	Number	% of Total
Number of grievances resolved		
Number of grievances resolved	9	
Number of grievances not resolved	41	
Total number of grievances lodged	9	

TABLE 11.4 – Disputes lodged with Councils for the period 1 April 2005 to 31 March 2006

	Number	% of Total
Number of disputes upheld		
Number of disputes won	13	
Number of disputes lost	14	0
Total number of disputes lodged	169	0

TABLE 11.5 – Strike actions for the period 1 April 2005 to 31 March 2006

Total number of person working days lost	
Total number of person working days lost	R 7 886
Amount recovered as a result of no work no pay	R211 290

TABLE 11.6 – Precautionary suspensions for the period 1 April 2005 to 31 March 2006

Number of people suspended	
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	0
Cost (R'000) of suspensions	R 50 922

Skills development

This section highlights the efforts of the with regard to skills development.

12.1 – Training needs identified 1 April 2005 to 31 March 2006

Occupational Categories	Gender	Number of employees as at 1 April 2005	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	0	0	0	0	0
	Male	0	0	0	0	0
Professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Technicians and associate professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Clerks	Female	0	0	0	0	0
	Male	0	0	0	0	0
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary	Female	0	0	0	0	0

occupations	Male	0	0	0	0	0
Sub Total	Female	0	0	0	0	0
	Male	0	0	0	0	0

12.2 – Training provided 1 April 2005 to 31 March 2006

Occupational Categories	Gender	Number of employees as at 1 April 2005	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
	Male	0	0	0	0	0
Professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Technicians and associate professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Clerks	Female	0	0	0	0	0
	Male	0	0	0	0	0
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	0	0	0	0	0
	Male	0	0	0	0	0
Sub Total	Female	0	0	0	0	0
	Male	0	0	0	0	0

Injury on duty

The following tables provide basic information on injury on duty.

TABLE 13.1 – Injury on duty, 1 April 2005 to 31 March 2006

Nature of injury on duty	Number	% of total
Required basic medical attention only	60	66.7
Temporary Total Disablement	29	32.2
Permanent Disablement	0	0
Fatal	1	1.1
Total	90	

