

# **DEPARTMENT OF AGRICULTURE AND LAND REFORM**

**ANNUAL REPORT 2005/2006**



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**Honourable Member of the Executive Council for Agriculture and Land Reform**

**Ms TM Joemat-Pettersson**

Dear MEC

I have the pleasure of presenting the Annual Report of the Department of Agriculture and Land Reform for the period 1 April 2005 to 31 March 2006.

A handwritten signature in black ink, appearing to read 'WVD Mothibi', is positioned below the text of the letter.

**Mr. WVD Mothibi**

**Head of Department**

# **1. GENERAL INFORMATION**

## **1.1 Introduction by the Head of the Department**

The Province launched its Growth and Development Strategy in January 2005. The launch gave the Department an opportunity to finalise the incorporation of the agriculture commitments in programmes of the Department for the 2005/2006 financial year.

Despite the challenges that confronted the Department during the year under review, the Department generally managed to deliver on its commitments.

### **Highlights**

Some of the highlights for the year under review include the following:

- ✦ The Provincial Land March and Land Summit formed the main highlights of the year
- ✦ Successfully hosted the National Female Farmer of the Year Awards on 27 August 2005. 3 winners of the awards are from the Province
- ✦ Completed surveillance on general meat safety (i.e. quality of meat inspection, residue in meat. E-coli in meat and water bacteriology)
- ✦ Implementation of the drought scheme
- ✦ Managed to recruit relevant technical expertise
- ✦ Animal disease controlled and monitored
- ✦ Established check points to prevent the spread of classical swine fever into the Province
- ✦ Conducted surveillance on Avian influenza, Foot and Mouth Disease and Porcine Respiratory and Reproduction Syndrome
- ✦ Restructured the management structure of Kalahari Kid Corporation
- ✦ Entered into an agreement with the IDC on the commercialisation of goats in the Province
- ✦ As part of collaboration between commercial farmers, commodity groups and the Department, the Dorperland Club of South Africa and the Calvinia Agricultural Union donated 29 rams to emerging farmers for small stock improvement
- ✦ 15 emerging farmers and 5 mentors were trained in the marketing of agricultural products and traceability. The training was part of the agreement reached with SA Agri-Academy. The enterprises that were selected included:
  - Vegetable production – Moreletsoa Hydroponics project in Kimberley and Snapshot vegetable garden in Richmond
  - Grape production – Tumelo Youth Trust in Groblershoop
  - Flower Bulb projects in Nieuwoudtville
  - Rooibos tea – Suid Bokkeveld

### **Challenges**

After thorough assessment of our performance in the previous financial year, inefficiencies in some areas were noted. Chief among these was our performance in the area of conditional grants. One of the causes of the decline in the standard of delivery in these was as a result of:

- ✦ Too many CASP projects in 2005/06 financial year as compared to only 9 in the previous period
- ✦ Delays in the implementation and expenditure (only started to spend in the 2<sup>nd</sup> quarter)
- ✦ Few field officials to provide after-care and implement new projects at the same time
- ✦ Late delivery of material by the appointed suppliers as well as some suppliers not following specifications

Another area that will receive attention during 2006 is financial management, in particular the monitoring of expenditure. This became evident in the March 2006 spike situation which does not demonstrate prudent financial management.

We will have to draw experiences from the quarterly review retreats both by the senior management structure and the departmental management committee in strengthening oversight and monitoring expenditure.

In order to improve expenditure and increase the pace of delivery on conditional grants the following measures will be put in place during 2006/07 financial year:

- Outstanding projects for 2005/06 must be completed by June 2006
- Ensure that planning, including preparation of tender documents is completed by February of each year
- Expenditure on projects to be incurred per quarter and according to monthly projections
- Completion of re-alignment of the departmental organogramme based on clear operational units, line of authority and accountability

The Department was able to deliver on most of its commitments as stated in the performance plan and the policy speech of the MEC. I wish to take this opportunity to thank the MEC for her continued inspirational leadership and policy guidance during the year under review. This was especially demonstrated during the preparations for the Land March and Land Summit. I also wish to acknowledge the support and oversight role of the Portfolio Committee on Agriculture and Land Reform. The continued commitment of the staff of the Department to service delivery is highly appreciated. The partnership of all members of the agricultural sector in ensuring the growth and development of emerging farmers and the poorest of the poor is acknowledged.

## 1.2 Information on the Ministry

### 1. Summary on the work of the Ministry

Set priorities for the Department

- ▣ Key areas of focus 2005/2006 financial year: Restructuring of Kalahari Kid as vehicle for the commercialization of the goat programme
- ▣ Key activities 2005/2006 financial year: Hosting of National World Food Day and Female Farmer of the Year Competition 2005
- ▣ Speeches delivered to the Legislature, NCOP and Select Committee on Finance
- ▣ Replied to questions from the Legislature – both orally and written

### 2. Institutions reporting to the Executive Authority:

None

### 3. Bills submitted to the legislature during the reporting period

None were submitted

### 4. Ministerial visits abroad

Place	Date	Purpose
Visit to Europe	22 – 30 April 2005	a) 11th Year of SA democracy's celebration in Brussels; addressing EU's diplomatic corpse and Exhibit province's products b) Present PGDS to EU's financial representatives in Luxembourg and Attending other high profile meetings as per invite of the Embassy; e.g. EU Commission briefing on Avian Influenza c) Meeting with Tetrapak in Stockholm to discuss possible partnership with NCPA
Saudi Arabia	18 – 22 February 2006	Gulf Food Show – promoting commercialisation of goats and marketing potential

## 1.3 Mission statement

The Department of Agriculture & Land Reform will enable the development of the province through increased and sustainable agricultural production, land reform programme, food security, and sustainable use of natural resources

## 1.4 Legislative mandate

The Department of Agriculture & Land Reform is an integral part of the South African Public Service established in terms of section 197 of the Constitution and read with section 7 (1) and 7 (2) of the Public Services Act of 1994. The Department also functions under several legislative mandates as listed hereunder:

**Table 1: Legislative mandates**

Title
Act on Marketing of Agricultural Products, 1996 (Act 47 of 1996)
Agricultural Credit Act, 1966 (Act 28 of 1966)
Agricultural Development Fund Act, 1993 (Act No. 175 Of 1993)
Agricultural Pests Act, 1983 (Act No.36 of 1983)
Agricultural Produce Agents Acts, 1992 (Act No. 12 of 1992)
Agricultural Product Standards Act, 1990 (Act No. 119 of 1990)
Agricultural Research Act, 1990 (Act No. 86 of 1990)
Animal Diseases Act, 1984 (Act 35 of 1984)
Animal Identification Act, 2002
Animal Improvement Act, 1998 (Act 62 of 1998)
Codex Alimentarius of the World Health Organisation (WHO) and Food and Agricultural Organisation (FAO) (International Code on Food Safety)
Communal Land Rights Act, 2004
Conservation of Agricultural Resources Act (Act 43 of 1983)
Designated Areas Development Act, 1979 (Act No 87 of 1979)
Disaster Management Act
Extension of Security of Tenure Act (Act 62 of 1997)
Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act 36 of 1947)
Generally Modified Organisms Act, 1997 (Act 15 of 1997)
Land Redistribution for Agricultural Development (LRAD)
Land Reform Act, 1997 (Act 3 of 1997)
Marketing of Agricultural Produce Act, 1996
Meat Safety Act, 2000 (Act 40 of 2000)
Northern Cape Land Administration Act, 2003
Perishable Product Export Control Act, 1983 (Act 9 of 1983)
Plant Breeder's Right Act (Act No 15 of 1976)
Plant Improvement Act, 1976 (Act 53 of 1976)
Problem Animals Control Ordinance, 1978 (ORD No 38 of 1965)
Provision of Land and Assistance Act, 1993 (Act 126 of 1993)
Soil user planning ordinance (Ordinance 15 of 1985)
South African Medicines and Medical Devices Regulatory Authority Act, 1998 (Act 132 of 1998)
Subdivision of Agricultural Land Act, 1970 (Act 70 of 1970) (pending repeal)
The International Animal Health Code of the World Organisation for Animal Health (OIE - Office International des Epizooties)
The International Code for Laboratory Diagnostic Procedure for Animal Diseases of the World Organisation for Animal Health
The Sanitary and Phyto-sanitary Agreement of the World Trade Organisation (WTO)
Veterinary and Para-Veterinary Professions Act, 1982 (Act 19 of 1982)
Water Act, 1998
Water Services Act, 1997 (Act 108 of 1997)



## 2. PROGRAMME PERFORMANCE

### 2.1 Voted Funds

Table 2: Voted Funds

Appropriation	Main Appropriation R'000	Adjusted Appropriation R'000	Actual Amount Spent R'000	Over/Under Expenditure R'000
Amount appropriated	115 322	156 380	131 505	24 875
Statutory appropriation	801	-	801	-
Responsible MEC	MEC for Agriculture and Land Reform			
Administering Department	Department of Agriculture and Land Reform			
Accounting Officer	Deputy Director-General of Agriculture and Land Reform			

### 2.2 Aim of the Vote

A united and prosperous agricultural sector

### 2.3 Summary of programmes

Table 3: Summary of programmes

Functions	Sub-programmes	
<b>Programme 1: Administration</b>  Lead, manage, formulate policy and priorities and promote corporate governance.	1.1	<b>Office of the MEC</b> Set priorities and political directives.
	1.2	<b>Senior Management</b> Translate policies and priorities into strategies for effective service delivery and, to manage, monitor and control performance
	1.3	<b>Corporate Services</b> Ensure an appropriate support service based on the principles of corporate governance.
	1.4	<b>Financial Management</b> Ensure compliance with the Public Finance Management Act (PFMA)
<b>Programme 2: Sustainable Resource Management</b>  Provide Agricultural support services to farmers for sustainable management of agricultural resources.	2.1	<b>Engineering Services</b> Engineering support for on- and off-farm infrastructure, mechanization and product processing.
	2.2	<b>Land Care</b> Co-ordinate and facilitate the planning and implementation of Land Reform and Land Care projects.
<b>Programme 3: Farmer Support and Development</b>  Development, extension and training of farmers.	3.1	<b>Farmer Settlement</b> Maximize the use of agricultural state land and assist emerging farmers
	3.2	<b>Farmer Support Services</b> Capacity building of commercial and emerging farmers and co-ordination of rural agricultural projects.
	3.3	<b>Food Security</b> Implement the integrated food security strategy of South Africa.
<b>Programme 4: Veterinary Services</b>  Provide veterinary services to ensure the health and welfare of people and animals.	4.1	<b>Animal Health</b> Prevention, control and eradication of animal diseases
	4.2	<b>Export Control</b> Facilitation of trade in animals and animal products
	4.3	<b>Public Health</b> Promote food safety
	4.4	<b>Laboratory Services</b> Initiate research as a service to the veterinary personnel and medical practitioners and farmers
<b>Programme 5: Technology Research and Development Services</b>  Render Agricultural research service and develop information systems	5.1	<b>Research</b> Facilitate, conduct and co-ordinate research needs and transferring appropriate technology to farmers
	5.2	<b>Infrastructure Support Services</b> Provide and maintain infrastructure facilities, i.e. experiment farms
<b>Programme 6: Agricultural economics</b>  Advice to internal and external clients on economics	6.1	<b>Marketing Services</b> Identify marketing opportunities and provide farm economics support
	6.2	<b>Macroeconomics and Statistics</b> Develop database on various economic statistics and trends, develop and analyze various economic models and evaluate International/National and local policies on Agricultural Sector

## 2.4 Departmental receipts

**Table 4: Departmental receipts**

Departmental Revenue	Actual Collection 2004/05 R'000	Budgeted Collection 2005/06 R'000	Actual Collection 2005/06 R'000	% Deviation from target
<b>Current Revenue</b>				
Tax Revenue				
Non-Tax Revenue	1 151	300	619	106%
Sale of livestock	861	500	13	-97%
<b>Departmental revenue</b>	<b>2 012</b>	<b>800</b>	<b>632</b>	

## 2.5 Departmental payments

**Table 5: Departmental payments**

Programmes	Voted for 2005/06 R'000	Roll-overs & Adjustments R'000	Virement R'000	Total voted R'000	Actual Expenditure R'000	Variance R'000
Administration	28 794	392	2 587	29 186	31 773	-
Sustainable Resource Management	10 323	15 194	(358)	45 517	32 079	13 080
Farmer Support & Development	44 007	5 472	(3 078)	49 379	34 999	11 302
Veterinary Services	16 830	-	161	16 930	17 058	33
Technology Research & Development Services	13 278	-	688	13 278	13 883	83
Agricultural Economics	2 090	-	-	2 090	1 713	377
Conservation Services	-	-	-	-	-	-
Environmental Management	-	-	-	-	-	-
<b>Total</b>	<b>115 322</b>	<b>21 058</b>	<b>-</b>	<b>156 380</b>	<b>131 505</b>	<b>24 875</b>

### Specific challenges and responses

- Departmental spending was specifically influenced by the move to the new building.
- The capacity constraints in the Human Resource unit to effectively ensure the timeous filling of critical posts.
- Under-spending on Conditional Grants owing to various factors such as, challenges with the procurement processes, non-delivery of SABS approved material, community dynamics, etc

### Issues requiring ongoing attention

- Stronger budget control and reporting to the Head of the Department and the Executive.
- Monitoring of conditional grant spending during the year.

## 2.6 Programme Performance/Service Delivery Achievements

### 2.6.1 Programme 1: Administration

To lead, manage, formulate policy and priorities and render efficient and effective support services with respect to finance, personnel, information, communication, procurement and logistical services.

**Table 6: Strategic objectives for Programme 1**

Strategic Goals	Strategic Objectives
<b>1.1</b> Office of the MEC Set priorities and political directives	1.1.1 Ensure payment of Statutory Payments
	1.1.2 Provide an efficient and effective Office Administration support to the MEC
	1.1.3 Improve management of discretionary fund
<b>1.2</b> Senior Management Translate policies and priorities into strategies for effective service delivery and, to manage, monitor and control performance	1.2.1 Create an environment of accountability by the Head of the department (HOD)
	1.2.2 Effective management, monitoring and control performance against targets of specific programmes by Senior Managers
	1.2.3 Provide for an Inspectorate component as internal audit function to the HOD
<b>1.3</b> Corporate Services Ensure an appropriate support service based on the principles of corporate governance.	1.3.1 Promote Human Resource Management in the Department including the management of the Performance Management and Development System (PMDS)
	1.3.2 Co-ordination and integration of Training programmes undertaken within the department in accordance with legal requirements as well as reporting requirements.
	1.3.3 Implement Transformation Policies
	1.3.4 Develop Special Programs to support Provincial Youth, Disabled, Women, Children, HIV/AIDS and others
	1.3.5 Provide in the Information Management and Technology requirements of the Department
	1.3.6 Develop departmental Compliance Policies and provide legal advice and labour relations
	1.3.7 Develop a Communication strategy externally with the public and internally with departmental officials
	1.3.8 Provide effective Auxiliary Services
<b>1.4</b> Financial Management Ensure compliance with the Public Finance Management Act (PFMA)	1.4.1 Introduce sound financial accounting practices and procedures
	1.4.2 Implement financial Management Accounting processes and prescripts
	1.4.3 Implement sound Strategic Planning and co-ordination processes for planning, monitoring, research and development
	1.4.4 Implement the principles of supply chain management including provisioning, procurement, and asset management

#### Achievements

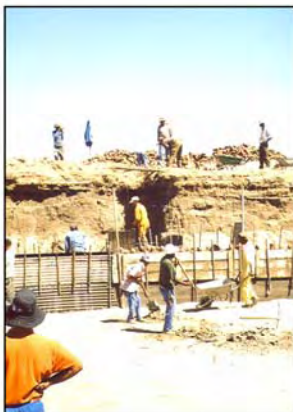
- Evaluation of new positions were done
- Reviewed the Equity Plan
- All employees were taken through the Performance Management and Development System
- A guide was developed for the drafting of job descriptions and 90% of job descriptions completed
- Skills audit was performed
- An employee assistance manual was drafted
- New filling system was approved
- Critical management positions within financial management were filled during September and October 2005
- The deadline for the submission of the 2005/2006 financial statements was met. The audit report was received on 31 July 2006.
- The Supply Chain Management unit was restructured

#### Specific challenges and responses

- A capacity constraint within the financial management unit was one of the greatest challenges faced by financial management during the 2005/06 financial year. However as mentioned above, the progressive filling of critical posts, specifically management posts for financial accounting and management accounting addressed this specific challenge.

#### Issues requiring ongoing attention

- Increased reporting requirements from various stakeholders remains to be an issue requiring ongoing attention for financial management.
- The filling of funded vacancies and the improvement of relevant skills within financial management will require ongoing intervention.
- Improved financial management within the department
- Responding to queries raised in the audit reports





## 2.6.2 Programme 2: Sustainable Resource Management

The function and aim of the programme is to provide agricultural support service to farmers in order to ensure that there is sustainable utilisation and management of agricultural resources.

The programme consists of 2 sub-programmes with strategic goals and strategic objectives as indicated below.

**Table 7: Strategic objectives for programme 2**

Strategic Goals		Strategic Objectives	
2.1	Engineering Services Engineering support for on- and off-farm infrastructure, mechanization and product processing.	2.1.1	Evaluate and design sustainable Irrigation and Water Systems.
		2.1.2	Develop and design facilities for animal housing, handling and storage, and farm buildings.
		2.1.3	Planning and development of mechanization systems
		2.1.4	Develop and design ways and methods to promote Agro-industries and farm product value adding.
2.2	Land Care Co-ordinate and facilitate the planning and implementation of Land Reform and Land Care projects.	2.2.1	Survey and design of conservation structures and water systems
		2.2.2	Promote sustainable land use and development
		2.2.3	Implementation of National support programmes
		2.2.4	Develop policies and implement disaster relief schemes
		2.2.5	Technical support with emphasis on after care to all Land Reform Beneficiaries
		2.2.6	Research on resource conservation methods

### Sub-programme 2.1: Engineering Services

**Strategic objective:** To provide engineering support for establishment of farm infrastructure, sustainable irrigation development and water conservation practices, housing and handling facilities for animal production, facilities for processing of food and farm product and to capacitate farmers in engineering principles and practices for on-farm mechanization.

**Table 8: Measurable objectives and performance measures**

Measurable Objective	Performance Measure	Actual Outputs 2004/05	Target Outputs 2005/06	Actual Outputs 2005/06	Deviation from Target	
					Units	%
Support to farmers with design and development of irrigation infrastructure plans	Orange River Development: Investigations and preliminary designs for allocation of water rights	650 ha	200 ha	538 ha	338	169
	Irrigation systems designed for new allocated water rights	0	200 ha	225 ha	25	13
	Irrigation systems established	0	200 ha	0	-200	-100
	CASP and other projects supported with development of irrigation and water supply infrastructure	3	4	11	7	175
Design and support the construction of marketing structures	Number of structures constructed	0	2	0	-2	-100
Design and support for the construction of stock handling facilities	Number of facilities designed and constructed	1	5	5	-	-
Design and support the construction of animal housing facilities	Number of facilities designed and constructed	0	6	4	-2	-33
Specialist support service to land reform projects	Number of projects supported	18	10 As per application	4	-6	-60
Water conservation and utilization	Number of projects supported	34	40 As per application	14 As per application	-26	-65
Disaster management	Drought water scheme implemented: Applications and subsidies for drilling of boreholes and fitting of equipment approved and paid.	Applications approved = 30 Subsidies for bore holes and equipment paid = 0	As per applications As per applications	6	-	-
				30	-	-
Specialist support service for the implementation of food security projects	Number of irrigation projects supported	16	10	9	-1	-10
Planning of farm Development and Mechanization	Support farmers with on-farm mechanization planning.	0 Farmers	7 projects (55 farmers)	7	-	-
Develop and design ways and methods to promote Agro-industries and farm product value adding.	Identify and support ARC with development of equipment for small scale food processing.	0	1	0	-1	-100
	Support farmers to establish small-scale food processing enterprises.	0	2	1	-1	-50

## **Implement Disaster Aid Programme**

An emergency water scheme for stock and game farmers was implemented in the disaster drought stricken areas and,

- ┆ 24 boreholes and fitment of pumps for 7 boreholes were approved with subsidies to 17 farmers in the Siyanda and Namaqua districts.
- ┆ 8 boreholes were drilled for the farmers in the Riemvasmaak and Ganzenmond communal land. However, only one borehole at Riemvasmaak and one at Ganzenmond were successful and, solar pumps were fitted to the two boreholes.
- ┆ During March 2006, applications for aid were received from Lepelsfontein, Kleinsee and Steinkopf farmers and communities. These applications will be processed as of April 2006.

## **Support to LRAD Programme**

- ┆ Investigated and designed irrigation system for the development of Vioolsdrift state land project.
- ┆ Investigated and assessed irrigation infrastructure, farm infrastructure and mechanization equipment for 3 LRAD applications.

## **CASP and Rural Development Projects**

Engineering technical services were provided to several Agricultural development projects that included the Comprehensive Agricultural support programme and Landcare projects

- ┆ **Mechanization project**  
A policy on mechanization for the provision of tractors and agricultural implements was developed for the Province and, tractors and equipment were subsequently procured and supplied to 7 LRAD projects.
- ┆ **Khuīs project**  
Designed and developed plans for the construction of animal handling facilities.
- ┆ **Buffelsrivier Irrigation project – Namaqua district**  
Tested and fitted solar pump to a borehole  
Constructed security fence and established irrigation system for 1 hectares.
- ┆ **Waterdal Opkomende Boere – Pixley Ka Seme**  
Designed plans for a piggery.
- ┆ **Windsorton (Atamelang) Hydroponic project**  
Constructed reservoirs and a security fence  
Prepared the land for the construction of hydroponics unit and completed the construction of a water supply system from the canal. Construction of hydroponics greenhouse unit started on 6 March 2006 and was 20 % complete by end of March 2006.
- ┆ **Moreletsoa Hydroponic project**  
There was minor construction changes done on the 4 hydroponics greenhouse units and Departmental officials continued to provide technical advice to the beneficiaries.
- ┆ **Eiland Women project**  
The 2 women beneficiaries received their tractor and implements and we subsequently designed plans for the construction of a storage shed for the tractors and equipment
- ┆ **Drie Plotte Irrigation project**  
Surveyed and designed and irrigation system for the extra 12 hectares of land which was not being utilised.
- ┆ **Goodhouse Irrigation project**  
Conducted an investigation and finalised a business plan proposal for the repair and upgrading of main water supply infrastructure as part of a first phase development for the re-vitalisation of Goodhouse irrigation. The business plan was subsequently submitted for funding and the project will be funded through CASP funds during 2006/2007 financial year.
- ┆ **New Born Ostrich project**  
Conducted an investigation and developed preliminary plans for the construction of facilities for ostrich farming.

#### ┐ **Miss Noge Poultry project**

Completed on the construction of security fence, tested a borehole, completed the design and plan of poultry houses.

#### ┐ **Tshwaraganang irrigation development**

Constructed a Centre pivot irrigation system for 18 hectares of land

#### ┐ **Majeng Landcare**

Designed a pump house for the provision of water for the livestock.

#### ┐ **Kopano irrigation project**

Designed a Centre pivot irrigation system

#### ┐ **Blocuso project.**

Completed preliminary designs and compiled a business plan for the irrigation of 216 ha for funding during 2006/07. Project approved and establishment of infrastructure to start during 2006/07.

#### ┐ **Food Security projects**

Engineering technical support was provided for the installation of irrigation systems at various food gardens and, for the establishment of poultry production facilities at various food security projects and communities. The projects assisted include:

##### ┐ Groenwater – Siyanda district

##### ┐ Reaipela food garden – Frances Baard district

##### ┐ Mafata irrigation project – Frances Baard district

##### ┐ Itireleng poultry project – Frances Baard district

##### ┐ Sikhulule chicken project – Pixley Ka Seme

- ┐ Repair of poultry houses and abattoir 80% completed. New contractor appointed to supply curtains for broiler houses.

##### ┐ Carnarvon vegetable garden

- ┐ Installation of solar pump completed. Repair of dam and construction of fence in progress.

##### ┐ Ikageng Primary school – Pixley Ka Seme

- ┐ For the expansion of food garden. Construction of fence and irrigation system completed.

##### ┐ Titus food garden – Roodepan

- ┐ The survey and design of irrigation system for food garden completed. Project to be funded and established during 2006/07.

##### ┐ Kamieskroon School food garden

- ┐ Construction of irrigation system for 1 ha food garden completed.

##### ┐ Helen Joseph food garden – Galeshewe

- ┐ Establishment of 1 ha drip irrigation system is 50 % completed

##### ┐ Truly Blessed School – Galeshewe

- ┐ Installed a drip irrigation system for the vegetable garden as part of public sector week.

#### ┐ **Water Conservation and Utilization**

Technical support was provided for the upgrading of surface irrigation and water distribution system for 14 irrigation farmers in the Siyanda district. The upgrading will assist the farmers with the prevention of water logging and promote efficient use of water.

Supported two Water Research Commission research projects and contributed to the DWAF Provincial Water Summit and Water Allocation Review workshops.

### **Capacity Building and Training of Personnel**

The Engineers in the Department are members of the South African Engineering Council and are therefore expected to attend continuous training and development

#### ┐ Two officials attended a 3 day symposium held by the Irrigation Institute of SA.

#### ┐ Two officials attended a 2 day training course on the use of WCADI irrigation system design software.

#### ┐ Two officials attended a 3 day continued education workshop held for engineers and technicians by the Institute for Agricultural Engineers at the University of Kwa Zulu – Natal

- One official attend a workshop of the Department of Agriculture (National) and made inputs for drafting of a strategy for the training, recruitment and retention of engineers.

### Specific challenges and responses

The challenges experienced by the sub-directorate include the following:-

- Shortage of skilled engineers and technicians and thus falling behind with technical support to various projects
- Completion of the construction of agricultural infrastructure was in a number of development projects very slow mainly due to poor service delivery by some of the appointed service providers/contractors. This in some cases led to contracts being cancelled with the appointment of new service providers and it prolonged the implementation of the projects.

The Department has identified the causes of delays and developed a strategy to avoid similar problems in the next financial year. The strategy includes

- Outsourcing some of the engineering functions where possible
- Appropriate screening of service providers
- Finalisation of scarce skills policy with recruitment of young graduates to study agricultural engineering

### Issues requiring ongoing attention

- Work towards better coordination with other departments, institutions and role players to ensure improved service delivery on infrastructure development projects.
- To improve our contract management in order to timeously replace non – performing suppliers with other service providers that can deliver services on time.
- Recruitment and retention of young engineers and engineering technicians
- Use of retired engineers to speed up support and delivery to the clients

### Sub-programme 2.2: Landcare

**Table 9: Measurable objectives and performance measures**

Measurable objectives	Performance measures	Actual outputs 2004/05	Planned Target 2005/06	Actual output 2005/06	Deviation from Target	
					Units	%
Implementation of Conservation of Agricultural Resources Act (Act 43 of 1983)	Area of virgin soil approved to be ploughed	3 827ha surveyed, approval pending finalisation of the EIA's and water rights grants.	500 ha	1 876 ha approval pending finalisation of the EIA's and water rights grants.	+1 376	275
Agricultural risk and disaster management	Implementation of drought relief aid	R 26 mil available for Drought Relief Scheme implemented from Jan 05 to March 05 Number of communal farmers = 3198, R 5,54 million Number of commercial farmers = 2898, R 5,79 million	As per demand	R20 million received from National  Number of communal farmers = 2 411, R 5,949 million Number of commercial farmers = 3 477, R15,624 million	N/A	N/A
	Flood relief	Assessment of area of lands reclaimed on 51 farms. Data forwarded to Land Bank and aid to the amount of R 20,4 million paid to farmers.	Scheme has been completed.	Three late applications were attended to.	N/A	N/A
Institutional support for sustainable land use	Business plan for addressing water logging and salinity in Vaalharts	Report completed and submitted. Presentation to Port Folio Committee on Agriculture was made on 15 February 2005.	Addressing water logging and salinity in Vaalharts	90 % of Taung and Vaalharts area were investigated.	N/A	N/A
	Farm plans approved for farming practices (number & type of farming)	163 farm inspections carried out for compilation of farm plans  12 sub-surface systems were designed	57 farm plans  27 sub-surface systems	39 farm plans were compiled  15 sub-surface systems were designed	-18  -12	-32  -44



					Deviation from Target	
		29 stock water systems were surveyed and designed.	42 stock water systems	19 stock water systems were surveyed and designed	-23	-55
		Survey and design of two soil conservation structures.	2 soil conservation structures	0	-2	-100
	District land use Committees	2 meetings were held to this effect. No committees have been established.	Establish 2 Committees	Four meetings were attended. No Land Use Committees were established.	-2	-100
Implementation of LandCare projects		Technical support was provided ongoing to all projects during the year. Business plan for projects 2005/06 was submitted to DoA	13	Technical support was provided to 17 projects during the year. Business plans for 2006/07 projects were submitted to DoA.	+4	31
Implementation of CASP Projects		Ongoing technical support was provided to all projects. 8 projects are either completed or partly completed. An amount of R 9,79 million of the total budget of R10,5million was spent on 31/03/2005. Business plan for projects 2005/06 was submitted to DoA.	9	Ongoing technical support was provided to 23 projects. Business plans for 2006/07 projects were submitted to DoA.	+14	156

### Milestones:

#### 20 000 ha made available to emerging farmers

##### ■ Gamohaam

- A farm visit in collaboration with the Land Reform section and the lessee was undertaken and farm plans were compiled.

##### ■ Boland Farms

- The Land Reform section was assisted during two farm visits with the verification of the cost of the infrastructure that the lessee had constructed.

### LRAD Programme

- The farm Boschmansberg was handed over to the community of Kareeberg Municipality and the Dorper Breeders Association donated 29 Stud rams to communities benefiting from the program.
- Compiled agricultural potential reports on the Lemoenkop and Windkraal farms, for the Dept Land Affairs to finalise on the purchase of the said farms under the LRAD Programme.

### Restitution Projects

#### Khuīs

Work at Khuīs, commenced immediately after the tenders were awarded. The material delivered by the suppliers was checked in terms of quantity, quality and the correctness of prescribed specifications. The main reservoir, secondary reservoirs, pipeline, drinking troughs and fencing were completed. A study group consisting of members from the Agricultural Research Council, Department and International Centre for developmental oriented Research in Agriculture (Netherlands) visited Khuīs project. During this visit the sustainable farm utilization plan regarding the proposed fencing, stock watering systems and veldt management plan was presented to them. They were also informed about the design and layout of the stock water systems and fencing

#### Majeng

Five unsuccessful boreholes were drilled at Majeng. The Vaalharts Water Association was then consulted for assistance and they agreed to supply Majeng with stock water out off their irrigation canals. A pit for this purpose has been constructed. An agreement was entered into with ESCOM to provide an electricity point for the main pump. A tender for the construction of stock watering system and pump house was approved and construction commenced during March 2006

### **Schmidtsdrift**

Meetings chaired by Dept. Land Affairs were attended on a regular basis and the necessary inputs were made. The identification of the areas for the development of two towns has been finalized and agreed upon. A meeting was held with the CPA regarding the development of the farm and the upgrading of the infrastructure under the CASP programme. A business plan was compiled for on-farm infrastructure and submitted to the Departmental Project Committee for funding.

### **Grootvlakfontein**

7,0 km of fencing was pegged out for construction. Construction inspections were performed during the installation of the solar pump systems.

### **Implementation of Development projects**

#### **Nieuwoudtville Flower Bulb Project**

All the available planting material was planted during 2005/2006 and,

- ✦ 885 Clivia seedlings were sold for R154 440-00.
- ✦ The remaining seedlings will be sold during 2006/2007.
- ✦ Vosbol International visited the project to conduct a phytosanitary inspection.
- ✦ 500 000 Lachenalia bulbs were exported to the Netherlands.
- ✦ 36 000 bulbs were sent to the ARC of which 12 000 bulbs will be sent to New Zealand for experimental purposes and the rest will be kept for possible sale at a later stage.

Market research and advertisement to sell bulbs in the Bloemfontein and Cape Town areas has been undertaken but no orders have been received yet. Orders for export of 200 000 Lachenalia bulbs have been received for the 2006/2007 year. Currently 1.3 million Lachenalia bulbs have been planted. As a measure of diversification on the farm, 15 kg of Rooibos Tea seeds were sowed to produce seedlings that will create an income of ± R 22 500.

### **Taaiboschdraai**

- ✦ Specifications for a game fence were compiled and tenders advertised for the construction thereof. The tender was approved and construction started soon thereafter.
- ✦ Numerous construction inspections and a final inspection were performed. The 31,298 km of fencing is completed and the final financial report was submitted for payment.

### **Orange River Emerging Farmer Settlement Programme (OREFSP)**

#### **Blocuso Trust**

Technical inputs were provided during meetings with Blocuso Trust, DWAF, Working for Water, Land Bank officials and, the Department of Agriculture and Land Reform is still to finalize the business plan in order to apply for water rights.

### **Onseepkans**

A potential survey to determine the suitability for irrigation of the intended area was performed and mapped.

### **Hopetown**

A survey on an area of 1731ha, to determine the potential for irrigation thereof was performed on the commonage. Maps indicating the soil depth and topography are available. Soil samples of 21 inspection pits were taken and sent to a laboratory for analysis.

### **Sonskyn Emerging Farmers**

A meeting between the Department officials, municipality and the beneficiaries was held. A preliminary feasibility report was compiled and presented to Coordinating Committee for Agricultural Water rights (CCAW).

### **Training and support to beneficiaries of Land Reform projects**

Training for Land reform beneficiaries is an ongoing project and the needs of farmers and communities were addressed as requested.

## Land Care and CASP

### LandCare

#### ■ Suid-Bokkeveld

The project won the Premier's Golden Award in 2005. Twelve borehole sites were identified by the Hydro Geologist of DWAF and roads constructed for drilling rigs to reach these sites.

#### ■ Witbank

A business plan for the third phase of the project was compiled in co-operation with the community. Quantity lists and tender documents were prepared for the second phase of the project. Construction of the second phase is in progress.

#### ■ Ganzemond

Technical inputs on the implementation of the project were made during seven meetings held with the LandCare committee. Five boreholes were drilled under the Drought Relief Scheme to acquire stock water for Ganzemond. Only one of these bore holes yielded enough water to be further developed. A stock water system was surveyed designed and mapped and, material to construct the system was procured.

#### ■ Loeriesfontein Commonage

Project has been completed and handed over to the community.

#### ■ Beeshoek

A time frame for the implementation of the project was prepared. The survey and design of 1,8 km of stock water system was completed. The material for the system as well as 8,5 km border fence and 1,5 km camp fencing was procured. Community members constructed the fencing and stock water system. Twenty farm visits and inspections were conducted in order to check on the construction and to pay labourers (community members).

#### ■ Brandvlei Commonage

In order to implement the first phase of the project, quantity lists and tender documents were compiled and advertised to procure the material for the proposed infrastructure. A business plan for the second phase of the project was presented to the Project Committee for funding in 2006/7.

#### ■ Boschmansberg Opkomende Boere

A complete farm and business plan was compiled in conjunction with the participants and submitted to the Departmental project committee for approval (2006/2007 funding).

#### ■ Hartebeesrivier

Quantity lists and tender documents were compiled and advertised to procure material for the planned infrastructure. Construction is in progress.

#### ■ Pofadder Commonage

Quantity lists and tender documents were compiled and advertised in order to obtain material to implement the second phase of the project. Construction of the second phase is in progress. A business plan for the third and final phase of the project has been compiled and submitted to the Committee for approval.

#### ■ Dabenoris, Springputs, Tweefontein and Boesmansplaat

Quantity lists and tender documents were compiled and advertised in order to obtain material to implement the second phase of the project. Construction of the first phase is in progress.

#### ■ Vorstersdam

A pipeline of 1 200 m was surveyed and designed for stock water purposes. A farm map was compiled to indicate the positions of the proposed fences. Quantity lists were compiled and tender documents prepared for the tender process and submitted and a service provider has been appointed to construct the on-farm infrastructure.

#### ■ Doornkloof

Technical inputs were provided to the Dept of Tourism, Environment and Nature Conservation for the maintenance of the constructed conservation works and seven km gravel road.

### **Farm planning**

Forty-five farm inspections were carried out and 39 farm plans were compiled. The demand for farm planning still exceeds the capacity of the Department to provide this important service. The capacity of the unit is failing to keep pace with the demand.

### **Soil Conservation Structures**

Large areas of the Province are still subjected to soil erosion caused by wind and water. Ten applications for soil conservation structures were received. Due to the shortage of field officials in the Department, high costs required for the construction of conservation works and the lack of funds for the implementation of the Soil Conservation Scheme (Act 43 of 1983), the support for sustainable land use in this specific field came to a stand still. Therefore the degradation of the natural resources will unfortunately continue unless there are active interventions in future. (Communities and farmers do not have the capital to construct conservation works.)

### **Sub-surface drainage**

- An area of 328 ha was surveyed for the purpose of sub-surface drainage system. 34 Farm inspections were performed and 15 sub-surface drainage systems were designed.
- The demand for this support service to farmers is also escalating at an alarming rate. The lack of experienced technicians to do the survey and design of the needed systems is an unfortunate reality.

### **Stock water systems**

- Nineteen stock water systems were surveyed, designed and completely documented with a total length of 140 km. Provisioning of stock water is essential in stock farming.
- Due to the prevailing drought the demand for this service increased and therefore priority was given to this project. The demand could not be met because most of the capacity of the department was allocated to the administration of the Drought Relief Scheme.

### **Special Investigations**

- Information was collected regarding the Hoodia Gordonii (Ghaap) plant.
- Five investigations were done in conjunction with the DoA regarding Jointed cactus (Opuntia aurantiaca) and "Litjies" cactus next to the public roads in the Namakwa District Municipality.

### **Soil surveys and Potential reports**

An area of 1 876 hectares of virgin soil were surveyed and classified to determine the irrigation potential. Reports and maps were compiled and submitted in order to issue plough certificates.

### **Water run-off control**

One storm water furrow was surveyed and designed.

### **District Land Use Committees**

The Department was represented at four meetings held in the Namakwa and Frances Baard Districts.

### **Disaster Management**

#### ■ **Drought management**

A number of areas in the Province were declared as drought stricken areas and during December 2005, the Department received R 20 million to assist the affected farmers. 2 411 communal farmers and 3 477 commercial farmers were assisted. The funds were used for the purchase of fodder and transportation thereof in line with the Drought Scheme.

#### ■ **Agricultural Early Warning Systems**

Two officials attended a workshop regarding weather and climate forecasts. Mr. N. Toerien from Upington is the Provincial representative of the Northern Cape.

Twelve provincial agricultural conditional reports were prepared and submitted to National Department of Agriculture for the compilation of a monthly national report, and four meetings were attended in

Pretoria. There is unfortunately still poor communication system of the agricultural early warning reports and this is considered as an area that needs serious attention by the sector.

### Specific challenges and responses including issues requiring ongoing attention

<b>CHALLENGE 1: DROUGHT RELIEF</b>
<p>Implementation of Drought Relief Scheme 5 888 Claims was received totalling R 21,573 million.</p> <p>Response to Challenge 1 All the areas, claims and applications were processed, assessed and forwarded to Head Office. Five temporarily appointed personnel performed the administration.</p> <p>Many hours of voluntary overtime was performed by existing personnel in order to implement the scheme.</p>
<b>CHALLENGE 2: IMPLEMENTATION OF AGRICULTURAL RESOURCE ACT (ACT 43 OF 1983)</b>
<p>Lack of Capacity of experienced personnel</p> <p>Response to Challenge 2 Appointment of qualified engineering technicians/ industrial technicians and provision of in-service training for the appointed new recruits. Although posts for technicians were advertised, no post was filled, and thus the Sub-directorate will have to find new means to acquire the services of qualified technicians.</p>
<b>CHALLENGE 3: TECHNICAL SUPPORT, IMPLEMENTATION AND AFTER-CARE OF CASP, LANDCARE &amp; FOOD SECURITY PROJECTS</b>
Same as for 2 <sup>nd</sup> challenge
<b>CHALLENGE 4: SERVICE DELIVERY BY APPOINTED CONTRACTORS</b>
<p>Lack of capacity and experience of contractors: Expertise in specific work field Financial constrains Not having appropriate equipment Late and incorrect delivery of material according specifications</p> <p>Response to Challenge 4 1. Better screening and verification of candidate contractors and service providers before approval of bids 2. Capacity building of BEE contractors.</p>





## 2.6.3 Programme 3: Farmer Support and Development

The aim and function of the programmes is to provide extension and training to farmers with special emphasis to developing or emerging farmers' implementation of land reform programme and agricultural rural development projects.

The programme is structured into 3 sub-programmes with the strategic goals and strategic objectives as set out below.

**Table 10: Strategic objectives for programme 3**

Strategic Goals		Strategic Objectives	
3.1	Farmer Settlement Maximize the use of agricultural state land and assist emerging farmers	3.1.1	Facilitate the Implementation of Land Redistribution (LRAD) Program
		3.1.2	Identify, coordinate and assist land reform beneficiaries with infrastructure development
		3.1.3	Administration and disposal of Agricultural State Land
3.2	Farmer Support Services Capacity building of commercial and emerging farmers and co-ordination of rural agricultural projects.	3.2.1	Comprehensive support to new entrants into farming and land reform beneficiaries
		3.2.2	Capacity Building and training of emerging and commercial farmers as well as farm workers
		3.2.3	Coordinate and implement Rural Agricultural Projects
		3.2.4	Promote Youth and Women Participation in agriculture
		3.2.5	Implement customised commodity strategies and agro-processing
		3.2.6	Arrange farmers and information days
		3.2.7	Promoting sustainable resource planning and utilization
3.3	Food Security Implement the integrated food security strategy of South Africa.	3.3.1	Promote home stead food production and preservation
		3.3.2	Implementation of Food Security Projects
		3.3.3	Promote and support income generating projects at household level
		3.3.4	Advice on food preparation and processing

### Sub programme 3.1: Farmer Settlement

To provide training and co-ordination of the implementation of Land Reform Beneficiary programme including the administration, management and disposal of Agricultural State Land

**Table 11: Sub-programme 3.1: Farmer Settlement: Measurable objectives, performance measure and targets**

Measurable objective	Performance measure	Actual 2004/2005	Target 2005/2006	Actual 2005/2006	Deviation from Target	
					Units	%
Administration and disposal of Agricultural State Land	Number of hectares allocated	4048.	310 000ha	8 356ha	301 644ha	-97%
	Number of beneficiaries	5	Determined by the business plan	7	N/A	N/A
Facilitate the implementation of Land Redistribution (LRAD) Program	No of projects approved	12	As per demand	48	N/A	N/A
	No of ha allocated	41 303	As per demand	22 0810.97	N/A	N/A
	No of beneficiaries	198	As per demand	304	N/A	N/A
	Number of PGC meetings	10	10	8	2	-20
	Updated register of approved projects	1	1	1	-	-
Co-ordinate support to Restitution Projects	Number of projects supported	Support to the settlement of the outstanding rural claims	As per demand	12 through CASP	N/A	N/A
	LRCC meetings	Established 2005	10	1 workshop	-9	-90
Identify, coordinate and assist land reform beneficiaries with infrastructure development	Number of projects assisted	8	26	26	-	-

### 1. Disposal of state agricultural land

Farm Name	Location	Extent (ha)	Number of beneficiaries	Land Use	Region
Massakloutjie	Kalahari West	2164	3	Grazing	Siyanda
Rondefontein portion of Carnarvon Research Station	Carnarvon	3812	2	Grazing	Pixley Ka Seme
Patryskraal portion of Vaalharts Research Station)	Jan Kempdorp	2380	2	Grazing	Frances Baard
<b>Subtotals</b>		<b>8356</b>	<b>7</b>	<b>Grazing</b>	

The target of 310 000 ha in terms of the disposal of state land was not met because the land targeted was identified as part of alternative land for the settlement of the Richtersveld land claim.

## Massakloutjie

For the last 40 years Massakloutjie was used as a demonstration farm by the Department of Agriculture. The farm is 7623 ha in extent with the carrying capacity of 18 ha per LSU. Water supply to this farm is provided by the Kalahari East Water Scheme. Mr. Page will be a mentor until they can sustain themselves. The farm will still be used for demonstration but managed by the emerging farmers under the supervision of the Department and the mentor. The workers will still be working for him so they will be able to pay rental and other operational costs. Ms Irene Baisitse is a member of Progress Small Farmers in Upington. She is a previous winner for the provincial female farmer of the year competition under informal markets category. Her settlement is intended to support and empower her to start farming commercially. For the first two years, from 2005 and 2007, 28% of the farm will be used for land reform which means the new entrants will occupy 2164 ha for that period. After two years it will be increased to the ratio of 50/50 for 5 years up till they occupy the whole farm. It is expected that the process will be completed by 2011 with the expectation that new farmers will by then be ready and able to run and manage the farm. The Department will do the monitoring during the period.

## Rondefontein- Portion of Camarvon Research Station

The total extent of the farm is 3812 ha with the carrying capacity of 38 ha per LSU. A maximum of 432 ewes can be kept on the land. There are 21 camps all equipped with sufficient stock farming points and five sets of handling facilities. The farm is allocated to two women for commercial livestock farming to empower them to become part of the commercial small stock farming in the area as well as utilizing the farming enterprise for demonstration and training purposes for other emerging farmers.

## Patryskraal

This farm is portion of Vaalharts Research Station and is allocated to two women for commercial cattle farming. The total extent of the farm is 2300ha with the carrying capacity of 9 per LSU. The farm is well planned and divided into 31 camps with an average size of 74 ha. There are two handling facilities and all camps have stock watering points.

## LRAD projects approved by Provincial Grants Committee in the financial year (2005/06)

There was continuous dissemination of information on the LRAD programme through telephone and farmers' contacts. 48 projects were approved from the 8 Provincial Grant Committee meetings that were held.

Project Name	Location	Extent	Number of Household	Land Use	Region
Spook & Spartel	Onseepkans	4.3024	6	Crop production	Namakwa
Khulumani	Griekwastad	42.2014	6	Mixed farming (crop production and livestock)	Karoo
Coalition Trading 592 cc	Steinkopf.	6244.82	9	Livestock production	Namakwa
Swart Heuwels Boerdery BK	Springbok	9874.68	10	Livestock production	Namakwa
D Bors & Seuns BK	Springbok	3468.95	6	Livestock production	Namakwa
Voordag Food Safety Net	Onseepkans	4.37	6	Crop production	Namakwa
Cloete Boerdery Food Safety Net	Onseepkans	4.34	6	Crop production	Namakwa
N.C. Boerdery Food Safety Net	Onseepkans	4.28	6	Crop production	Namakwa
Soetpan Food Safety Net	Onseepkans	4.28	6	Crop production	Namakwa
Klein Begin Food Safety Net	Onseepkans	4.28	6	Crop production	Namakwa
Rekopane Farm Workers Equity Scheme	Upington	549.06	65	Crop production	Siyanda
Iphemeleng CPA	Hartswater	20.95	36	Crop production	Frances Baard
Poor Mans Friend	Warrenton	30.17	4	Livestock production	Frances Baard
Bontvlei Food Safety net	Onseepkans	4.28	6	Crop production	Namakwa
!Garib Boerdery	Onseepkans	4.8	6	Crop production	Namakwa
Wegspring Boerdery	Onseepkans	4.44	6	Crop production	Namakwa
Klippenterus Boerdery	Onseepkans	4.3	6	Crop production	Namakwa
J& Kie Boerdery	Onseepkans	4.47	6	Crop production	Namakwa
Titus Boerdery	Onseepkans	4.3	6	Crop production	Namakwa
Rondespring	Onseepkans	4.41	6	Crop production	Namakwa
Seven People	Onseepkans	4.43	6	Crop production	Namakwa
Velduitsig	Onseepkans	4.43	6	Crop production	Namakwa
Weigelee Boerdery	Onseepkans	4.29	6	Crop production	Namakwa
Bly Vooruitsig	Onseepkans	4.28	6	Crop production	Namakwa
Uitsig Boerdery	Onseepkans	4.29	6	Crop production	Namakwa
Lekkerbly Boerdery	Onseepkans	4.49	6	Crop production	Namakwa
Klein Geluk	Onseepkans	4.37	6	Crop production	Namakwa
Seven People	Onseepkans	4.43	6	Crop production	Namakwa
Welkom Boerdery	Onseepkans	4.43	6	Crop production	Namakwa
Opgesukkel	Onseepkans	4.41	6	Crop production	Namakwa
Opkoms	Onseepkans	4.45	6	Crop production	Namakwa
Olyn Boerdery	Onseepkans	4.33	6	Crop production	Namakwa



Project Name	Location	Extent	Number of Household	Land Use	Region
Saamwerk	Onseepkans	4.36	6	Crop production	Namakwa
Melkbos Boerdery	Onseepkans	4.28	6	Crop production	Namakwa
Morkel Boerdery	Onseepkans	4.28	6	Crop production	Namakwa
Links Project	Kenhardt	1733.72	2	Livestock	Siyanda
<b>Subtotal</b>		<b>22 081.97</b>	<b>304</b>		

### The Provincial Land March and Land Summit

The march took place 19 May 2005 in Kimberley. Approximately 1500 people participated from across the province. The march was to commemorate the Freedom Charter, the 1913 Land Act and to sensitize the public of the developments that the Government brought about after 1994 with regard land issues. The Provincial Land Summit was held on the 12 and 13 of July 2005 in preparation for the national one that took place on 27 – 31 July 2005. Over 500 delegates representing the landless, farm workers, land reform beneficiaries, land activists, organised agriculture, provincial and national government, business, political parties, federations, trade unions and institution of higher learning participated on the event. The main objective of the land summit was the acceleration of land delivery for sustainable development by mobilising all South Africans to participate in the land and agrarian reform process, opening a dialogue on South African Policies on Land and agrarian reform as well as to draw lessons from International experience on their land reform policies. Resolutions of the provincial summit were tabled at the national summit as provincial inputs.

### Post settlement support to land reform projects

#### Land Reform (LRAD) Projects that benefited from CASP – 05/06

Project Name	Land Use	Beneficiaries	District	Category	Budget R
Helpmekaar	Vegetable production	10	Namakwa	LRAD	50 000
Kopano	Irrigation	25	Frances Baard	LRAD	800 000
Tswaraganang	Irrigation	90	Frances Baard	LRAD	345 000
Noge's poultry	Poultry	4	Frances Baard	LRAD	132 000
Waterdal	Irrigation	10	Pixley ka Seme	LRAD	245 000
Hanover emerging farmers	Livestock	35	Pixley ka Seme	LRAD	80 000
Nomzamo Trust	Mixed	16	Pixley ka Seme	LRAD	50 000
Laughing Waters	Livestock	39	Siyanda	LRAD	243 000
Bitline	Poultry	2	Namakwa	LRAD	357 000
Majeng	Livestock	800	Frances Baard	Restitution	2 385 000
Khuis	Livestock & game	94	Kgalagadi	Restitution	2 000 000
Grootvlakfontein	Livestock & crops	215	Frances Baard	Restitution	500 000
Wrenchville Kleinboere Vroue Vereniging	Livestock & vegetables	31	Kgalagadi	LRAD	413 000
<b>Subtotal</b>		<b>1 371</b>			<b>7 600 000</b>

#### Land Reform Projects that benefited from Food Security – 05/06

Project Name	Land Use	Beneficiaries	District	Category	Budget R
Mafata	Vegetable production	2	Frances Baard	LRAD	40 000
Elgon	Vegetable production	22	Pixley Ka Seme	LRAD	720 000
Groenwater	Vegetables	5	Frances Baard	Restitution	130 000
<b>Subtotal</b>		<b>29</b>			<b>890 000</b>

#### Land reform projects that benefited from Landcare -05/06

Project Name	Land Use	Beneficiaries	District	Category	Budget R
Ganzemond	Livestock	12		Commonage	138 000
Boesmansplaat	Livestock	Leliefontein community	Namaqua	Commonage	142 800
Tweefontein	Livestock	Leliefontein community		Commonage	131 900
Springputs	Livestock	Pella community	Namaqua	Commonage	126 100
Dabenoris	Livestock	Pella community	Namaqua	Commonage	131 900
Pofadder	Livestock	40	Namaqua	Commonage	100 000
Brandvlei	Livestock	26	Namaqua	Commonage	101 300
Beeshoek	Livestock	10	Namaqua	Commonage	123 000
Vorstersdam	Livestock	12	Pixley ka Seme	LRAD	100 000
<b>Sub total</b>					<b>1 094 200</b>

### Specific challenges and responses

- Insufficient personnel
  - Increased staff requirement by filling-in of vacant post
- Irregular meetings of LRCC
  - To have an annual schedule of these meetings and ensure it is adhered to
- Conflicts among beneficiaries
  - Development of programmes for community facilitation

- Slow response to APRs
  - Farmer Settlement to take pro-active role in attending to the APRs in collaboration with the regional managers

#### Issues requiring ongoing attention

- Continuous engagement of relevant stakeholders on post settlement issues.
- Smooth flow of information to the department through reports and attending the LRCC, PGC, DPCC and PSLDC
- Improved visits and communication with Land Reform beneficiaries
- Strengthened intra departmental interaction to improve service delivery

### Sub programme 3.2: Farmer Support Services

To provide and facilitate training of commercial and emerging farmers, including the co-ordination of Rural Agricultural projects.

**Table 12: Sub-programme 3.2: Farmer Support Services: Measurable objectives, performance measures and targets**

Measurable Objective	Performance Measure	Actual Outputs 2004/05	2005/06 Planned Output	Actual Outputs	Deviation from target	
					Units	%
Capacity Building and Training of Emerging Farmers, as well as Farm Workers	Demonstration Days	6 Demonstration days	6	4	-2	-33
	Training Manual	2 Manuals developed	11	8	-3	-27
	Agricultural Tours	5 Tours with 60 Farmers	4	5	1	125
	Mentorships	10 Mentorship supported	15	15	0	0
		215 Beneficiaries	465	425	-40	-9
	Courses	9 Courses presented	21	17	4	80
		279 Farmers received Training	320	284	36	88
	Farmers and Information Days		33	57	24	172
Co-ordinate and Implement Rural Agricultural Projects	Awareness Campaign	9 Awareness Campaigns	21	28	7	136
	Participation in Local Economic Structure	5 IDP meetings, etc.	12	10	2	83
	Road Shows	3 Road Shows	7	9	2	128
	State Land	7 supportive events	13	16	3	123
	Irrigation Development	15 supportive events	15	18	3	120
Promote Youth and Women Participation in Agriculture	Youth Programme	3 Youth Programmes	4	4	0	0
	Female Farmer Competition	24 entries	32	22	10	68
	School Excursions / Tours	165 pupils	120	108	12	90
	College Visits Projects	28 students	20	21	1	105
	Agricultural Awareness					
	Pilot	6 schools	0	0	0	0
	Experiential Training	2 students in experiential training	4	2	2	50
	Learnerships	5 Learnerships	7	7	0	100
Implement Customized Commodity Strategies and Agro Processing	Commodity groups	2	0	11	11	100
	Agri BEE	5 established	6	9	3	150
Institutional Development	Farmers Unions	4 meetings	2	4	2	200
	Farmers Associations	6 meetings	4	10	6	250
	Commonage Committees	20 meetings	20	35	15	175
Promoting Sustainable Resource Planning And Utilization	Land Care	9	15	13	2	86
	Farm Planning	6	As per requested	13	0	100
	Farm Management Plan	13	10	27	17	270
	Disaster Assessment	4	4	5	1	125
	Subdivision of Agricultural Land	38	As per requested	65	0	100
	Evaluation of EMPs	15	As per requested	26	0	100
	Early warning reports	68	96	96	0	100
	Plough certificates	4	As per requested	0	0	0
	Water rights	5	As per requested	7	0	100
	Soil and Water samples	0	As per requested	11	0	100
	Veld evaluation	7	As per requested	17	0	100
	Burning of veld	0	As per requested	3	0	100

### Agricultural Potential Reports (APRs)

APRs completed: Amam, Jakkalshoek, Meulsteenbergh, Warmsand, Omkyk, Wegdraai state land, Khorkamand Boonste Vlei, Onseepkans, Aggenys, Grootkolk, Korkham, Grootdrink, Kalkoenkrantz, Siyanceda, Mr Keiwedo's and Application from Campbell. Together with the APRs, the management plans for these farms were also completed.

### **Livestock improvement**

- Continuous support was given to Witbank, Pofadder and Mier projects by giving farmers improved breeding stock as well as technical advice
- 8 training manuals were developed for Livestock Production and Veldt Management in the Postmasburg area for training purposes.

### **Mentorships**

Ongoing monitoring and support was given to the following projects: De Beers, Leliefontein, Eiland, Arbeidsgenot, Massakloutjie, Naftali, Sonvrucht, Rooikoppies, B 25, Thumelo Youth Project, Alcea-Rosea and Kono

### **Courses**

- 15 of the Umsobomvu Women development received training on how to start a business.
- Three beneficiaries of Moreletsoa Hydroponics received training at Stellenbosch on hydroponic management.
- 10 Farmers from Kono received Boer Goat training
- The Vukani Bafazi group received training on Vegetable production.
- Six people from Orangezicht, Thumelo Youth Farm and Snapshot attended export readiness course offered by Agri-academy in Western Cape.
- Courses in Veldt Management and Grazing Practices were presented to Emerging and Commercial Farmers as well as in Boer goat and vegetable farming.

### **Farmers'-, Information- and Demonstration days:**

- Farmer days were held in Postmasburg, Eksteenskuil, Blocuso trust, Lekkersing, Prieska, Campbell, Richmond
- An Information day on Food Security was held in Concordia
- Demonstrations on soil preparation for food gardens in Kamieskroon, Pella and Carolusberg were held.

### **Agricultural tours**

Cross pollination took place between Pella and Carolusberg food gardens, as well as visits by farmer groups to commercial enterprises. Kuruman farmers visited Kono.

### **Awareness campaigns**

- CASP and Land Care programs were taken to the various communities to make them aware of the department's support programmes.
- Exhibitions during the Public Service Week were held provincially.
- All farming communities were invited to participate in a Land March and Summit in Kimberley
- Participated in the World Aids day which was commemorated in Pixley ka-Seme.
- Farmers attended the International Day for People with Disabilities held in De Aar.
- Landcare Day for schools was held in Kuruman.
- The department made presentations during the World Aids day on the impact the pandemic is having on Agriculture. The presentations were made in Prieska and Victoria West respectively.

### **Participation in local economic structures**

Active involvement in IDP and LED structures of local municipalities by participating in the various meetings called by these structures.

### **Orange River Emerging Farmers Settlement Programme (OREFSP)**

- A job creation project was launched in Goodhouse to remove dripper lines from the land.
- Consultative meetings were held in Onseepkans, Pella and Blocuso Trust about the progress of the projects.
- The business plan for Blocuso Trust is approved and recommended by CCAW for application for water rights.
- Soil investigation completed in Hope town commonage area for about 1 300 ha.

- ┆ Sonskyn desktop study was completed for 100 ha in Prieska and awaiting the engineering surveys.
- ┆ Goodhouse revitalisation plan developed

### **Female Farmer of the Year competition**

- ┆ The Provincial winner for the export markets came out of the Western region and the winners for household food security, national producer and top producer for informal markets came from the Eastern region. A total of 10 women entered the 2005 competition. The National Female Farmer of the year came from the Northern Cape as well as the Informal Market Prize was scooped by the N. Cape.
- ┆ Applications for participation in the 2006 female farmer competition were distributed
- ┆ 6 students from Namaqua make use of learnerships and acquired skills and practical exposure.
- ┆ 2 students did their experiential training in Springbok.
- ┆ 98 learners from two schools namely Martin Oosthuizen Hoër in Kakamas and Keimoes Hoërskool in the Western region participated in the Junior Land Care Awareness Campaign project.
- ┆ The following women projects received support from the department, which are: Vukani Bafazi, 3 Plotte, Snapshot, Retsweletse, Umsobomvu Woman Development and Nieuwborn Ostrich Project. The support received from the department included machinery, implements, technical advice and infrastructure.

### **Customised commodity strategies and support to AgriBEE**

- ┆ Nine new companies (Agri BEE) namely Witbank Lucerne, Eksteenskuil Lucerne, Namdrasco, Lucas Construction, African Water Mining Solutions, Roberts Consultants, Bokamosho, S&G General Suppliers and Skillful 1149 cc were identified to be service providers in some CASP and Landcare projects as well as for the transport of drought relief fodder.
- ┆ Eleven new goat cooperatives were established and registered.

### **Institutional development**

- ┆ Meetings attended were of farmers associations, commonage committees and farmers unions, where the Department made inputs on various aspects of agricultural development.

### **Sustainable resource planning**

- ┆ The implementation and support of 11 Land Care projects continued.
- ┆ Drought situation in Namaqua deteriorated. Relief aid was provided to approximately 2 000, of which 300 were commercial and the 1 700 farmers were emerging till the end of March 2006.
- ┆ A workshop was held on the subdivision of agricultural land in Upington. About 100 people attended which included commercial, emerging farmers and other stakeholders like the land surveyors.
- ┆ Early warning reports were compiled and submitted to the Disaster Management Unit in the Department of Agriculture, Pretoria.
- ┆ Veld evaluations were done, mainly on land reform farms in Namaqualand to support the municipalities in their management plans

### **Subdivision of land and mining applications**

- ┆ 37 applications for subdivisions for agricultural land were received and recommendations were made. Most of them were in the irrigation areas.
- ┆ Mining applications were received and comments/inputs made. These application were mainly concentrated in the Namaqua region. Evaluation of the impact of mining on agricultural land was done and recommendations were made on proper land use patterns.

### **Training and support to beneficiaries of Land Reform projects**

- ┆ Several emerging farmers of Hoogland, Hantam and Kareeberg Municipalities attended a Dorper course presented by The Dorper Breeders Association and officials of the Dept of Agriculture and Land Reform, at Carnarvon Research Station and Loeriesfontein.

## Water rights

- Applications for the transfer of water rights were received and recommended for Koegas, Dagbreek, Jordan and van Niekerk farms
- Blocuso application was submitted to the Department of Water Affairs and Forestry

## Water analysis for food garden

- Water sample from Loxton garlic project were sent to Grootfontein for chemical analysis. The outcome was negative due to high levels of salt content in the irrigation water.

## Specific challenges and responses

- Not all approved projects were completed due to problems with the service providers – most of the material delivered were not SABS approved, which resulted in delays in the implementation of projects.
- Personnel shortages as well as the implementation of the drought relief scheme made it difficult to render comprehensive support to projects.
- Conflict amongst beneficiaries continues to hinder progress on most projects. In some instances, funds have to be shifted, which delayed expenditure on CASP projects.
- Inability of beneficiaries to service their loans.

## Issues requiring ongoing attention

- In service training of new personnel
- Community facilitation programmes to minimise conflicts
- Beefing up of farmer support component at the local level
- Profiling of development corridors

## Sub programme 3.3: Food Security

To co-ordinate and implement various food security projects as highlighted and adopted in the Integrated Food Security strategy South Africa.

**Table 13: Sub-programme 3.3: Food Security: Measurable objectives, performance measures and targets**

Measurable objective	Performance Measure	Actual outputs 2004/5	Planned target 2005/06	Actual outputs 2005/06	Deviation from Target	
					Units	%
Promote home stead food production, processing and preservation	Number of vegetable and fruit production starter packs distributed	0	9500	0	-9500	-100
	Number of beneficiaries (participants in the scheme)	340 households 80 schools 40 clinics	100 schools 60 clinics	80 schools 65 clinics	-20 5	-20 8
	Number of productive homestead gardens	0	0	0	0	0
	Number of milk goats starter packs	0	10	0	-10	-100
Advise on food processing and preservation	Number of food processing projects	0	2	0	-2	-100
Income generation projects	Number of starter packs for commercialization of goats project	0	Goat management tool kit for 17 co-operatives	Goat management tool kit for 30 co-operatives	13	76
Implementation of Food Security Projects	Number of community projects implemented	11	12 Projects for project consolidation	9 projects from project consolidation and 2 new projects	-3	-25
After care support to projects and homesteads	Number of participants	670	263	971	-708	-269
	Number of community gardens in urban areas	11	12	11	-1	-8
	Number of poultry units	2	5	5	0	0
Food Security awareness	World food day celebration		1 Celebration of World Food Day	1 National World Food Day Celebration	0	0
	School gardens competition		20 schools participating	43 schools participated	23	115

## **Starter packs**

### **Starter packs for schools and clinics/health centres**

The Starter packs for schools and clinics are aimed at improving nutritional status of learners and sick people. The schools and clinics were selected by the Integrated Food Security and Nutrition Committee. Twenty schools and twenty clinics per District were selected. Starter packs were given as follows:

District	No. of schools	No. of clinics	Budget	Amount spent
Frances Baard	20	12	R 60 000	R49 732.12
Namakwa	20	20	R 60 000	R 59,462.40
Pixley Ka Seme	20	20	R 60 000	R 46,311.76
Siyanda	20	13	R 70 000	R 65 170.76
<b>TOTAL</b>	<b>80</b>	<b>65</b>	<b>R 250 000</b>	<b>R 220,677.04</b>

### **Goat management starter packs**

As part of the support for the Commercialization of Goats programme. Co-operatives are offered training in goat's production and management. Currently a group of about 16 trainees (youth) are undergoing training at the Koopmansfontein Experimental farm (block training) for a period of 3 months through the Agri-SETA. In order to strengthen the practical aspect of the training, the DoAL is supplying the Co-ops with goat management tools in a form of starter-packs. Thirty starter-packs to the value of R173,722.50 have been purchased. The starter packs consist of ear tags, ear tags applicator, tattooing ink (black), tattooing ink (green), tattooing pliers/clip, hoof knife, Hoof Pick, Roux Spuit, Automatic Drencher, Hanging Scale, Needles, Prodose, Multimin, Multimin se sheep, Pro dip cyp, Tenalin and Wound Sept Aero. They will be distributed to coops after the completion of block training at the Koopmansfontein Experimental farm in June.2006.

## **Food security awareness**

### **World Food Day celebration**

Each year the Department of Agriculture, at National and Provincial levels leads the World Food Day celebration through various activities that are aimed at raising awareness and mobilizing stakeholders against food insecurity. South Africa commemorated World Food Day on 16 October 2005 in Kimberley at the Legislature Building. The theme was "Agriculture and Intercultural Dialogue" which recalls the contribution of different cultures to Agriculture in fighting hunger and malnutrition. According to FAO, intercultural dialogue involves more than transferring technologies, seeds and breeds. Many cultures, especially those in which the principal activity is Agriculture, have profound religious beliefs, values and rituals concerning food and the environment. Approximately one thousand two hundred people (1200) attended the function

### **Schools garden competition**

The competition was launched in the Frances Baard District on 29 August 2005 and the preparatory workshops were conducted from the 5<sup>th</sup> -16<sup>th</sup> of September 2005. There were 43 schools that are participating in the competition. They all received starter packs from the Department of Agriculture and Land Reform, attended a workshop on how to start and manage a food garden. The award ceremony was held on the 10<sup>th</sup> March 2006 at Masiza Primary school. The three winners received R 50 000 among them. The ceremony was sponsored by ABSA bank and the thirty participants received vegetable starter packs from the Department of Agriculture and Land Reform to the value of R 30 000. This competition will be an annual event to raise food security awareness at schools.

## **Development of women in agriculture**

### **Kono**

Technical inputs to revive the broiler project at Kono were provided. Due to a shortage of chickens in the country special arrangements had to be made to acquire chickens and the first batch of broilers has been marketed by the project.

## **Food security projects**

Nine projects from the previous financial year were implemented under Project Consolidate. In addition to the nine projects under Project Consolidate, two new projects were implemented in this financial (2005/06).



## Project consolidate

Project	Description	District	Location/town	Beneficiaries	Type of support	Expenditure
1. Kamieskroon school food garden	School food garden	Namakwa	Kamieskroon	Learners	Production inputs	R 22 000
2. Groenwater project	Community garden	Siyanda	Postmasburg	5	Construction of windmill tower, soil preparations and production inputs	R60 000
3. Itireleng	Community poultry project	Frances Baard	Longlands	5	Electricity, Water supply and production inputs	R60 000
4. Siyasinda Vegetable project	Special school food garden	Frances Baard	Galeshewe	7	Production inputs	R2 000
5. Mafata	Community food garden	Frances Baard	Ritchie	2	Irrigation system and inputs	R 40 000
6. Reaipela food garden	School food garden	Frances Baard	Hartswater	Learners	Irrigation system, fence and inputs	R 40 000
7. Thusanani food garden	Community garden	Pixley Ka Seme	Noupoort	5	Repairing of irrigation system	R 7 000
8. J Appies	Community garden project	School food garden	Carnarvon	10	Extension of fence and production inputs	R 50 000
9. Ikageng Project	Farm school garden	Pixley Ka Seme	Douglas	Learners	Irrigation system and inputs	R 30 000
<b>Total</b>						<b>R 311 000</b>

## New projects

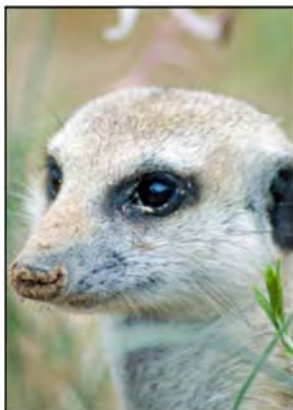
Project	Description	District	Location/town	Beneficiaries	Type of support	Expenditure
1. Helen Joseph project	Community garden	Frances Baard	Galeshewe	15	Irrigation system and Production inputs	R 12 000
2. Elgon project	Community garden	Kgalagadi	Kuruman	22	Construction of windmill tower, soil preparations and production inputs (chicken feed and packaging material)	R720 000
<b>TOTAL</b>						<b>R 732 000</b>

## Specific challenges and responses

CONSTRAINTS	MEASURE TO OVERCOME
Insufficient capacity in the Food Security.	Appoint more staff
Beneficiaries tend to lose interest as the projects progress. This is brought about by the turn around time it takes for projects to be financially self sustaining	<ul style="list-style-type: none"> <li>More beneficiary awareness of the importance of the food security programmes.</li> <li>Communities must take ownership of their projects and work hard to make them financially sustainable</li> </ul>
High Eskom rates cripple the production of projects.	To engage Eskom managers to resolve the outstanding balances and possible future subsidies for projects.
Insufficient water to support food garden projects	To engage the department of Water Affairs and the relevant municipality to assist in this regard.

## Issues requiring ongoing attention

- To co-opt beneficiaries of starter packs to start bigger projects at schools where the Department of Education has availed land for sustainability purposes.
- Community facilitation by conducting workshops and awareness campaigns to get them to understand the importance of food security interventions.
- To introduce other income generating projects like preservation and processing for sustainability purposes.
- To assess and evaluate the impact of the food security programme.





## 2.6.4 Programme 4: Veterinary Services

The function and aim of the programme is to provide veterinary services that promotes sustainable economic growth through export/import and, ensures the health and welfare of people and animals in the Northern Cape.

The programme is structured into 4 sub-programmes with strategic goals and strategic objectives as indicated below.

**Table 14: Strategic objectives for programme 4**

Strategic Goals	Strategic Objectives
4.1 Animal Health Care Prevention, control and eradication of animal diseases	4.1.1 Ensure compliance to legislation in terms of the Animal Health Act and disease surveillance
	4.1.2 Skills Development, technology transfer to farmers
	4.1.3 Facilitate primary animal health care and manage non-controlled diseases
4.2 Export Control Facilitation of trade in animals and animal products	4.2.1 Develop Risk Assessment strategies in line with international standards
	4.2.2 Provide Health Certification for the import and export of animals
4.3 Public Health Care Promote food safety	4.3.1 Implement Food Safety and Surveillance Programmes on Zoonotic diseases
	4.3.2 Implement the Meat Safety Act (Act 40 of 200) and its Regulations
4.4 Laboratory Services Initiate research as a service to the veterinary personnel and medical practitioners and farmers	4.4.1 Provision of Diagnostic Service
	4.4.2 Epidemiological Investigations

**Table 15: Sub-programme 4.1: Animal Health: Measurable objectives, performance indicators and targets**

Measurable Objective	Output	Performance Measure Indicator	2005/6 Target	Actual output	Deviation Unit	Deviation %
Manage and implement the Animal Disease / Animal Health Act and regulations	1. Controlled Diseases	Number of inspections	517	218	-299	-58
		Number of vaccinations	11350	15614	4264	38
		Game movement control	62	109	47	76
		Number of herds tested: TB and CA	220	621	401	182
		Number of herds declared free from disease	40	15	-25	-63
		as required		4	4	0
		Legislative Actions: Orders etc.	50	1	-49	-98
		Treatments supervised	23050	34551	11501	50
		Animals treated	23050	17703 (excl AI & CSF)	-5347	-23
		Animals tested/samples				
	2. Non Controlled Diseases	Number of animals tested	18500	9675	-8825	-48
		Number of auctions attended	165	127	-38	-23
		Number of animals inspected	113550	178948	65398	-58
		Number of animals vaccinated	26200	801	-25999	-97
		Movement control: Permits	520	10	-510	-98
		Number of herds declared free form disease	750	0	-750	-100
			23	0	-23	-100
		Treatments supervised	7400	148	-7252	-98
	3. Primary Animal Health Care	Number of animals permanently identified	5750	4274	-1476	-26
		Number of cases attended to	100	67	-33	-33
		Number of community visits	150	45	-105	-70
		Preventative and curative actions performed	as required	43	43	0
	4. Border control	No of fence patrols	12	0	-12	-100
		Number of border post visits	12	0	-12	-100
		Number of days on relief duty	350	0	-350	-100
	5. Import Control	Number of imports compliance inspections	50	15	-35	-70
Technology transfer	Training, extension and liaison	Number of events attended to	60	17	-43	-72
Risk Assessment	Surveillance	Number of projects submitted	10	1	-9	-90
		Number of projects approved	10	1	-9	-90
		Number of farms visited	950	0	-950	-100
Good Governance	Quality Control	Number of Internal Audits done	4	0	-4	-100
		Number of office meetings	48	6	-42	-88
		Number of quarterly reviews	4	0	-4	-100

**Table 16: Sub-programme 4.2: Export Control: Measurable objectives, performance indicators and targets**

Objective	Output	Performance Measure Indicator	2005/06 Target	Actual output	Deviation Unit	Deviation %
Health certification	Proper certification	Number of certificates signed	As requested	199	199	N/A
	Set & monitor standards in line with export requirements	EU directives complied with				
Risk assessment	Registration & inspection of export facilities & Offices	Number registered & inspected	18	7	-11	-61
	Surveillance	Number done	1	0	-1	-100

**Table 17: Sub-programme 4.3: Veterinary Public Health: Measurable objectives, performance indicators and targets**

Objective	Output	Performance Measure Indicator	2005/06 Target	Actual output	Deviation Unit	Deviation %
Manage & implement the Meat Safety act & its regulations	Planning, Registration & inspection of non exporting abattoirs	a. Number of building plans	On request	9	9	100
		b. Number of re-registrations	89	92	3	3
		c. Number of inspections	260	445	185	71
Food Safety awareness	Food safety campaigns	a. Number of exhibitions	9	4	-5	-56
		b. Number of school visits	28	41	13	46
		c. Number of media extensions	6	1	-5	-83
Combating Illegal slaughtering	Inspections Legalization of slaughter facilities	a. Number of complaints received and evaluated	As required	13	13	0
		b. Number of notices issued		2	2	0
Technology transfer	Training, extension and liaison	a. Number of farmer extensions	20	4	-16	-80
		b. Agricultural projects visited	21	11	-10	-48
		c. Training of meat hygiene personnel		7	7	100
Risk assessment	Surveillance	a. Number of BSE samples	510	628	118	23
		b. Number of residue samples	92	375	283	308
		c. Number of microbiology samples	92	479	387	421
		d. Number of HAS assessments	92	28	-64	-70
Good governance	Audit control	Number of official office visits	6	6	0	0
Game harvesting	Inspections at harvest	Number of inspections	On request	9	9	100

**Table 18: Sub-programme 4.4: Veterinary Laboratory Services: Measurable objectives, performance indicators and targets**

Objective	Output	Performance Measure Indicator	2005/06 Target	Actual output	Deviation Unit	Deviation %
Diagnostic services	Sample submission	Number of sample submissions	900			
		Number of samples received	27000			
		Number of tests perform	30000			
		Number of samples forwarded	20			
Surveillance and Risk Assessment	Projects related to risk assessment	Number of projects participated in Number of projects proposed	1 1			
	Accreditation of laboratory	Tests accredited	0			

**A. Overview**

Good fortunes were with Veterinary Services in this financial year because of the substantial increase in its budget. This meant that a proper activity-based or project-based approach could be realized and the following activities were planned for the year under review:

1. Census and Surveillance
2. Food Safety and Zoonoses Awareness program comprising:
  - a. Evaluation of the health status of personnel against certain Zoonotic diseases (Sero-prevalence)
  - b. Evaluation of the quality of Meat Inspection at all our abattoirs
  - c. Evaluation of the microbiological quality of water at all our abattoirs (inlet and carcass wash point water and Impact of Waste water)
  - d. Risks of contamination of meat by *E. coli*/O157:H7 and Salmonella Typhimurium DT104
  - e. Risks of chemical residues being present in meat and meat products (Macrocyclic Lactones and Antibiotics)
  - f. Conducting School visits and Mini-workshops in regions

The ring-fenced allocation for Census and Surveillance was R 2 million and for Food Safety it was R 0.7 million.

In July 2005, the Western and later the Eastern Cape Provinces reported outbreaks of Classical Swine Fever which was last reported in 1918 in South Africa. In September, the Eastern Cape informed the neighbouring provinces to secure their own borders in order to prevent the country-wide spread of the disease.

This was a serious blow to our planned programme. This meant that the Census had to be suspended to allow officials to supervise the checkpoints and conduct targeted sero-surveillance. There were some reactions which were followed up and it was found not to be Classical Swine Fever but other Pestiviruses.

The country also successfully applied for freedom from Notifiable Avian Influenza which meant that the province, as with others, had to conduct surveillance to prove freedom from H5 and H7 strains. This province went a step further and tested wild birds at Spitskop dam. The wild birds' survey was done in collaboration with the Department of Tourism, Conservation and Environment and Percy Fitzpatrick Institute. This experience taught us that the capture of wild birds using mist nets is far better than using telescopes to get faecal samples. This, of course is heavily dependant on the involvement of experienced Ornithologists.

The skies opened up heavily in the last quarter bringing the much needed rains to the dry Northern Cape. This also raised fears of Mosquito-borne diseases especially the re-emergence of Rift Valley Fever. This is particularly important as most if not all of the sheep population in the Northern Cape is susceptible to the disease. Farmers do not generally vaccinate against Rift Valley Fever.

African Horse Sickness also caused havoc in the racing and endurance arena following reports of the disease in the Western Cape and the country. The N. Cape also experienced its fair share of equine mortalities and some shows were cancelled in the Upington area due to the disease. In the Kimberley State Veterinary Office a donkey showing typical clinical signs of AHS tested positive.

The Acting Director of Veterinary Services in the N. Cape was accompanied by the Wild Game State Veterinarian to the farm that tested positive for *Mycobacterium tuberculosis* and lately *Mycobacterium bovis* in meerkat. The farm is situated near Vanzylsrus and the visit was to assess the risk of spread of the disease. A project proposal has been developed to look at the molecular epidemiology of animal tuberculosis in the Northern Cape Province with special emphasis on the risk of transmission to humans, cattle and wildlife. This will involve the assessment of the genetic profiles (genotyping) of all isolates found in the area by Onderstepoort Veterinary Institute.

The biggest shortcoming of the Northern Cape is the mapping of different diseases. We simply don't know what AHS serotypes or Bluetongue strains are circulating and causing disease in which areas of the province.

Several meetings were held with our counterparts in the North West Province regarding the end of the Kgalagadi cross-boundary District municipality. The whole municipality will now be incorporated into the Northern Cape as from the 1<sup>st</sup> of March 2006.

All the projects under Veterinary Public Health were concluded in this quarter as planned and all the reports are available. It was quite interesting to note the enthusiasm with which officers in the regions approached the regional workshops and the positive feedback received from the abattoir industry.

It can be said with confidence that the projects were done excellently and that very few problems were experienced.

The long awaited Poultry regulations under the Meat Safety Act, Act 40 of 2000 were published on the 24<sup>th</sup> of February 2006 in the Government Gazette no. 28520. This provides clear guidance to how we should register, inspect and control Poultry establishments.

Veterinary Services made impressive presentations on Avian Influenza, Rabies and Anthrax to over 80 medical practitioners of the Northern Cape at a meeting organized by the National Institute of Communicable Diseases and the Provincial Department of Health. This will go a long way in bridging the gap between the Veterinary and Medical personnel.

Plans for the following were concluded successfully and extra funding has been sought from the National Department of Agriculture: Directorate of Animal Health:

1. Brucellosis in the emerging sector of Kuruman
2. Survey for *Mycobacterium avium* subsp paratuberculosis in De Aar
3. Genotyping of Bovine TB in Meerkat
4. The move of Vaalbos buffalo in the Kimberley area
5. Trapping of Culicoides, viral isolations and serotyping

On the personnel side, the province sadly lost two colleagues, Dr S Sewedi who was the Deputy Director: Animal Health and Ms Dorothy Tikwane who was stationed in Calvinia. Their contribution to the advancement of Veterinary Science will always be remembered and treasured. Two new members joined our establishment, Dr Nelson Matekwe who is our State Veterinarian for De Aar and Mr Eric van Rooi who is a Chief Meat Inspector in De Aar.

## B. Disease report

### Controlled diseases

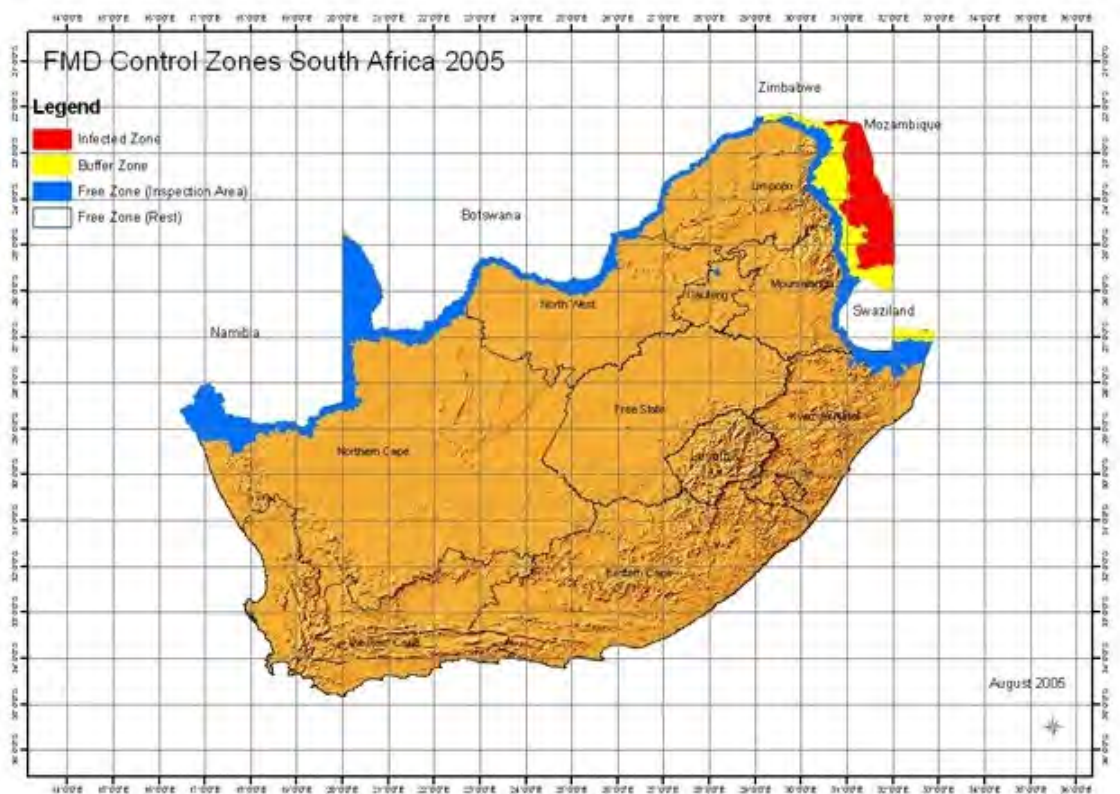
#### Foot and Mouth Disease

This year the Northern Border of the N. Cape Province was surveyed for Foot and Mouth Disease to prepare for its declaration as an inspection zone. Census of the area was also conducted and explanations were given to the owners of the farms.

This is of particular importance as this will enable us to detect Transboundary animal diseases such as Foot and Mouth Disease (FMD) and Contagious Bovine Pleuropneumonia (CBPP).

# Farms	# Samples	S&T	KM's	KM Amount
22	240	3591.55	1580	
131	1870	14318.89		17264.34
82	1654	3817.8	7130	
<b>235</b>	<b>3764</b>	<b>21728.24</b>	<b>8710</b>	<b>17264.34</b>

The following map is the graphical representation of the Inspection Zone which will have to be surveyed regularly.



### Classical Swine Fever

As already explained in the overview, Classical Swine Fever (or Hog Cholera) was last seen in South Africa in 1918. Subsequent to the outbreak in Western and Eastern Cape, the Northern Cape put up 3 roadblocks at Colesberg, Hanover and Noupoot in an attempt to block exit roads from the Eastern Cape. These were later increased to 4 to block off the Richmond road as well.

Due to logistical problems and the amount of traffic, the Richmond checkpoint was done away with and the Hanover/Noupoot checkpoints combined and moved to where the road splits. The Colesberg area was later covered by the checkpoint set up by the Free State close to Gariep Dam and near Aliwal North.

	Kimberley	Kuruman	Upington	Springbok	Calvinia	De Aar	Total
No of pigs	7543	500	1677	777		4124	14621
Pigs bled	682	169	497	304	89	604	2345
Suspect results	8	0	2	2	0	2	14
Final results	Negative	Negative	Negative	Negative	Negative	Negative	Negative

All the suspicious results were followed up. The province ended up purchasing 11 pigs, 8 in Kimberley and 3 in Norvalspont, for further testing. Tissue samples (tonsils and some lymph nodes) were sent for viral isolation and identification. These turned out negative for Classical Swine Fever.

25 samples were also taken from Warthogs in the Rolfontein Nature Reserve to establish if the disease has not spilled over into wild life. The risk is the potential residual infection that may result if spill-over occurs. This was done in collaboration with the N. Cape Nature Conservation department.

All the suspicious cases except the ones in Upington did not show any clinical picture or mortalities. In Upington there were mortalities reported. These were particularly worrying as seen in these Pictures taken at Straussburg, UPT.

### Notifiable Avian Influenza

South Africa declared itself free of Notifiable Avian Influenza on the 13<sup>th</sup> of September 2005 following a successful survey to prove free of H5 and H7 strains. This was followed by the *Office*



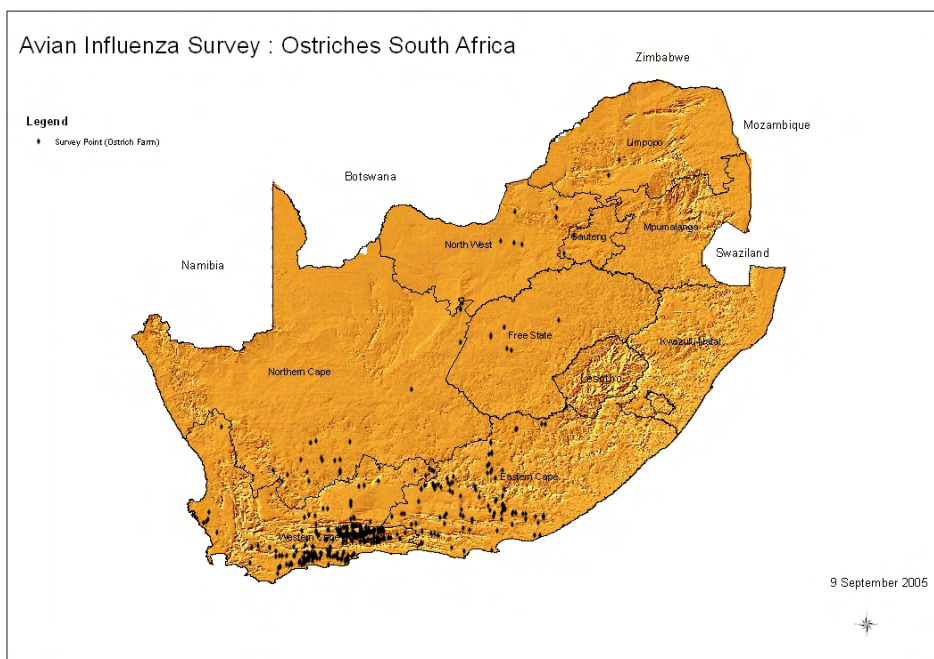
*Internationale des Epizootics* (OIE) and trading partners like the EU, declaring RSA free from Notifiable Avian Influenza.

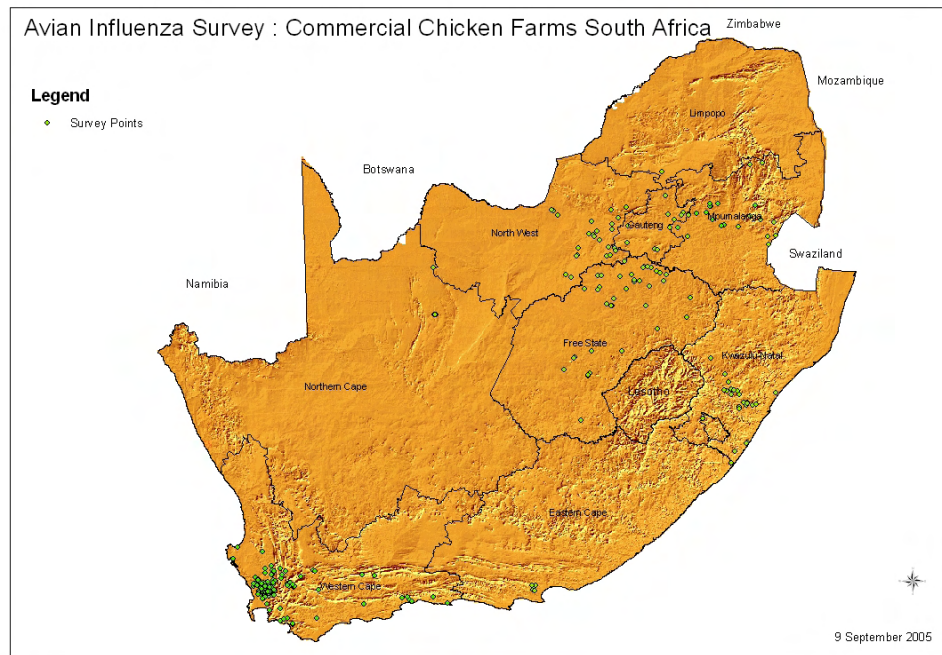
This declaration (H5 and H7, free) did not come cheaply. The province and indeed the country had to conduct surveillance in ostriches, back yard and commercial chickens. Currently compulsory surveillance continues to provide ensurance of this status.

The following is the tabular summary of the surveillance done in 2005:

	Kimberley	Kuruman	Uptington	Springbok	Calvinia	De Aar	Total
Farms tested	28	8	14	3	22	54	129
Positive animals	0	0	0	0	0	0	0
Negative	810	205	387	210	667	707	2986
Suspects	30	0	0	0	0	0	30

The 30 animals that tested suspect to H5, are on one farm that was identified in the previous financial year. The breeder birds are permanently under quarantine. The country picture is graphically represented hereunder:





### ***Wild birds sampling***

The N. Cape Province was the only province that sampled wild birds inland. This was done in collaboration with the Ornithologist of the Department of Tourism, Environment and Conservation and Ornithologists from the Percy Fitzpatrick Institute. The sampling material was supplied by the Onderstepoort Veterinary Institute and they also did the processing for viral isolation.

### **Newcastle Disease (NCD)**

A Private Veterinarian informed the Kuruman SV office that chickens were dying at Skeyfontein, near Postmasburg. Almost all of the chickens in the community died during a period of 2 weeks.

An AHT went out to investigate and collect samples. Samples were sent to the Poultry Reference Lab (Virology Department) and the results came back as being NCD Virulent Goose Paramyxovirus. On the repeat visit, 80 birds were vaccinated and information regarding the disease was disseminated among the community with the help of an Extension Officer stationed at Postmasburg.

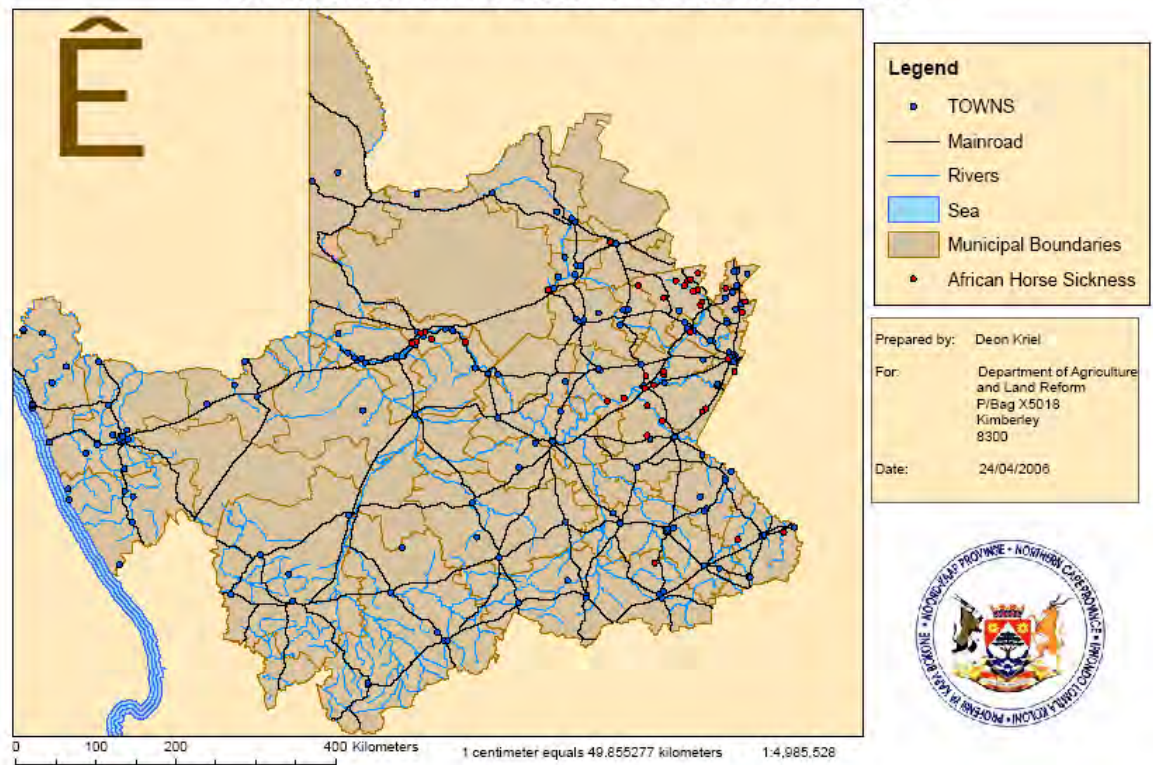
In another case in the Kimberley SV area, the NCD virus had devastating effects at the farm Silberheining. Initially the farmer reported that they were losing a lot of chickens due to coccidiosis. On the visit of the officials to the farm, however, it was obvious to them that the birds were exhibiting typical clinical signs of NCD. Blood and tissue samples were collected and sent to both the OVI and Stellenbosch laboratories. The serology revealed that high titres existed for NCD and virus isolation confirmed that a highly virulent strain of the NCD virus was involved. By this time the farmer had already lost hundreds of chickens and she eventually lost between 12 000 and 14 000 chickens!

### **African Horse Sickness (AHS)**

In the last quarter of the year, this disease became a serious problem and the problem was compounded by the diagnosis being based only on the clinical picture with no laboratory confirmation.

In the Kimberley area there were high mortalities of horses. On two properties situated near the Spitskop Dam in the Barkly West district 40 horses were reported to have died due to AHS. A donkey died at Nazareth Farm in the Warrenton district.

## African Horse Sickness Outbreaks 2006

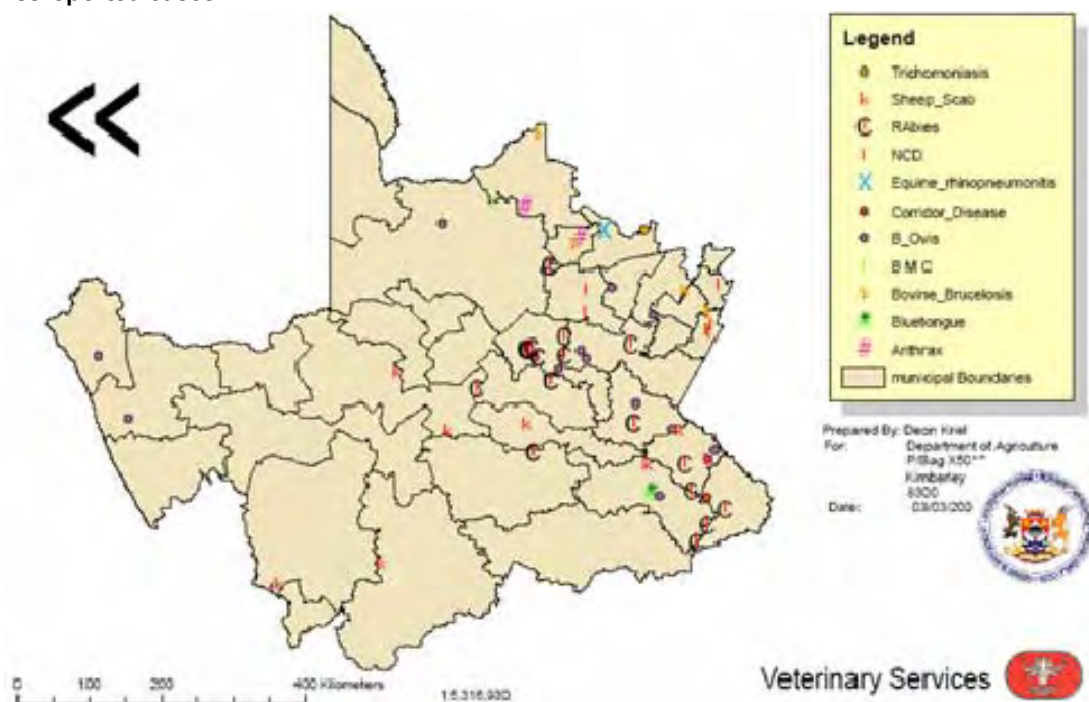


### Bovine Tuberculosis

A project in Vanzylsrus on the behavioural studies of Meerkat suffered a blow when two meerkat tested positive for *Mycobacterium bovis* on culture. The Meerkat had previously tested positive for *Mycobacterium tuberculosis*.

All cattle on neighbouring farms were tested using the skin test and found to be negative. The monitoring is on-going and wild game will also be tested in the next financial year.

In the Kuruman area, plans were finalized to vaccinate the cattle of emerging farmers following the first reported cases.

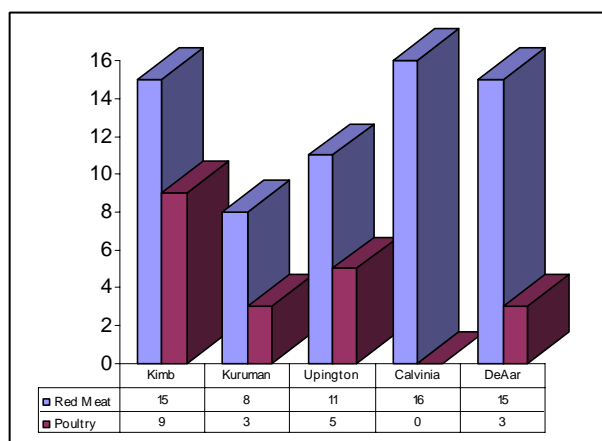


### Disease outbreaks for 2005



## B. Veterinary Public Health

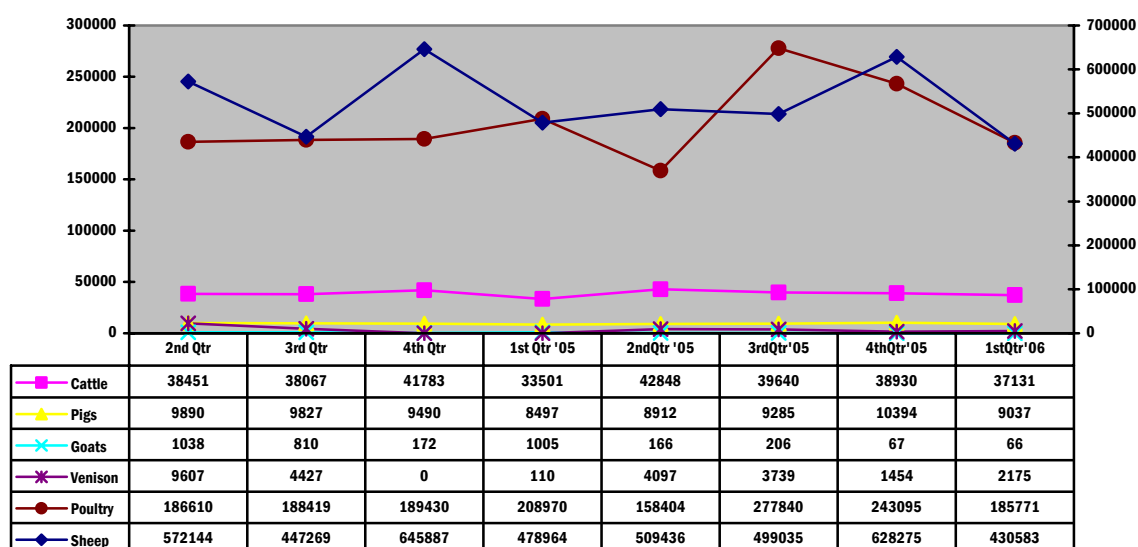
### Distribution of Abattoirs



	RM High	RM Low	AP	BP	CP	DP	EP	Total
Kimberley	2	13	0	1	4	3	1	24
Kuruman	1	7	0	0	0	3	0	11
Upington	3	8	0	0	2	3	0	16
Calvinia	1	15	0	0	0	0	0	16
De Aar	5	10	0	0	0	3	0	18
<b>Total</b>	<b>12</b>	<b>53</b>	<b>0</b>	<b>1</b>	<b>6</b>	<b>12</b>	<b>1</b>	<b>85</b>

### Slaughter figures

Slaughter figures 2004/2005/06(Q2,Q3,Q4,05' Q1Q2,Q3)



### Projects conducted

As outlined in the overview, the unit of VPH came close to the realization of its definition in this financial year. In 1999 the definition was changed by the WHO study group report to read as 'the sum of all contributions to the physical, mental and social well-being of humans through an understanding and application of veterinary science'.

### Residues

Study was conducted to assess the levels of Macrocyclic lactones and antibiotics in red meat produced at high throughput abattoirs in the Northern Cape. Random samples were taken and analyzed by Onderstepoort. Only two positive samples for abamectin were found.

### *Meat Microbiology*

The project on Food Safety and Zoonoses Awareness, conducted from July to September 2005, provided us with the opportunity to establish baseline data for certain pathogens in the cooler months of the year and a total of 228 samples were collected from six high through-put, non-export abattoirs for *E. coli* and 228 for *Salmonella* spp.

The cattle/swine kits were used for sampling and confirmation was done by PCR. No growth was identified for *Salmonella* spp but 9% of the samples were positive for *E. coli*.

### *Impact of waste water in the Hantam*

The focus of the study was to determine the effects that wastewater pollution from abattoirs within the Hantam-Namaqualand region has on groundwater, and to determine possible impacts. Using a cross-tabulation approach, municipal water or inlet water at the abattoir, will be compared to abattoir wastewater to determine biological and chemical pollution levels.



CSIR analyzed samples from seven abattoirs for any chemical or biological pollutants. The Municipal or bore water-inlet were tested for mainly Coliforms [*E. coli*, and *E. coli* 0157]. The abattoir outlets were tested for five chemicals i.e. Ammonia; COD levels; pH; Conductivity and Chloride.

The results proved that all the inlet water at all abattoirs complied with the SANS 241 for drinking water and were thus safe to be used. The outlet water did not comply with the standards as set out in the GN No. 398 of The National Water Act No. 36 of 1998, in terms of Section 39 (2.7)

The results of the seven abattoirs indicated that all abattoirs are exceeding the legal limits for wastewater [Chemically and biologically].

### *Evaluation of the Quality of Meat Inspection*

A decision was taken that the Standard of Primary Meat Inspection in the Northern Cape must be evaluated simultaneously with the commencement of the Food Safety Project.

All the red meat abattoirs were visited and the HAS evaluation form was used to evaluate the standard of meat inspection. According to the new Red Meat Regulations the nostrils, the removing of the tonsils, the Thyroid gland, testes and Lnn. Renalis must also be inspected, so the HAS form had to be adapted.

The evaluation assisted both the Department and industry, to identify the shortfalls in the inspection methods being used. The parties will use the outcome to train meat inspectors in the Northern Cape and monitor efficiency.

### *Regional workshops*

Following on the workshop of the Control Meat Inspectors of the Northern, Eastern and Western Cape Provinces, a broader workshop was organized. The workshop was organized by the N. Cape Province to ultimately address the following objectives:

1. To capacitate our officials regarding a uniform interpretation of the regulations
2. Highlight problem areas that these regulations have created
3. Standardize protocols for the four provinces to implement
4. Advance the technical cooperation in the field of Veterinary Services, in particular, Veterinary Public Health and Export Control.

Following the Springbok workshop, regions were requested to have similar workshops. These were extremely well organized.

### **Specific challenges and responses including issues requiring ongoing attention**

- ┐ Introduction of Animal diseases from neighbouring provinces and countries
  - ┐ An emergency preparedness unit established
  - ┐ 15 contract posts for Animal Health technicians created
- ┐ Opening of new Laboratory in Kimberley
  - ┐ Renovations completed
  - ┐ Lab technicians expected to start in 2006/07
- ┐ Provision of Primary Animal Health Care
  - ┐ Get approval from South African Veterinary Council for the use of current facilities in Northern Cape
  - ┐ Consider purchase of mobile clinics in future



## 2.6.5 Programme 5: Technology Research and Development Services

The aim and function of this programme is to render agricultural research service and development of information systems with regard to crop production technology, animal production technology and resource utilisation technology

**Table 19: Strategic objectives for programme 5**

Strategic Goals		Strategic Objectives	
5.1	Research Facilitate, conduct and co-ordinate research needs and transferring appropriate technology to farmers	5.1.1	Crop production, research and development
		5.1.2	Animal production, research and development
		5.1.3	Resource utilization, research and development
5.2	Information Services Co-ordinate the development and dissemination of information to clients	5.2.1	Interpretation and dissemination for specialist support to development projects and PDI's.
		5.2.2	Empowerment, training and exposure of communities at research stations
		5.2.3	Development and utilization of various Information Systems (E.g. GIS)
5.3	Infrastructure Support Services Provide and maintain infrastructure facilities, i.e. experiment farms.	5.3.1	Effective farm management to create an environment for effective research and development
		5.3.2	Construction and maintenance of infrastructure, equipment, machinery and technical aspects

**Table 20: Measurable objectives, targets and performance indicators**

Measurable objective	Performance Measure	Actual Outputs 2004/05	Target outputs 2005/6	Actual outputs 2005/6	Deviation from Target	
					Units	%
5.1 Research						
Research and development in crop production	Evaluation of oil seed cultivars	18 Groundnut cultivars, 13 Soybean cultivars, 7 Canola cultivars. 1 Presentation 2 Reports	38 Cultivars 3 Reports	18 Groundnut cultivars, 13 Soybean cultivars, 7 Canola cultivars. 1 Presentation 3 Reports	-	-
	Evaluation of cereal cultivars	75 Maize cultivars, 36 Durum cultivars, 15 Wheat cultivars, (Total = 126) 4 Presentations 4 Reports	120 Cultivars 3 Reports	91 Maize cultivars, 36 Durum cultivars, 12 Wheat cultivars, (Total = 139) 2 Presentations 4 Reports	19	16
	Evaluation of industrial/fodder crop cultivars	42 lucerne cultivars, 16 cotton cultivars 3 Presentations 9 Reports	40 Cultivars 2 Reports	69 lucerne cultivars, 10 cotton cultivars 4 Presentations 7 Reports	39	98
	Evaluation of horticultural crop cultivars	1Report	2 Reports	7 Report	5	250
	Assessment and evaluation of medicinal plants	1 Report	2 Reports	1 Report 1 Presentation	-1 1	-50 100
	Development of a database on medicinal plants	3 Species	2 presentations	3 Species	1	50
	Development and evaluation of management practices for industrial/fodder crops	2 Reports 5 Presentations	2 Reports 4 Presentations	6 Reports 5 Presentations	4 1	50 25
	Development and evaluation of small scale vegetable production systems	2 Reports	4 Reports	3 Reports 1 Presentation	-1 1	-25 100
Research and development in animal production	Breeding and selection for optimal production in Bonsmara cattle	1 Report 1 Presentation	4 Reports 1 Presentation	2 Reports 2 Project proposals 4 Presentations	-2 1 4	-50 100 400
	Evaluation of nutritional value of pastures and supplementary feeding requirements	2 Reports	4 reports 1 Presentation	5 Reports 1 Project proposal	1	25
	Breeding and selection for optimal mutton/wool production in Dorper and Afrino sheep	3 Reports 1 Presentation	4 Reports 1 Presentation	3 Reports 1 Presentation	-1	-25
	Evaluation of production systems	3 Reports	2 Reports	3 Reports	1	50
	Conservation of scarce genetic material	Namakwa Afrikaner, Karakul 2 Reports	3 reports 1 presentation	1 Report 5 presentations 1 Project proposal	-2 4 1	-67 400 100



Measurable objective	Performance Measure	Actual Outputs 2004/05	Target outputs 2005/6	Actual outputs 2005/6	Deviation from Target	
					Units	%
	Establishment and maintenance of goat breeding and research herds	2 Reports 2 Presentations	4 Reports 2 Presentation	4 Reports 1 Presentation	- -1	- -50
	Breeding and selection for optimal meat/cashmere production in Boer goats	Number of reports, articles and presentations	1 report	Final report	-	-
	Development and evaluation of small scale animal production systems	2 Project proposals	2 Reports 1 Presentation	2 Reports 1 Presentation	-	-0
Research and development in resource utilization	Evaluation of different biomes with regard to sustainable production	1 Report 1 Project proposal	4 Reports 1 Presentation	2 Project proposals	-2 -1	-50 -100
	Determination of carrying capacity norms and standards	Number of reports, articles and presentations	1 report	4 Reports 1 Presentation	3 1	75 100
<b>5.2 Information service</b>						
Interpretation and dissemination of information for specialist support to development projects and PDI's.	Participation in planning, execution and evaluation of development projects	Drie Plotte, Eiland female farmers, Thumelo youth, Riemvasmaak, Goodhouse, Witbank, Blocuso, Eksteenskuil, Vaalboschhoek, Majeng, Schmidtsdrift, Vaalharts settlement	15 Projects	Patryskraal, OREFSP, Atamelang, OASIS, Moreletsoa, Helen Joseph, Rondefontein, Drie Plotte, Eiland female farmers, Thumelo youth, Riemvasmaak, Goodhouse, Witbank, Blocuso, Eksteenskuil, Vaalboschhoek, Majeng, Schmidtsdrift, Vaalharts settlement.	4	27
	Adaptation of technology and system development for optimal production	Lucerne production for quality. 165 telephonic and written enquiries 56 personal communications	4 Reports	5 reports 184 telephonic and written enquiries 65 personal communications	1	25
Utilization of research stations as agricultural information centres for communities	Collection and management of information for specialist advisory and training purposes	2 Animal and veld management training courses. Lucerne training course Karakul course	4 Reports	ARD Report. Goat training courses Karakul course Lucerne course Cotton semi-scientific publication	0	0
	Development of training centres, manuals and programmes	Proposal report and costing completed Boer goat production manual Lucerne production manual 56 trainees	2 Centres 4 Manuals 150 Trainees	2 Training centres in development Goat production manual Beef cattle production draft Hydroponics production draft 138 trainees	-12	-8
	Implementation and evaluation of the Livestock Improvement programme	LIP project proposal 1062 Animals sold	1000 animals 30 Beneficiaries	LIP document submitted 2058 animals proposed to be sold	1000	-100
	Farmer/ Information days	7 School groups visited farms 7 Farmers days at Vaalharts (Small grain, beef cattle), Eiland (Crop production), Koopmansfontein (small stock), Carnarvon (small stock), Rietrivier (small grain), Upington (small stock), Campbell (Small Stock).	4 farmers days 5 school groups	5 Farmers days 6 School groups visited farms	1 1	25 25
<b>5.3 Infrastructure support</b>						
Create an environment for effective research and development.	Successful implementation of the research programme	20 Animal production projects on Karakul, Vaalharts, Koopmansfontein and Carnarvon. 13 Crop production projects at Eiland, Rietrivier and Vaalharts 3 Food security projects at	Support to 62 research projects	23 Animal production projects on Karakul, Vaalharts, Koopmansfontein and Carnarvon. 13 Crop production projects at Eiland, Rietrivier and Vaalharts 3 Resource utilization	0	0



Measurable objective	Performance Measure	Actual Outputs 2004/05	Target outputs 2005/6	Actual outputs 2005/6	Deviation from Target	
					Units	%
		Eiland and Vaalharts 1 Medicinal plant project 26 Partnership projects with ARC Institutes at Eiland, Vaalharts and Rietrivier		projects. 2 Food security projects at Eiland and Vaalharts 1 Medicinal plant project 26 Partnership projects with ARC Institutes at Eiland, Vaalharts and Rietrivier		
	Skilled and motivated human resource component	HIV/AIDS awareness Social skill training	4 reports	ABET training for 18 individuals Occupational healthy and safety training 9 Officials attended short courses at Grootfontein Gender focal training	0	0
	Responsible and accountable financial management	12 quarterly reports	12 Reports	4 quarterly reports per research station Budget report	0	0
Construction and maintenance of infrastructure, equipment and machinery	Serviceable equipment and machinery	Farm reports	6 reports	6 Implement status reports	-	-
	Serviceable infrastructure	Maintenance of infrastructure, machinery and equipment on Eiland, Rietrivier, Vaalharts, Karakul, Koopmansfontein and Carnarvon	6 reports	Maintenance of infrastructure on Eiland, Rietrivier, Vaalharts, Karakul, Koopmansfontein and Carnarvon 6 Infrastructure needs analysis reports	5	8
	Construction of infrastructure for new projects	Infrastructure and fencing constructed at Koopmansfontein for goat project and Karakul for pasture project.	2 Reports	Floppy irrigation system constructed at Vaalharts. Fencing for goat project at Koopmansfontein	0	0

### Sub programme 5.1: Research

The activities of this sub-programme were primarily guided by the Departmental Strategic Plan, various policy speeches and the Agricultural Sector Strategy. Priorities included:

- Research and technology development with regard to animal production, crop production and resource utilization
- The provision of specialist advisory services to land reform beneficiaries and integrated food security projects
- Creating linkages with other research organizations and to forge partnerships with regard to research and development

### Sub programme 5.2: Information Services

The services mainly involve the co-ordination of the development and dissemination of information to clients including the development and utilisation of various Information Systems. The activities of this sub-programme included:

- Providing an environment conducive for the dissemination of information and new technologies
- Ensure the provision of quality information and data to facilitate the departmental planning and policy development
- The participation in the land reform process through support and participation in developmental and multi-disciplinary projects

### Sub programme 5.3: Infrastructure Support Service

To provide and maintain infrastructure facilities for the line function to perform their research and other functions, i.e. experiment farms. Priorities of this programme included:

- The provision of effective and efficient support to research activities.
- Maintenance of infrastructure and equipment.
- Planning and re-engineering of research stations.
- Promotion of the accessibility of the research stations to communities.

## Performance summary

Inputs were made at various levels with regard to specialist support and the research programme as stipulated in the strategic plan of our Department during the 2005/6 financial year. The primary aim of the programme still remained to improve the sustainability and profitability of farming. This was achieved through the identification of research needs and the development, adaptation and transfer of appropriate technologies to farmers, their advisors and other users of natural resources in the province. While budgetary constraints together with the shortage of scientists and technicians with the necessary “skills mix” impeded the level of desired outcomes, most performance targets were met and some even exceeded.

Notwithstanding these constraints a number of activities culminated into several achievements such as:

- Represented South Africa at the annual meeting of the Southern and Eastern African cotton forum and presenting on the status of cotton research in South Africa.
- A situation report on the table grape industry was compiled and presented to the portfolio committee on agriculture.
- Status reports on the raisin and cotton industries in the province were compiled.
- A fruit export potential report was compiled.
- A presentation was made to the National Stock Theft Committee on animal identification systems.
- The staging of a number of farmers days and training sessions at research stations and with communities.
- Presentations regarding new technologies and information were presented at a variety of events, including farmer days, workshops, training courses and community based events.
- The hosting of a workshop and compilation of a Goodhouse revitalization report.
- The finalization of business plans for the Orange River Farmer Settlement Programme i.e. Blocuso and the Vaalharts Farmer Settlement project.
- The Department was represented at a number of meetings including the National Agricultural Research Forum, National Crop Estimates Committee, NARDTT, Geographical Indicator Working Group, Commodity Organizations.
- The establishment of a Veld Ram testing station for SA Boer and other indigenous goats at Koopmansfontein Research Station.
- Participation and support to 28 ARC partnership research projects on small grain, summer grain, cotton and grapes.
- Specialist support and advisory services were given to various communities regarding crop and vegetable production units. These communities include, Atamelang, Moreletsoa, OASIS, Riemvasmaak, Blocuso Trust, Vaalboschoek, Pella, Eksteenskuil, Kono, Patryskraal and various smaller community projects.
- Special support was given to the Presidential Thumelo Youth Project at Groblershoop and this programme is represented on their technical as well as financial committees.
- CASP funds were sourced for mechanization and to ensure the successful production of irrigation crops at Eiland and Drie Plotte female projects.
- One of the primary aims for the sub-programme was to promote the research stations as community centres. In order to succeed it was necessary to re-create awareness among citizens regarding the functions and research facilities available and its role in the agricultural sector. Inviting school groups for educational purposes and farmer groups for information days successfully started this process.
- The programme co-hosted the beef cattle and small stock conferences at Vaalharts and Prieska respectively.
- Presentations on the wool, cotton, medicinal plants and agro-processing industries in the Northern Cape were presented during an outward investment mission to the Republic of China.
- Three presentations regarding Nguni cattle were delivered at Diamant Nguni Breeders meeting.
- Nguni cattle production system project was finalised and submitted for approval.
- Agricultural Research for Development training programme course was successfully facilitated and the Northern Cape participants fared exceptionally well.
- A veldt management brochure and karakul management draft brochure has been compiled.

### **Specific challenges and responses**

- ┌ Filling of critical posts was successfully completed towards the end of the year and we look forward to incorporate new appointees in Departmental projects
- ┌ Retirements & resignations among farm aids and the general age profile and social challenges on farms
- ┌ Formalizing linkages with other provinces/institutions.
- ┌ Decreased support to services such as interpretation of soil and water analysis and fertilizer recommendations
- ┌ A detailed report on equipment and machinery on the research stations highlighted various deficiencies in serviceability together with costly maintenance requirements. A replacement strategy report was submitted and will provide a mechanism for alleviation of this problem.
- ┌ The deterioration of infrastructure such as fencing and stock watering systems is reaching alarming proportions and a situation report as well as a renewal strategy is planned for the 2006/07 financial year.
- ┌ The delay in the implementation of the Livestock Improvement Programme and the subsequent over stocking of the research stations.

### **Issues requiring ongoing attention**

- ┌ Aligning the research activities and support services with guidelines set out in policy speeches, policy documents and acts, governing the role of this Department.
- ┌ Upgrading of research facilities and especially our research stations will receive high priority in order to attract tertiary institutions, world class researchers, and funding agencies of research to our “natural laboratories”.
- ┌ A more focussed approach on key projects such as Nguni and Goat production will be implemented.
- ┌ A formal capacity building programme will be developed with the specific aim of raising our expertise level in order to promote cutting-edge research outputs with direct impact on the prosperity of the Northern Cape.
- ┌ Building and formalization of linkages with other research institutions will remain a priority.
- ┌ The promotion and strengthening of linkages within the department will facilitate effective and efficient information flow and service delivery to our clients.
- ┌ This programme will aim to promote community involvement on the research stations in order to cultivate agricultural awareness under citizens. Especially schools will be targeted.
- ┌ Depending on availability of funds, a system for dissemination of information to communities, will be developed and implemented.
- ┌ The formalization of ties with Western and Eastern Cape in order to access laboratory and related services as well as expertise and training.





## 2.6.6 Programme 6: Agricultural Economics

The aim and function of the programme is to provide economic support to internal and external clients with regard to marketing, Statistical information including financial feasibility and economic viability studies.

The programme consists of 2 sub-programmes with strategic goals and strategic objectives as indicated.

**Table 21: Strategic objectives for programme 6**

Strategic Goal	Strategic Objective
6.1 Marketing Services Identify marketing opportunities and provide farm economics support	6.1.1 Agricultural Market Development
	6.1.2 Empowerment through transfer of financial, marketing and business skills to farmers
	6.1.3 Facilitate Micro-financing of agricultural enterprises
	6.1.4 Entrepreneurship and Agribusiness Promotion through Agri-BEE
	6.1.5 Trade and investment Promotion
6.2 Macroeconomics and Statistics Develop database on various economic statistics and trends, develop and analyze various economic models and evaluate International/National and local policies on Agricultural Sector	6.2.1 Specialised support to projects and industries
	6.2.2 Facilitate the establishment of economically viable and sustainable Production Units
	6.2.3 Analyse economic statistics, develop a database and economic models, and advice on economic efficiency and productivity of agricultural industries

### Sub programme 6.1 Marketing Services

To identify and disseminate information on marketing opportunities for value- adding and, provide Farm Economics support to other programmes and clients (external clients, financial feasibility and viability studies).

### Sub programme 6.2 Macroeconomics and Statistics

To develop database on various economic statistics and trends, develop and analyse various economic models and evaluate International/National and local policies on Agricultural Sector.

**Table 22: Sub-programme 6.1: Marketing Services: Measurable objective, performance measures and targets**

Objective	Performance Measure	Actual Outputs 2004/05	Planned Outputs 2005/06	Actual Outputs	Deviation from Target	
					Units	%
Sector Support to LRAD and Food Security projects	Development and maintain Economic Databases, farmers Register and market statistics information		1 annual report	1	-	-
Agricultural economic and Market Development	Efficient marketing of Agric. products and increased market access for all market participants. Dissemination of market information		20 formal & informal markets	4	-16	-80
Empowerment, transfer of financial and marketing skills and support to students for agricultural studies	Skills remain in community and communities take ownership of their projects and self-sustaining projects units		55	4	-51	-93
Facilitate Micro-financing of Agricultural enterprises through CASP, EPWP etc.	Financial viable value-adding and service enterprises or projects		20	8	-12	-60
	Improved Farm Business practices and increased Farm Income		1	1	-	-
Entrepreneurship and Agribusiness Promotion through agri-BEE	Development of Agri-processing, service and entrepreneurship skills in target beneficiaries. Formation of Agricultural cooperatives as a business platform		15	2	-13	-87
Marketing and Investment Promotion	Outward trade and investment missions (NGO'S, SADC etc)		1	0	-1	-100

**Table 23: Sub-programme 6.2: Macroeconomics and Statistics: Measurable objectives, performance measures and targets**

Objective	Performance Measure	Actual Outputs 2004/05	Planned Outputs 2005/06	Actual Outputs	Deviation from Target	
					Units	%
Facilitate the establishment of economically viable, sustainable Production Units	Feasibility studies and Economic viability studies for LRAD and Food Security Projects		25	22	-3	-12



Objective	Performance Measure	Actual Outputs 2004/05	Planned Outputs 2005/06	Actual Outputs	Deviation from Target	
					Units	%
Continued support, training and Capacity Building to settled farmers and Food Security Beneficiaries	Skills remain in community and communities take ownership of their projects and self-sustaining projects units		55	1	-54	-98
Advice on economic efficiency and productivity of agricultural commodities	Enterprise Budgets for emerging and commercial farmers		30	8	-22	-73
Analyze economic statistics on Agriculture GDP and GNP and sector performance	Statistics on Performance and contribution of Agriculture to Growth and Development		1	0	-1	-100%
Develop a Database and economic models	Models on production efficiency for different commodities i.e. crops, livestock etc.		5	3	-2	-40%

## Specific challenges and responses

### **Challenge 1: (Shortage of staff)**

Four Agricultural Economists resigned from the Department, and this had a detrimental effect on services that had to be rendered to the Departmental clients. The impact of the Department to change the livelihoods of people for the better was not felt, as essential economic services were not rendered for quite some time. Economic Support services were not rendered as expected by other units due to this shortcoming.

### **Response to Challenge 1**

Other Agricultural Economists were appointed towards the end of year 2005, and additional people will be appointed to proactively deal with this challenge.

### **Challenge 2: (Information Management)**

It has not been easy for the unit to manage information effectively and efficiently due to lack of up to date on the current information systems (COMBUD, PROVIDE, etc.) it is essential for such systems to be updated at all times, as they are key to ensuring proper management of information.

### **Response to Challenge 2**

Newly appointed officials will be allocated these systems to run with, and they will be exposed to extensive training prior to running the systems. Ideas will be exchanged with officials in other Provinces on new development that have taken place since these systems were abandoned by those who resigned in the past months.

### **Challenge 3: (Coordination of functions)**

The functions performed by Economists and Extension Officers are still divorced from one another, and this poses a serious challenge on service delivery. Such activities should be integrated such that they talk to one another and clearly define the role of each individual on extension services.

### **Response to Challenge 3**

Workshops need to be conducted to clarify the roles and responsibilities of all field workers.

### **Challenge 4: (Lack of proper support to Land Reform.)**

This is one area that deserves an attention from the unit, as the Department is expected to render technical advisory services to all land reform projects to ensure their success. Most of the LRAD projects have collapsed due to poor planning, and it is of significant importance that such a failure be avoided in future.

### **Response to Challenge 4**

Economists must be properly trained on how to compile APR's, Business Plans and Pre-feasibility studies for such projects. This will be done during this month

Business plans and feasibility studies for land reform, Food Security and development projects / farms for financial assistance and submitted on a schedule date to various funding institutions like government Departments e.g. Department of Agriculture, Department of Land Affairs, Land Claims Commission etc and to financial institutions like Land Bank etc.

The unit also advised farmers on new farming techniques and methods, and this is done on a continuous basis.

## **Business plans and feasibility studies compiled**

Studies that were compiled by the sub-directorate included studies for the Land Reform unit in regard to Agricultural Potential reports, studies on Food Security projects, viability studies for a co-coordinating committee on Agricultural Water and studies for development projects.

We also had a Directorate meeting wherein the implementation strategies for all funded projects were discussed; both CASP and Food Security Projects were discussed.

Analysis of Business Plans was conducted and recommendations made on what ought to be done. Some of the projects were recommended for funding through Departmental programmes, and others were rejected due to lack of sustainability prospects.

A business plan for ostrich production was compiled for the Female Farmer of the year, and the Department is considering assisting that project financially, and that will be done as soon as a team of specialists have agreed on the planned project.

### **Database systems**

On the first quarter we captured the following information of land reform and household Food Security projects on the database including private farmers along Orange River (Eksteenskuil), the type of information we have in our database is the land size of each farm/project, type of farming, identity number/s of farmer/s and contact details.

Various reports critical for sound management decisions may now be generated to provide the following crucial information:

- ┆ Hectares involved in Land Reform and Food Security Projects
- ┆ Date of Inception of those Projects
- ┆ Number of Beneficiaries reached in each of the sub-programmes
- ┆ Gender structure of the projects
- ┆ Demographic breakdown of projects sites
- ┆ Market availability
- ┆ Number of project site or site visits
- ┆ The Infrastructure situation of the various projects
- ┆ The Crop selection Categories
- ┆ The Literacy Level
- ┆ The list of Local Authorities
- ┆ The List Of Regions
- ┆ The List of Extension Officers
- ┆ Business Plans for Various Projects
- ┆ The Marketing Trends for Different Markets (as from 2001 although we are still busy capturing the Data.)

Information regarding different commodity market prices is available for period 1999-2003 for most Fresh Produce i.e. Kimberley Fresh Produce- Bloemfontein Fresh Produce

### **Database (challenges)**

The Database systems have not been receiving the necessary attention since the departure of almost all the economists who were with the unit, and the available information is not sufficient and adequate for such systems to run to the benefit of the Department.

It is extremely important for the unit to have sound and reliable systems in order to keep up with requests that the unit is inundated with on a daily basis. It is in this vein that the unit will at all costs introduce other information systems that will be beneficial to the entire clientele of the Department.

### **Action plan (course of action)**

#### **Database systems**

##### **COMBUD**

Combud programme needs to be updated as most of the enterprise budgets on it are outdated, and other enterprises whose information is not on the current COMBUD will be captured to increase those budgets. This programme will be updated during the second quarter of 2006/07, and training to Economists will also take place during that period.

##### **Finrek**

This system is a necessity for commercial farmers' information to be analysed on a continuous basis. That system will also receive the necessary attention, and negotiations are still underway with GWK for the Department to purchase a computer programme they currently use for their study groups.

##### **Farmer register**

A farmer register will be updated to always inform Ministry of progress made on the development of farmers, particularly the emerging ones.

### **Subscriptions**

This will be done on Farmers Weekly, Landbouweekblad and other relevant magazines that will provide information to officials. Copies of these magazines will be received weekly or monthly.

### **AgriBEE and MAFISA**

These are the newly established programmes to be administered by the Department of Agriculture, and there are commitments that have to go into the planning processes for these services to reach communities.

More time had to be devoted to these programmes as a national launch was made by the Ministry of Agriculture (National), and limited time was made for other activities that had to be taken care of by the Department. The unit drafted the rollout plans for the implementation of AgriBEE and MAFISA programmes, and this was done in consultation with the National Department of Agriculture.

### **MAFISA**

The MAFISA programme received enormous amount of attention as it is supposed to be given priority by the Provincial Departments of Agriculture. A presentation was made to the Economic Cluster in an endeavour to update its members of the progress made on MAFISA to date.

Members were informed of the three committees the Department intends to appoint with a view to oversee the functions and activities of the programme (MAFISA). The HOD of the Department has approved the appointment of different stakeholders to serve as members of such committees.

Staff members of the Department have been workshopped on MAFISA in the Province, and other workshops with clients have been planned for, and will soon be conducted to keep all stakeholders abreast with developments on the programme.

A meeting was held with Land Bank to develop a strategy on how the rollout plan for MAFISA will be implemented. The bank informed us of their intention to train their personnel specifically for the MAFISA programme. Such staff members have already been trained, and they are ready to start processing applications from farmers and other interested parties.

It is envisaged that the first batch of applications would be received in June, with a hope that all other logistical arrangements would have been done. There are concerns that emanated from the workshops conducted, and they pose as challenges to the policy on MAFISA, and the authorities will be made aware of such by way of drafting a report.

### **Implementation of MAFISA in the Province**

A roll-out plan for the province has been developed. Implementation will start in Kgalagadi District as a pilot. MAFISA does not offer financial services to a livestock development plan of the Province as it doesn't cater for farmers who intend purchasing livestock. This is a serious challenge since this is a livestock producing Province, and such farmers feel excluded in favour of crop farmers.

### **AgriBEE**

Road shows have been arranged for the month of June 2006. Plans are underway to invite all relevant stakeholders to this road show, for us to be convinced beyond reasonable doubt that AgriBEE programmes will reach its goals and objectives in the Province.

### **Specific challenges and responses**

Challenges requiring action during the third quarter included:

- Amidst the fact that the Programme had only one Economist for part of the period, objectives were met in regard to compiling studies for development projects.
- Two managerial post and two economist posts were filled during this period.
- Two spreadsheet models were developed. One for calculating Net Farm Income for a farming business with more than one different type of enterprise. The second was to calculate mechanization costs for different types and sizes of tractors and implements and to calculate the cost per hectare for any cultivation method using any combination of tractors and implements.

- Budgets compiled by GWK for grain and cash crops, were updated and to be used during the interim period until own budgets are compiled and updated.
- Critical posts were filled during this period. The filling of the remainder of funded posts should also be done as a matter of urgency if the Programme wants to deliver on its strategic goals and objectives.
- The process of developing a training manual for financial record keeping courses was started during this quarter, and it will be finalised in a due course. No Enterprise Budgets were compiled during the quarter as the COMBUD programme is still being developed and the installation and training on the new programme will start by the end of the 1st quarter of 2006/07 financial year.
- The economic services are not yet decentralised to the specific regions of the Province, and this makes it difficult for the unit to make the kind of impact it should make due to the remoteness of most of the regions in dire need of technical expertise on project management and planning.
- Economists that are on the current establishment of the Department do not specialise on different functions of the unit, and this in itself creates some confusion. It is therefore imperative that individual employees be held responsible for particular activities and functions of the unit.
- This will not only boost the morale of employees, but lead to efficiency and positive impact made by the programme.
- No annual publication/report was published on the performance of the agricultural sector of the Province or its contribution to growth and development as there were no Economists experienced in the field of information gathering and data analysis.
- One spreadsheet model was developed. The model will assist producers to decide on the timing and size of contracts (SAFEX) for grains.

#### **Issues requiring ongoing attention**

The filling of the funded posts that are still vacant should also be done as a matter of urgency for the Directorate to deliver on its strategic goals and objectives.

## 2.7 Conditional grants

**Table 24: Summary of Conditional Grants for 2005/06**

Conditional Grant	Total Allocation R'000	Total transfers R'000
CASP	15 992	13 148
Land Care: Poverty Relief and infrastructure development	3 493	2 000
Drought Relief	33 701	20 000
Poverty Relief	500	-
Provincial Infrastructure Grant	5 300	1 641
<b>Total</b>	<b>58 986</b>	<b>36 789</b>

## 2.8 Capital investment, maintenance and asset management plan

### Capital Investment

Certain capital projects have been driven by the department which were specifically funded from Conditional Grant Funding, that is:

- **PIG (Provincial Infrastructure Grant)** – find below a list of projects which have been expended on during the financial year under review

Name of project	Nature of project	Amount R'000
Taaiboschdraai	Game fencing	1,187
Boegoeberg Canal	Construction of an irrigation canal	500
Kimberley Veterinary Laboratory	Equipping of veterinary laboratory	652
Atamelang	Hydroponics Infrastructure	1,373
<b>Total spent</b>		<b>3,712</b>

### Asset Management

Some significant movement in moveable assets include the following:

- IT network infrastructure amounting to R1,907 million at the new Head Office Building
- Tractors for the Research Stations amounting to R1,000 million.
- Furniture purchases for Head Office and some regional offices
- Computer equipment for Head Office and some regional offices

The electronic asset register implemented during 2005/06 includes project assets, which are intended for handover to the communities. The electronic register does not include immovable state assets, neither does it include any biological assets.

### Maintenance

Other than the normal maintenance of office buildings, no major maintenance projects have been undertaken during the year under review.

### Specific challenges and responses

- The accurate reconciliation of all departmental and project assets to the financial statements starting from 2003/04 financial year.
- Capturing of immovable state assets and the valuation thereof, including the obtaining of title deeds relating to such assets.

### Issues requiring ongoing attention

- The rapidly evolving financial management issues, such as PFMA, Treasury Regulations, movement to accrual accounting, GRAP standards and reporting to National, will require on-going attention and support. On-the-job training and support and specific training in the asset environment will continuously be implemented and monitored.



### 3. REPORT OF THE AUDIT COMMITTEE

#### Department of Agriculture and Land Reform

Report of the Audit Committee in terms of regulations 27 [1] [10] [b] and [c] of the PFMA, Act 1 of 1999, as amended.

We are pleased to present our report for the financial year ended 31 March 2006.

#### AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The following persons served as members of the Provincial Audit Committee during the period under review, and their attendance record at formal Audit Committee meeting is as follows:

Name of member	Number of meetings attended
<i>Independent members:</i>	
Prof. JE Kleynhans [Chair]	7 out of 7
Ms KM Mogotsi	3 out of 7
Mr. G Oberholster	3 out of 7
Mr. H Ramage	1 (resigned 6 June 2005)
<i>Internal members:</i>	
SE Mokoko	1 out of 7
Adv. H Botha	6 out of 7
Mr. T Moraladi	6 out of 7

#### AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee adopted appropriate terms of reference as its Audit Committee Charter. The Charter is regularly updated with principles of good governance and with the requirements of the PFMA. The Audit Committee is accountable to the Provincial Executive Committee and has an oversight function with regard to:

- Financial management;
- Risk Management
- Compliance with laws, regulations and good ethics;
- Reporting practices; and
- Internal and External audit functions.

#### REPORT ON THE OPERATIONS OF THE AUDIT COMMITTEE

During the period under review, the following key activities were undertaken:

- Considering internal audit plans
- Monitored the effectiveness of the internal audit function.
- Monitored the independence and objectives of both internal and external auditors.
- Considered external audit reports.
- Monitored Management's follow-up of matters previously reported on the external auditors.

#### THE EFFECTIVENESS OF INTERNAL CONTROL AND RISK MANAGEMENT

The audit committee is not satisfied that:

- A risk managing process is in place and that the major risks under the control of the Department of Agriculture and Land Reform are properly managed;
- The internal control systems are effective and;
- Matters requiring Management attention have been adequately addressed.

## Evaluation of Financial Statements

The Audit Committee has:

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

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

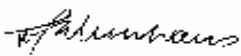
- Investments-shares held by the Northern Cape Administration in two entities, being Kalahari Kid Corporation [goat farming] and Nocal [paprika farming], was impaired to zero without any supporting calculations or current financial information.
- Accruals understated by a material amount.
- Irregular payments:
- Matters of public interest:
  - Computer equipment totaling R1, 9 million was procured without following a competitive bidding process.
  - One supplier was paid R240 794,00 in excess of the Tender Board approved amount. The accounting officer indicated that this was not an overpayment but rather an incorrect payment made.
  - No competitive bidding process was followed in procuring of office space [R150 000,00 per month]. The Department is paying more square meters that are available in building resulting in possible fruitless payments of R2, 2 million over the lease period.

## EMPHASIS ON MATTER

- Weakness in internal control.
- Payments.
- Receivables
- Assets.
- Financial guarantees.
- Non-compliance with laws and regulations.
- Financial management.
- Internal Audit function.
- Performance information.

## MATTER OF PUBLIC INTEREST

- During March 2006 purchases exceeding R10 million was done to utilize available funding before the financial year end. These items procured were done without following any competitive bidding process. In most instances ex post facto approval was received from the Tender Board for deviation of procedure to procure these items.
- It is also of concern that the owner of the building [building rental procured without following competitive bidding processes] installed a network at R1, 9 million [no bidding process followed] and also provided the department with the furniture [ex post facto approval received].
- By not following a competitive bidding process the risk to government is increased by not receiving the best value for money.



**Prof. JE Kleynhans**

**Chairperson: Shared Provincial Audit Committee**

## 4. ANNUAL FINANCIAL STATEMENTS

### DEPARTMENT OF AGRICULTURE AND LAND REFORM VOTE 12

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

Report by the Accounting Officer to the Executive Authority/Provincial Legislature and Parliament of the Republic of South Africa. (Where the information required hereunder is included in another part of the financial statements, reference should be made between this report and that section of the financial statements.)

#### 1. General review of the state of financial affairs

Important policy decisions and strategic issues facing the department are the following:

- ✦ Changing and unlocking of the provincial economy
- ✦ Transfer of technology and information through scientific research for community development and land use
- ✦ Implementation of the Comprehensive Agricultural Support Programme (CASP), including the focus land reform beneficiaries
- ✦ Initiate integrated development projects with other role players
- ✦ Establish public private partnerships within research and development projects
- ✦ Land Reform and sustainable use
- ✦ Promote integrate food security
- ✦ Ensure compliance with the Public Finance Management Act
- ✦ Translate policies and priorities into strategies for effective service delivery and to manage, monitor and control performance

Significant events and projects that have taken place during the year include the following:

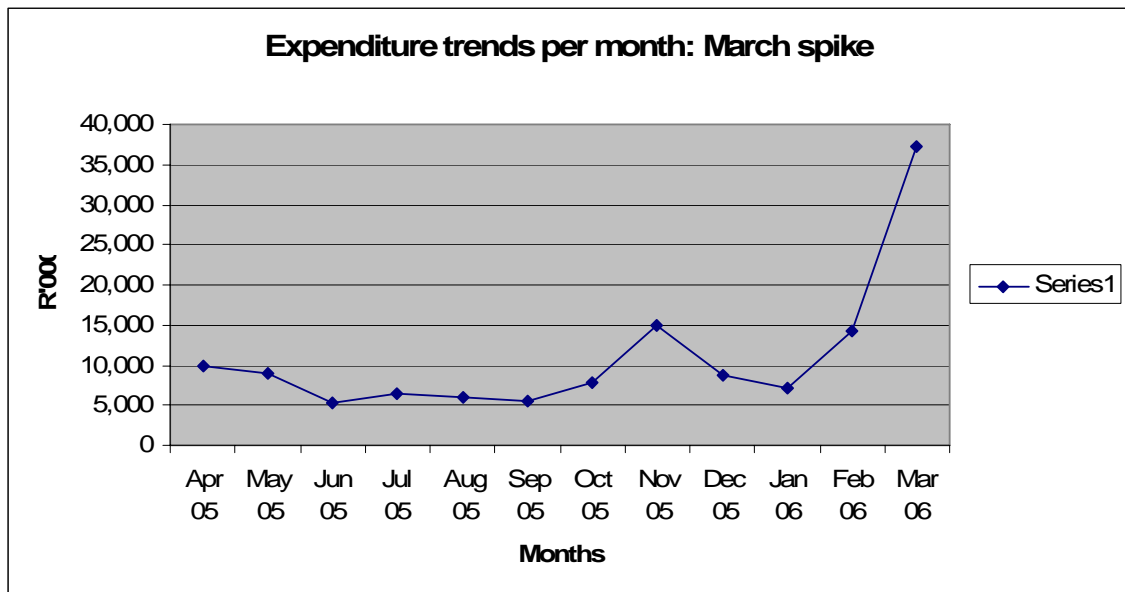
- ✦ Successful hosting of the National Female Farmer of the year awards on 27 August 2005. Three winners of the awards are from the Province, that being for the categories, informal markets and national markets, including the category of overall winner.
- ✦ The provincial land march and land summit formed the highlights of the year.
- ✦ Co-hosted an international small stock show in Upington whereby 90 emerging farmers were trained as a result of the Department's participation.
- ✦ Registered 24 goat cooperatives and trained more than 280 farmers
- ✦ Approved one extra abattoir (Upington) to export to Africa and Asia
- ✦ Held a workshop on drought management and with the drought scheme assisted 1 470 farmers
- ✦ Won a gold award in Premier's Excellence Awards, for the Suid-Bokkeveld Land Care project
- ✦ Succeeded in controlling various animal disease outbreaks (rabies, sheep scab, etc.)
- ✦ Completed surveillance on meat safety (abattoir hygiene, bacteriological and residues in all regions in the province)
- ✦ Implemented a microbiological surveillance at various abattoirs in the province
- ✦ Animal diseases controlled and monitored by means of establishing check points to prevent the spread of classical swine fever into the province. Also conducted surveillance on Avian influenza, Foot and Mouth Disease and Porcine respiratory and reproductive syndrome in goat production.
- ✦ Restructured the management structure of Kalahari Kid Cooperation
- ✦ Finalised agreements with the IDC on commercialization of goats in the province
- ✦ Recruited relevant technical expertise (especially under research development)
- ✦ 8356 ha of state agricultural land allocated to 7 beneficiaries for commercial livestock production. 5108 ha are for women farmers

**DEPARTMENT OF AGRICULTURE AND LAND REFORM  
VOTE 12**

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

Spending trends is grammatically illustrated below. Some of the reasons for the significant increase during March 2006 are attributed to:

- Drought Relief payments during March 2006, as claims were only received during February 2006 and March 2006
- Processing of most CASP, Land Care and Provincial payments for projects only completed during late February 2006 and March 2006.
- Invoices for tractors purchased for emerging farmers only received during March 2006, where after processed on the financial system in March 2006.



- Spending trends
  - Reasons for under/over spending: refer to note 4 of the notes to the appropriation statement
  - As a result of the under spending the Department could not complete all projects on time and in turn this impacted on general agricultural production, income generation for various communities and food security.
  - Actions taken or planned to avoid recurrence, include the following:
    - Timely completion of planning and approval of projects
    - Tender approval for 2006/2007 projects to be completed by June/ July 2006
    - Implementation of 2006/2007 projects to commence by end of June 2006
    - Realignment of departmental organogramme, based on clear operational units, lines of authority and accountability
    - Appointment of additional field officers
    - Implementation of quality assurance throughout the 2006/07 financial year
    - Scheduled meetings of departmental project coordinating committee as well as meetings of project leaders and district finance managers.

**DEPARTMENT OF AGRICULTURE AND LAND REFORM  
VOTE 12**

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

**2. Service rendered by the department**

**2.1 The following services were rendered by the Department:**

- ┐ Training and extension to farmers
- ┐ Animal disease control
- ┐ Abattoir inspections in terms of the Meat Safety Act of 2000
- ┐ Export control of animals and animal products
- ┐ Conducted agricultural research and disseminated outcomes to farmers
  
- ┐ Development of business plans for the various agricultural development projects
- ┐ Allocation of State Land
- ┐ Production of agricultural potential reports for approval of LRAD applications
- ┐ Agricultural related disaster management
- ┐ Support to Land Reform beneficiaries through CASP, Land Care and Food Security

**2.2 Tariff policy**

All tariffs used in the Province are in accordance with the last amendments made, which were approved by Provincial Treasury.

**2.3 Free Services**

Services rendered by Veterinary Services especially non-regulatory service such as animal disease control and abattoir inspections are free services.

Training of emerging farmers are also done free of charge.

**2.4 Inventories**

All inventories are expensed. As the department no longer has any stores and no longer has to report on the nature reserves, inventory at hand is insignificant and no closing balances will be reported in 2005/2006 financial year.

**3. Capacity constraints**

Great strides were made with regard to the filling of critical posts during the 2005/2006 financial year, however unfortunately not all critical posts could be filled during the year under review.

Though some vacancies still required to be filled, the Department was still able to deliver in terms of its mandate in spite of these capacity constraints.

**4. Corporate governance arrangements**

During the year under review the risk management approach was driven by National Treasury in conjunction with the Provincial Internal Audit Unit. Toward the end of the 2005/2006 financial year a risk assessment had been performed and the results thereof were communicated with the Department. The results of the risk assessment, together with the fraud prevention plan will be evaluated and amended accordingly during the 2006/2007 financial year.

The Department has operated within the legal constraints as imposed by South African citizens and the Departmental Mandate was governed by the budget statement and the adjustment estimates for 2005/2006.



**DEPARTMENT OF AGRICULTURE AND LAND REFORM**  
**VOTE 12**

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

The department has maintained efficient, effective and transparent systems of financial and internal control. These systems of control will be reviewed annually and where applicable and necessary will be enhanced. During the 2005/2006 financial year the Department worked toward setting up appropriate processes to support Supply Chain Management in accordance with the SCM framework. Although not all positions could be filled during 2005/2006, priority for filling of all critical SCM positions will be done in the first quarter of 2006/2007 financial year.

All major projects both capital and current were evaluated by the project coordinating committee before approval, after which all projects are subject to the SCM procedures and processes. Revenue collection was significantly lower during the 2005/2006 financial year, owing to the risk caused by the reproductive animal diseases at the research stations.

**5. New/proposed activities**

Description	Comment
Proposed/ new activities	The following projects have been proposed: <ul style="list-style-type: none"> <li>▀ Nguni cattle project</li> <li>▀ Olive project</li> <li>▀ Commercialisation of goats</li> </ul>
Reasons for new activities	The above projects are as a result of implementing PGDS priorities for example ASGISA
Effect of operations of the department	The implementation of the above mentioned projects will demand greater financial and human resources
Financial implications	Nguni cattle estimated at R3.2 million Olive project – financial implications pending feasibility study Commercialisation of goats – financial implications pending a due diligence exercise

**6. Asset management**

The Department has made significant progress during 2004/2005 to convert the manual asset register to an electronic asset register. The electronic asset register had deficiencies such as not all assets being easily traced to the manual registers as well as numerous fields not completed accurately. During 2005/2006 the Department embarked on a process of addressing the deficiencies as reported by the Auditor-General.

The asset management unit and team have been established in terms of the minimum guidance as provided by the SCM framework. The asset register is based on the excel spreadsheet as required by National Treasury.

The following achievements have been made with respect to the Asset Management Reform milestones:

- ▀ It is estimated that 90% of departmental assets have been captured on the electronic asset register.
- ▀ 100% validation of 2005/2006 additions.
- ▀ Draft asset management policy in-place for approval during 2006/2007

**7. Performance information**

The Department in conjunction with the National Department of Agriculture will embark on the roll-out of the new Performance Information Management System for Agriculture (PIMS-A). During the year under review the Department put the following performance monitoring and evaluation mechanisms in-place:

- ▀ Drought Relief programme to monitor additional non-financial data
- ▀ Vulindlela reports were utilised for financial and human resource data
- ▀ Quarterly management review meetings
- ▀ Project coordinating committee
- ▀ Written quarterly performance reports

**DEPARTMENT OF AGRICULTURE AND LAND REFORM  
VOTE 12**





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

**8. SCOPA resolutions**

Include a table in the management report on the SCOPA resolutions. The table should conform to the following format:

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
Paragraph 1 of SCOPA resolution: Concerns and recommendations raised by committee	1.1 Unacceptable situation whereby Kimberley is strewn with litter.	1.1 It is now the mandate of the Department of Tourism, Environment and Conservation.
	1.2 Failure to properly manage and monitor the Paprika project.	1.2 The project is currently being revived, past errors and weaknesses in the management of the project have been identified and addressed in the revitalisation of the project.
	1.3 Failure to comply with recommendations by and requests from the Committee in the previous report (2003/2004)	1.3 A detailed report on progress with 2003/04 audit queries has been provided to the Committee. Overall significant progress has been made and audit queries addressed
	1.4 Insufficient assistance given to and poor communication with emerging farmers.	1.4 A data base of farmers is kept, regional training of farmers, the implementation of the Civil Society Mobilisation Project and the increase of extension officers (i.e. 1 for each local municipality)

**9. Other**

-  A Summary Judgement instituted against the Department: An alleged claim relating to outstanding salary payments of a project manager for Goodhouse Agricultural Corporation (Pty) Ltd. The estimation of whether this summary judgement will constitute a legal liability for the Department and the amount thereof cannot be confirmed with reasonable certainty, as the matter has not been finalised as on the 31 May 2006.
-  Current Year Disclosures:
 
  -  Shares held in KVV: The Department received a dividend of R2 000 relating to shares held in KVV. As mentioned in the previous year's accounting officer's report, paragraph 11, page 60, there had been uncertainty as to the origin of the shares. To date no absolute certainty exists as to the origin of the shares; except that the shares were allocated specifically to the Research Stations. The market value of the shares, specific only to the Research Stations that resides under the Northern Cape Provincial Department of Agriculture and Land Reform was calculated at R91 190 at 31 March 2006. These shares have still not been taken up in the books of the Department, until such time as adequate information can be obtained as to the origin of the shares, where after guidance will be sought from National Treasury as to the recording thereof.
  -  Nieuwoudtville Flower bulb Project: During the course of the 2005/2006 financial year, as per previous financial years, the Department administratively facilitated income and revenue relating to the Nieuwoudtville Flower bulb Project. This project generates its own revenue and expenditure is incurred against such revenue. The project is a community driven project with respect to decision making powers and the Department merely facilitates on administrative matters and technical advice. The legal establishment of the Trust is pending signatories from representatives of the Community. The balance owing to the project is disclosed as a payable and reference is made to note 17.

**DEPARTMENT OF AGRICULTURE AND LAND REFORM  
VOTE 12**

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

■ Shares held in other companies – Kalahari Kid Corporation LTD, NOCAL (PTY) LTD: During the 2004/2005 financial year, the Department of Economic Affairs recorded and disclosed as an investment, shares held in the above mentioned companies by the Northern Cape Provincial Government. As the above companies specifically relate to the projects as driven by the Department of Agriculture and Land Reform, that being the commercialisation of goats and agro-processing, the take up of these shares in the records and financial statements of the Department of Agriculture and Land Reform is deemed more appropriate and had been agreed upon between the two departments. However to note that despite shares being held by the Provincial Government in the mentioned companies, the expectation of a return on the financial injection into the companies will be zero for the Northern Cape Provincial Government, as these shares and purchase into equity by the Northern Cape Provincial Government into the mentioned companies, were solely for the purposes of warehousing such shares for emerging farmers. The Provincial Government in return expect a qualitative return in the form of job creation, growth, diversification and transformation of the provincial economy. This qualitative return cannot be quantified in monetary terms and therefore the investment as disclosed by the Department of Economic Affairs has been impaired by the Department of Agriculture and Land Reform in accordance to the preparation guide dated 31/03/2006. The following reasons support the decision of impairment:

- R nil return is expected on shares held by Northern Cape Provincial Government
- Initial purchase of equity based on warehousing of shares and to secure an investment for emerging farmers and not for the Northern Cape Provincial Government
- No financial statements have been signed-off by the majority shareholders of NOCAL (PTY) LTD, since the 2000 financial year.
- NOCAL (PTY) LTD is currently technically insolvent
- The latest financial statements of Kalahari Kid Corporation LTD reflect a material loss in the 2004 financial year and profit is only expected within the fourth coming financial years.
- Should there be any significant improvement or changes to the above mentioned reasons, the Department of Agriculture and Land Reform reserves the right to re-value this investment in the interest of and benefit of the intended emerging farmers.

**Approval**

The Annual Financial Statements set out on pages 70 to 112 have been approved by the Accounting Officer.



.....  
**WVD MOTHIBI**  
**Accounting Officer**  
**31 May 2006**

**REPORT OF THE AUDITOR-GENERAL TO NORTHERN CAPE PROVINCIAL LEGISLATURE,  
ON THE FINANCIAL STATEMENTS OF VOTE 12 – DEPARTMENT OF AGRICULTURE AND LAND REFORM  
FOR THE YEAR ENDED 31 MARCH 2006**

**1. AUDIT ASSIGNMENT**

The financial statements as set out on pages 70 to 112 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, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

**2. SCOPE**

The audit was conducted in accordance with 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, as well as
- 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 policy to the financial statements.

**4. QUALIFICATION**

**4.1 Investments**

Investments disclosed in note 14 and annexure 2 to the financial statements consists of a 95 % shareholding in the Kalahari Kid Corporation and a 45 % shareholding in Nocal. As a result of the financial statements and/or financial information not being up to date or in the case of Nocal, financial information not being available, the provision for impairment amounting to R 47 500 000 (disclosure note 27) of these investments to zero, could not be validated.

**4.2 Related party transactions not disclosed**

The Department of Agriculture and Land Reform having a majority interest in a controlled entity (Kalahari Kid Corporation Limited) as disclosed in note 14 and annexure 2A, did not disclose the related party or related party transactions of at least R 1,8 million as required by the related party accounting policy included in the specimen annual financial statements. All payments made to or on behalf of the entity could not be confirmed as no specific register is maintained by the department of payments made to the mentioned entity. I considered the relationship between the department and the controlled entity and conclude that the department has significant influence and control of the financial and operating decisions of the entity.

#### **4.3 Accruals understated**

Accruals disclosed in the financial statements were found to be understated by a material amount. This was as a result of accruals in respect of conditional grants at Grootfontein not being identified during the compilation of the financial statements.

#### **4.4 Irregular payments**

- (i) The department procured computer equipment to the value of R 1 907 364 without following the competitive bidding processes as prescribed by the Tender Board or the Supply Chain Management processes.
- (ii) The payments made to a consultant exceeded the Tender Board's *ex post facto* approval amount with R 240 794. The accounting officer indicated in his management comments that this was not an overpayment but rather an incorrect payment. At the time of finalising this report the matter was still being investigated by the department.
- (iii) No competitive bidding process as prescribed by the Tender Board or the Supply Chain Management processes were followed during the procurement of office space. The lease agreement for office space was entered into on 9 November 2005 for R 150 000 per month. The standing delegations given by the tender board, Practice Note: NCP 1 of 2006, for negotiation of lease agreements by Provincial Departments, was exceeded by the department. NCP 1 of 2006 was backdated to 1 January 2001 and therefore was applicable when this transaction was entered into. In addition it was found that the department is paying for more square meters than is actually available in the building. This could result in fruitless payments amounting to R 2 252 950 over the lease period.

### **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 of Agriculture and Land Reform at 31 March 2006 and the results of its operations and 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 note 1 to the financial statements, and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA).

### **6. EMPHASIS OF MATTER**

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

#### **6.1 Weaknesses in internal control**

The responsibility to institute and maintain a system of internal control is clearly defined in section 38 of the PFMA. The Northern Cape Department of Agriculture and Land Reform did not document and approve policies for all their processes.

##### **6.1.1 Payments**

As a result of insufficient controls implemented regarding payments for goods and services, no certification is done of invoices received, before payment is made to suppliers. No mitigating control to decrease the risk of duplicate payments, incorrect payments or payments made for goods not received could be identified.



### 6.1.2 Receivables

- (i) As a result of insufficient follow up performed, R 130 000 recoverable from another organ of state, showed no movement for the past two financial years. No documentary proof could be provided that the amount would be recovered.
- (ii) Due to inadequate controls to recover overpayments made to individuals who left the service of the department, R 42 429 is outstanding for more than 2 financial years with no repayment being done, interest being charged or legal steps being taken. In addition R 17 195 of debts exists at year end as a result of employees' salaries not being cancelled when they left the service of the department.
- (iii) Of the total debt account disclosed in note 13.2, amounting to R 127 000, R 85 302 is outstanding for more than 12 months.

### 6.1.3 Assets

- (i) Office furniture and equipment purchased close to year-end amounting to R 5,809 million was in various instances delivered partially during April 2006 and May 2006 and not completely delivered by June 2006. These newly acquired assets were not marked by a unique number.
- (ii) One hundred and eight items procured included with the purchases of computers at year end, were not received on date of purchase and not even up to 7 July 2006. These items were warehoused at the supplier until the department could take receipt of the purchased items. Computers and related software were also purchased for employees yet to be appointed. The computers delivered were also not marked by a unique number at the date of completion of our audit work.
- (iii) Insufficient documentation was maintained regarding the transfer of office furniture, computer equipment and other assets from the Grand House building to the Kimberlite building. The transferred assets stored could not in all instances be verified.
- (iv) Inventory lists are not maintained at the Kimberlite building resulting in inadequate controls over the safeguarding of assets.

### 6.1.4 Financial guarantees

Insufficient controls are implemented to ensure that state guarantees issued to employees are retracted from the financial institution when the employee leaves the service of the department.

## 6.2 Matters in the public interest

### 6.2.1 Procurement of goods and services close to financial year end

Various services, equipment and assets amounting to R 8 413 721, were procured close to the end of the financial year. All of these items procured were done without following a competitive bidding process as prescribed by:

- section 217 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) that states: *"be fair, equitable, transparent, competitive and cost effective"*;
- the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
- the Broad Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003).

Ex post facto approval was granted by the Tender Board for the procurement of these goods and services in some cases subsequent to the purchase and partial receipt of the goods.

In addition, the following is of concern regarding the payments made:

- (i) Ex post facto approval was granted on 30 June 2006 for project reports procured and paid for at 31 March 2006. As no tariffs were included in the contract entered into or on the invoices paid, I could not satisfy myself that the department received all the services paid for. On some invoices paid to the supplier no VAT number is indicated. In some instances the amounts charged for services rendered,

seems exorbitant. I envisage that a special investigation will be undertaken to determine the impact of these payments on the financial statements.

- (ii) Procurement of office furniture from a different supplier is also of concern as this supplier previously supplied the department with computer equipment {refer paragraph 4.4. (i)}. The department maintains that the supplier of the computer equipment and furniture is also the current owner of the building rented by the department {refer paragraph 4.4. (iii)}. All transactions entered into with this supplier were done outside the competitive bidding process.
- (iii) Procurement of office furniture to the value of R 2 543 624, close to year-end, is also of concern as the goods were ordered on 31 March 2006, the quotations were dated 31 March 2006 and the payment was also done on the same date, being the last day of the financial year. Ex post facto approval was granted on 19 May 2006.
- (iv) Computer equipment was purchased at year-end for employees yet to be appointed {refer paragraph 6.1.3(ii)}. Ex post facto approval was granted for this purchase on 19 May 2006.
- (v) As the department only moved to the new building in late April 2006, the office furniture and computer equipment procured at 31 March 2006 was only received after year end and in various instances partial deliveries were made. These newly acquired assets were not marked with a unique number.
- (vi) The items procured were not originally budgeted for. These goods were procured at year end by utilising savings on current expenditure by means of applying shifting and virement.

By not following a competitive bidding process the risk to government is increased of not receiving the best value for money.

### **6.3 Non-compliance with laws and regulations**

6.3.1 Provincial treasury did not approve the reviewed and updated tariff structures for veterinary services as prescribed by Treasury Regulation 7.3.1. This is as a result of the reviewed tariffs not being provided to Treasury for approval as required by the mentioned regulation.

6.3.2 Quarterly reports as required by Treasury Regulation 5.3 were not submitted to the executive authority on a quarterly basis.

### **6.4 Financial management**

#### **6.4.1 Internal audit function**

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

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

- The internal audit charter, as required by Treasury Regulation 3.2.5 and the Institute of Internal Auditors (IIA) 1000-1, was only approved on 15 August 2005.
- The current staffing component, as well as the available funds, seems to be inadequate to efficiently and effectively service all the provincial departments of the Northern Cape Province. No formal training and development plan was in place to ensure continuous training and development of existing staff.
- No approved annual internal audit plan and three-year strategic plan exist for the internal audit department.
- The audit committee did not evaluate the performance of the internal audit during the year.
- Internal audit did not report functionally directly to the audit committee during the year.
- Internal audit did not submit quarterly reports to the audit committee detailing its performance against the annual internal audit plan.

Some of the above findings were also highlighted in the audit report of the 2004-05 financial year.

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

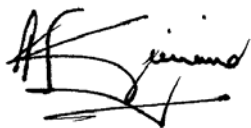
#### 6.4.2 Performance information

In terms of section 20(2)(c) of the Public Audit Act of 2004 the Auditor-General must draw a conclusion on the reported information relating to the performance of the department against predetermined objectives. Although the guideline for the preparation of annual reports clearly requests the department to submit the details to the Auditor-General by no later than 15 June 2006, I only received the performance information on 23 June 2006. Our review of the information revealed the following:

- (i) The reported performance was not supported by source documentation.
- (ii) The accounting officer decided not to give management representation to the effect that the information included in the performance report received on 23 June 2006 would not change when included into the annual report.

#### 7. APPRECIATION

The assistance rendered by the staff of the Department of Agriculture and Land Reform during the audit is sincerely appreciated.



AL Kimmie for Auditor-General

Kimberley

31 July 2006



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

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

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

**1. Presentation of the Financial Statements**

**1.1 Basis of preparation**

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

**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. When 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.

**2. Revenue**

**2.1 Appropriated funds**

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

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

**2.2 Departmental revenue**

***2.2.1 Tax revenue***

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

***2.2.2 Sale of goods and services other than capital assets***

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

***2.2.3 Interest, dividends and rent on land***

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

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

***2.2.4 Sale of capital assets***

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

***2.2.5 Financial transactions in assets and liabilities***

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

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

***2.2.6 Gifts, donations and sponsorships (Transfers received)***

All cash gifts, donations and sponsorships are paid into the National/Provincial Revenue Fund and recorded as revenue in the statement of financial performance when received. Amounts received at 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 annexure to the financial statements.



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

**2.3 Local and foreign aid assistance**

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

**3. Expenditure**

**3.1 *Compensation of employees***

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

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

**3.1.1 *Short-term employee benefits***

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

**3.1.2 *Long-term employee benefits and other post employment benefits***

**3.1.2.1 *Termination benefits***

Termination benefits are recognised and expensed only when the final authorisation for payment 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. The expense is classified as capital if the goods and services were used on a capital project.

**3.3 *Financial transactions in assets and liabilities***

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

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

**3.4 *Unauthorised expenditure***

Unauthorised expenditure, is defined as:

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

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

**3.5 *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 position.

**3.6 *Irregular expenditure***

Irregular expenditure, is defined as:

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

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

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

**3.7 *Transfers and subsidies***

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

**3.8 *Expenditure for capital assets***

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

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

**4. Assets**

**4.1 Cash and cash equivalent**

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 of 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 payment is made.

**4.3 Receivables**

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

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

**4.4 Investments**

Investments include; Investments in Associates; Joint ventures; Investments in controlled entities and Other investments.

Investments are shown at cost. On disposal of an investment, the surplus/(deficit) is recognised as revenue in the Statement of Financial Performance.

**5. Liabilities**

**5.1 Payables**

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

**5.2 Lease commitments**

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

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

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

**5.3 Accruals**

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

**5.4 Contingent liability**

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

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

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

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

**5.5 Commitments**

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

**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 National/Provincial Revenue Fund on disposal, repayment or recovery of such amounts.

**6.2 Recoverable revenue**

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

**Northern Cape - Department of Agriculture and Land Reform**

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

**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, if they did occur are 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.



**Northern Cape - Department of Agriculture and Land Reform**

**Appropriation Statement  
for the year ended 31 March 2006**

Appropriation per Programme									
	2005/06							2004/05	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>1. Administration</b>									
Current payment	28,615	(3,240)	-	25,375	25,375	-	100.0%	20,353	20,019
Transfers and subsidies	91	188	-	279	279	-	100.0%	180	122
Payment for capital assets	480	3,052	2,587	6,119	6,119	-	100.0%	706	706
<b>2. Sustainable Resource Management</b>									
Current payment	45,465	(1,142)	(358)	43,965	30,885	13,080	70.2%	35,688	20,541
Transfers and subsidies	17	1	-	18	18	-	100.0%	15	14
Payment for capital assets	35	1,141	-	1,176	1,176	-	100.0%	60	11
<b>3. Farmer Support &amp; Development</b>									
Current payment	44,049	(6,465)	(3,078)	34,506	23,235	11,271	67.3%	25,552	22,412
Transfers and subsidies	29	-	-	29	24	5	82.8%	28	21
Payment for capital assets	5,301	6,465	-	11,766	11,740	26	99.8%	3,020	696
<b>4. Veterinary Services</b>									
Current payment	16,063	(821)	-	15,242	15,242	-	100.0%	12,382	12,283
Transfers and subsidies	32	8	23	63	31	32	49.2%	29	29
Payment for capital assets	835	813	138	1,786	1,785	1	99.9%	32	132
<b>5. Technology Research &amp; Development Services</b>									
Current payment	12,685	(9)	826	13,502	13,502	-	100.0%	11,647	11,627
Transfers and subsidies	33	9	-	42	42	-	100.0%	31	29
Payment for capital assets	560	-	(138)	422	339	83	80.3%	330	128
<b>6. Agricultural Economics</b>									
Current payment	2,056	(457)	-	1,599	1,224	375	76.5%	1,190	1,189
Transfers and subsidies	4	-	-	4	2	2	50.0%	6	6
Payment for capital assets	30	457	-	487	487	-	100.0%	25	16
<b>7. Conservation Services</b>									
Current payment	-	-	-	-	-	-	0.0%	12,334	12,333
Transfers and subsidies	-	-	-	-	-	-	0.0%	27	27
Payment for capital assets	-	-	-	-	-	-	0.0%	103	103
<b>8. Environmental Management</b>									
Current payment	-	-	-	-	-	-	0.0%	5,103	5,078
Transfers and subsidies	-	-	-	-	-	-	0.0%	287	287
Payment for capital assets	-	-	-	-	-	-	0.0%	100	100
<b>Subtotal</b>	<b>156,380</b>	<b>-</b>	<b>-</b>	<b>156,380</b>	<b>131,505</b>	<b>24,875</b>	<b>84.1%</b>	<b>129,228</b>	<b>107,909</b>
<b>Statutory Appropriation</b>									
Current payments	801	-	-	801	801	-	100.0%	726	593
Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-
Payment for capital assets	-	-	-	-	-	-	0.0%	-	-
<b>Total</b>	<b>157,181</b>	<b>-</b>	<b>-</b>	<b>157,181</b>	<b>132,306</b>	<b>24,875</b>	<b>84.2%</b>	<b>129,954</b>	<b>108,502</b>
<b>Reconciliation with Statement of Financial Performance</b>									
<b>Add:</b> Prior year unauthorised expenditure approved with funding				-				5,131	
Departmental receipts				-				512	
Local and foreign aid assistance				-				21,985	

Appropriation per Programme									
	2005/06							2004/05	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>Actual amounts per Statement of Financial Performance (Total Revenue)</b>				157,181				157,582	
Investments acquired and capitalised during the current financial year, but expensed for appropriation purposes					-				-
Other payments in Appropriation Statement, not accounted for in the Statement of Financial Performance					-				-
<b>Add:</b> Local and foreign aid assistance					34				21,951
Prior year unauthorised expenditure approved					-				5,131
<b>Actual amounts per Statement of Financial Performance Expenditure</b>					<b>132,340</b>				<b>135,584</b>

**Northern Cape - Department of Agriculture and Land Reform**

**Appropriation Statement  
for the year ended 31 March 2006**

Appropriation per Economic classification										
		2005/06							2004/05	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
	Current payments									
	Compensation of employees	51,996	(10,209)	-	41,787	40,810	977	97.7%	51,200	50,135
	Goods and services	96,937	(1,926)	(2,610)	92,401	68,177	24,224	73.8%	72,416	54,714
	Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
	Financial transactions in assets and liabilities	-	-	-	-	473	(473)	0.0%	633	633
	Transfers & subsidies									
	Provinces & municipalities	150	10	23	183	144	39	78.7%	201	168
	Departmental agencies & accounts	-	-	-	-	-	-	0.0%	27	-
	Universities & technikons	-	-	-	-	-	-	0.0%	-	-
	Foreign governments & international organisations	-	-	-	-	-	-	0.0%	-	-
	Public corporations & private enterprises	-	-	-	-	-	-	0.0%	-	-
	Non-profit institutions	-	-	-	-	-	-	0.0%	-	-
	Households	56	197	-	253	253	-	100.0%	375	367
	Gifts and donations	-	-	-	-	-	-	0.0%	-	-
	Payment for capital assets									
	Buildings & other fixed structures	-	1,997	-	1,997	1,997	-	100.0%	73	73
	Machinery & equipment	7,236	9,917	2,571	19,724	19,570	154	99.2%	4,293	1,698
	Biological or cultivated assets	-	19	-	19	65	(46)	342.1%	10	121
	Software & other intangible assets	5	(5)	16	16	16	-	100.0%	-	-
	Land & subsoil assets	-	-	-	-	-	-	0.0%	-	-
	Total	156,380	-	-	156,380	131,505	24,875	84.1%	129,228	107,909

Statutory Appropriation									
Direct charge against Provincial Revenue Fund	2005/06							2004/05	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Member of executive committee/parliamentary officers	801	-	-	801	801	-	100.0%	726	593
<b>Total</b>	<b>801</b>	<b>-</b>	<b>-</b>	<b>801</b>	<b>801</b>	<b>-</b>	<b>100.0%</b>	<b>726</b>	<b>593</b>

# Northern Cape - Department of Agriculture and Land Reform

## Detail per Programme 1 - Administration for the year ended 31 March 2006

	Programme per sub-programme	2005/06							2004/05	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>1.1</b>	<b>Office of the MEC</b>									
	Current payment	3,215	669	-	3,884	3,884	-	100.0%	1,969	1,906
	Transfers and subsidies	59	25	-	84	84	-	100.0%	38	37
	Payment for capital assets	60	99	-	159	159	-	100.0%	252	252
<b>1.2</b>	<b>Senior Management</b>									
	Current payment	12,096	(5,071)	-	7,025	7,025	-	100.0%	5,818	5,545
	Transfers and subsidies	13	91	-	104	104	-	100.0%	124	67
	Payment for capital assets	200	2,424	2,587	5,211	5,211	-	100.0%	88	88
<b>1.3</b>	<b>Corporate Services</b>									
	Current payment	8,970	849	-	9,819	9,819	-	100.0%	9,635	9,637
	Transfers and subsidies	13	71	-	84	84	-	100.0%	11	11
	Payment for capital assets	200	151	-	351	351	-	100.0%	129	129
<b>1.4</b>	<b>Financial Management</b>									
	Current payment	4,334	313	-	4,647	4,647	-	100.0%	2,931	2,931
	Transfers and subsidies	6	1	-	7	7	-	100.0%	7	7
	Payment for capital assets	20	378	-	398	398	-	100.0%	237	237
<b>Total</b>		<b>29,186</b>	<b>-</b>	<b>2,587</b>	<b>31,773</b>	<b>31,773</b>	<b>-</b>	<b>100.0%</b>	<b>21,239</b>	<b>20,847</b>

	Economic classification	2005/06							2004/05	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
	<b>Current payments</b>									
	Compensation of employees	14,280	(4,239)	-	10,041	10,041	-	100.0%	9,111	9,112
	Goods and services	14,335	998	-	15,333	15,333	-	100.0%	11,066	10,731
	Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
	Financial transactions in assets and liabilities	-	-	-	-	-	-	0.0%	176	176
	<b>Transfers &amp; subsidies</b>									
	Provinces & municipalities	35	-	-	35	35	-	100.0%	85	35
	Households	56	189	-	245	245	-	100.0%	95	87
	Gifts and donations	-	-	-	-	-	-	0.0%	-	-
	<b>Payments for capital assets</b>									
	Buildings & other fixed structures	-	-	-	-	-	-	0.0%	-	-
	Machinery & equipment	480	3,052	2,587	6,119	6,119	-	100.0%	706	706
	Biological or cultivated assets	-	-	-	-	-	-	0.0%	-	-
	Software & other intangible assets	-	-	-	-	-	-	0.0%	-	-
	Land & subsoil assets	-	-	-	-	-	-	0.0%	-	-
<b>Total</b>		<b>29,186</b>	<b>-</b>	<b>2,587</b>	<b>31,773</b>	<b>31,773</b>	<b>-</b>	<b>100.0%</b>	<b>21,239</b>	<b>20,847</b>

**Northern Cape - Department of Agriculture and Land Reform**

**Detail per Programme 2 – Sustainable Resource Management  
for the year ended 31 March 2006**

	Programme per sub-programme	2005/06							2004/05	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>2.1</b>	<b>Engineering Services</b>									
	Current payment	1,950	37	-	1,987	1,912	75	96.2%	1,688	1,687
	Transfers and subsidies	4	-	-	4	4	-	100.0%	4	4
	Payment for capital assets	-	79	-	79	79	-	100.0%	-	-
<b>2.2</b>	<b>Land Care</b>									
	Current payment	43,515	(1,179)	(358)	41,978	28,973	13,005	69.0%	34,000	18,854
	Transfers and subsidies	13	1	-	14	14	-	100.0%	11	10
	Payment for capital assets	35	1,062	-	1,097	1,097	-	100.0%	60	11
	<b>Total</b>	<b>45,517</b>	<b>-</b>	<b>(358)</b>	<b>45,159</b>	<b>32,079</b>	<b>13,080</b>	<b>71.0%</b>	<b>35,763</b>	<b>20,566</b>

	Economic classification	2005/06							2004/05	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
	<b>Current</b>									
	Compensation of employees	6,217	(546)	-	5,671	5,654	17	99.7%	5,806	5,564
	Goods and services	39,248	(596)	(358)	38,294	25,231	13,063	65.9%	29,882	14,977
	Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
	Financial transactions in assets and liabilities	-	-	-	-	-	-	0.0%	-	-
	<b>Transfers &amp; subsidies</b>									
	Provinces & municipalities	17	1	-	18	18	-	100.0%	15	14
	Dept agencies & accounts	-	-	-	-	-	-	0.0%	-	-
	Universities & Technikons	-	-	-	-	-	-	0.0%	-	-
	Foreign governments & international organisations	-	-	-	-	-	-	0.0%	-	-
	Public corporations & private enterprises	-	-	-	-	-	-	0.0%	-	-
	Non-profit institutions	-	-	-	-	-	-	0.0%	-	-
	Households	-	-	-	-	-	-	0.0%	-	-
	Gifts and donations	-	-	-	-	-	-	0.0%	-	-
	<b>Capital</b>									
	Buildings & other fixed structures	-	588	-	588	588	-	100.0%	-	-
	Machinery & equipment	30	558	-	588	588	-	100.0%	50	11
	Biological or Cultivated assets	-	-	-	-	-	-	0.0%	10	-
	Software & other intangible assets	5	(5)	-	-	-	-	0.0%	-	-
	Land & subsoil assets	-	-	-	-	-	-	0.0%	-	-
	<b>Total</b>	<b>45,517</b>	<b>-</b>	<b>(358)</b>	<b>45,159</b>	<b>32,079</b>	<b>13,080</b>	<b>71.0%</b>	<b>35,763</b>	<b>20,566</b>

# Northern Cape - Department of Agriculture and Land Reform

## Detail per Programme 3 – Farmer Support and Development for the year ended 31 March 2006

	Programme per sub-programme	2005/06							2004/05	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>3.1</b>	<b>Farmer Settlement</b>									
	Current payment	29,886	(5,065)	(3,078)	21,743	13,051	8,692	60.0%	17,388	14,303
	Transfers and subsidies	6	-	-	6	6	-	100.0%	9	6
	Payment for capital assets	5,221	5,065	-	10,286	10,286	-	100.0%	2,406	82
<b>3.2</b>	<b>Farmer Support Services</b>									
	Current payment	9,363	(915)	-	8,448	8,443	5	99.9%	7,759	7,704
	Transfers and subsidies	23	-	-	23	18	5	78.3%	19	15
	Payment for capital assets	80	915	-	995	969	26	97.4%	564	564
<b>3.3</b>	<b>Food Security</b>									
	Current payment	4,800	(485)	-	4,315	1,741	2,574	40.3%	405	405
	Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-
	Payment for capital assets	-	485	-	485	485	-	100.0%	50	50
<b>Total</b>		<b>49,379</b>	<b>-</b>	<b>(3,078)</b>	<b>46,301</b>	<b>34,999</b>	<b>11,302</b>	<b>75.6%</b>	<b>28,600</b>	<b>23,129</b>

	Economic classification	2005/06							2004/05	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
	<b>Current</b>									
	Compensation of employees	8,844	(2,516)	-	6,328	6,195	133	97.9%	7,435	6,633
	Goods and services	35,205	(3,949)	(3,078)	28,178	17,039	11,139	60.5%	17,660	15,322
	Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
	Financial transactions in assets and liabilities	-	-	-	-	-	-	0.0%	457	457
	<b>Transfers &amp; subsidies</b>									
	Provinces & municipalities	29	-	-	29	25	4	86.2%	28	21
	Dept agencies & accounts	-	-	-	-	-	-	0.0%	-	-
	Universities & Technikons	-	-	-	-	-	-	0.0%	-	-
	Foreign governments & international organisations	-	-	-	-	-	-	0.0%	-	-
	Public corporations & private enterprises	-	-	-	-	-	-	0.0%	-	-
	Non-profit institutions	-	-	-	-	-	-	0.0%	-	-
	Households	-	-	-	-	-	-	0.0%	-	-
	Gifts and donations	-	-	-	-	-	-	0.0%	-	-
	<b>Capital</b>									
	Buildings & other fixed structures	-	1,300	-	1,300	1,300	-	100.0%	73	73
	Machinery & equipment	5,301	5,146	-	10,447	10,421	26	99.8%	2,947	623
	Biological or Cultivated assets	-	19	-	19	19	-	100.0%	-	-
	Software & other intangible assets	-	-	-	-	-	-	0.0%	-	-
	Land & subsoil assets	-	-	-	-	-	-	0.0%	-	-
<b>Total</b>		<b>49,379</b>	<b>-</b>	<b>(3,078)</b>	<b>46,301</b>	<b>34,999</b>	<b>11,302</b>	<b>75.6%</b>	<b>28,600</b>	<b>23,129</b>



# Northern Cape - Department of Agriculture and Land Reform

## Detail per Programme 4 – Veterinary Services for the year ended 31 March 2006

Programme per sub-programme	2005/06							2004/05	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>4.1 Animal Health</b>									
Current payment	10,225	1,596	-	11,821	11,821	-	100.0%	10,183	10,084
Transfers and subsidies	32	-	23	55	23	32	41.8%	24	23
Payment for capital assets	835	13	138	986	985	1	99.9%	27	127
<b>4.2 Export Control</b>									
Current payment	526	(394)	-	132	132	-	100.0%	17	17
Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-
Payment for capital assets	-	29	-	29	29	-	100.0%	-	-
<b>4.3 Veterinary Public Health</b>									
Current payment	3,613	(654)	-	2,959	2,959	-	100.0%	1,834	1,834
Transfers and subsidies	-	7	-	7	7	-	100.0%	4	5
Payment for capital assets	-	130	-	130	130	-	100.0%	5	5
<b>4.4 Veterinary Lab Services</b>									
Current payment	1,699	(1,369)	-	330	330	-	100.0%	348	348
Transfers and subsidies	-	1	-	1	1	-	100.0%	1	1
Payment for capital assets	-	641	-	641	641	-	100.0%	-	-
<b>Total</b>	<b>16,930</b>	<b>-</b>	<b>161</b>	<b>17,091</b>	<b>17,058</b>	<b>33</b>	<b>99.8%</b>	<b>12,443</b>	<b>12,444</b>

Economic classification	2005/06							2004/05	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>Current</b>									
Compensation of employees	11,630	(2,809)	-	8,821	8,821	-	100.0%	8,865	8,865
Goods and services	4,433	1,988	-	6,421	6,421	-	100.0%	3,517	3,418
Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	0.0%	-	-
<b>Transfers &amp; subsidies</b>									
Provinces & municipalities	32	8	23	63	30	33	47.6%	29	29
Dept agencies & accounts	-	-	-	-	-	-	0.0%	-	-
Universities & Technikons	-	-	-	-	-	-	0.0%	-	-
Foreign governments & international organisations	-	-	-	-	-	-	0.0%	-	-
Public corporations & private enterprises	-	-	-	-	-	-	0.0%	-	-
Non-profit institutions	-	-	-	-	-	-	0.0%	-	-
Households	-	-	-	-	-	-	0.0%	-	-
Gifts and donations	-	-	-	-	-	-	0.0%	-	-
<b>Capital</b>									
Buildings & other fixed structures	-	109	-	109	109	-	100.0%	-	-
Machinery & equipment	835	704	122	1,661	1,661	-	100.0%	32	11
Biological or Cultivated assets	-	-	-	-	-	-	0.0%	-	121
Software & other intangible assets	-	-	16	16	16	-	100.0%	-	-
Land & subsoil assets	-	-	-	-	-	-	0.0%	-	-
<b>Total</b>	<b>16,930</b>	<b>-</b>	<b>161</b>	<b>17,091</b>	<b>17,058</b>	<b>33</b>	<b>99.8%</b>	<b>12,443</b>	<b>12,444</b>

# Northern Cape - Department of Agriculture and Land Reform

## Detail per Programme 5 – Research and Technology Development for the year ended 31 March 2006

	Programme per sub-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
<b>5.1</b>	<b>Research</b>									
	Current payment	4,829	438	358	5,625	5,625	-	100.0%	4,925	4,925
	Transfers and subsidies	10	1	-	11	11	-	100.0%	10	10
	Payment for capital assets	330	-	-	330	312	18	94.5%	72	72
<b>5.2</b>	<b>Infrastructure Support Services</b>									
	Current payment	7,856	(447)	468	7,877	7,877	-	100.0%	6,722	6,702
	Transfers and subsidies	23	8	-	31	31	-	100.0%	21	19
	Payment for capital assets	230	-	(138)	92	27	65	29.3%	258	56
	<b>Total</b>	<b>13,278</b>	<b>-</b>	<b>688</b>	<b>13,966</b>	<b>13,883</b>	<b>83</b>	<b>99.4%</b>	<b>12,008</b>	<b>11,784</b>

	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
	<b>Current</b>									
	Compensation of employees	9,650	(99)	-	9,551	9,551	-	100.0%	8,117	8,097
	Goods and services	3,035	90	826	3,951	3,950	1	100.0%	3,530	3,530
	Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
	Financial transactions in assets and liabilities	-	-	-	-	-	-	0.0%	-	-
	<b>Transfers &amp; subsidies</b>									
	Provinces & municipalities	33	1	-	34	34	-	100.0%	31	29
	Dept agencies & accounts	-	-	-	-	-	-	0.0%	-	-
	Universities & Technikons	-	-	-	-	-	-	0.0%	-	-
	Foreign governments & international organisations	-	-	-	-	-	-	0.0%	-	-
	Public corporations & private enterprises	-	-	-	-	-	-	0.0%	-	-
	Non-profit institutions	-	-	-	-	-	-	0.0%	-	-
	Households	-	8	-	8	8	-	100.0%	-	-
	Gifts and donations	-	-	-	-	-	-	0.0%	-	-
	<b>Capital</b>									
	Buildings & other fixed structures	-	-	-	-	-	-	0.0%	-	-
	Machinery & equipment	560	-	(138)	422	294	128	69.7%	330	128
	Biological or Cultivated assets	-	-	-	-	46	(46)	0.0%	-	-
	Software & other intangible assets	-	-	-	-	-	-	0.0%	-	-
	Land & subsoil assets	-	-	-	-	-	-	0.0%	-	-
	<b>Total</b>	<b>13,278</b>	<b>-</b>	<b>688</b>	<b>13,966</b>	<b>13,883</b>	<b>83</b>	<b>99.4%</b>	<b>12,008</b>	<b>11,784</b>

**Northern Cape - Department of Agriculture and Land Reform**

**Detail per Programme 6 – Agricultural Economics  
for the year ended 31 March 2006**

	Programme per sub-programme	2005/06							2004/05	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>6.1</b>	<b>Marketing Services</b>									
	Current payment	722	(234)	-	488	-	488	0.0%	164	163
	Transfers and subsidies	2	-	-	2	-	2	0.0%	4	5
	Payment for capital assets	11	(11)	-	-	-	-	0.0%	9	-
<b>6.2</b>	<b>Macro Economics &amp; Statistics</b>									
	Current payment	1,334	(223)	-	1,111	1,224	(113)	110.2%	1,026	1,026
	Transfers and subsidies	2	-	-	2	2	-	100.0%	2	1
	Payment for capital assets	19	468	-	487	487	-	100.0%	16	16
	<b>Total</b>	<b>2,090</b>	<b>-</b>	<b>-</b>	<b>2,090</b>	<b>1,713</b>	<b>377</b>	<b>82.0%</b>	<b>1,221</b>	<b>1,211</b>

	Economic classification	2005/06							2004/05	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
	<b>Current</b>									
	Compensation of employees	1,375	-	-	1,375	548	827	39.9%	658	657
	Goods and services	681	(457)	-	224	203	21	90.6%	532	532
	Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
	Financial transactions in assets and liabilities	-	-	-	-	473	(473)	0.0%	-	-
	<b>Transfers &amp; subsidies</b>									
	Provinces & municipalities	4	-	-	4	2	2	50.0%	6	6
	Dept agencies & accounts	-	-	-	-	-	-	0.0%	-	-
	Universities & Technikons	-	-	-	-	-	-	0.0%	-	-
	Foreign governments & international organisations	-	-	-	-	-	-	0.0%	-	-
	Public corporations & private enterprises	-	-	-	-	-	-	0.0%	-	-
	Non-profit institutions	-	-	-	-	-	-	0.0%	-	-
	Households	-	-	-	-	-	-	0.0%	-	-
	Gifts and donations	-	-	-	-	-	-	0.0%	-	-
	<b>Capital</b>									
	Buildings & other fixed structures	-	-	-	-	-	-	0.0%	-	-
	Machinery & equipment	30	457	-	487	487	-	100.0%	25	16
	Biological or Cultivated assets	-	-	-	-	-	-	0.0%	-	-
	Software & other intangible assets	-	-	-	-	-	-	0.0%	-	-
	Land & subsoil assets	-	-	-	-	-	-	0.0%	-	-
	<b>Total</b>	<b>2,090</b>	<b>-</b>	<b>-</b>	<b>2,090</b>	<b>1,713</b>	<b>377</b>	<b>82.0%</b>	<b>1,221</b>	<b>1,211</b>

Northern Cape - Department of Agriculture and Land Reform

Detail per Programme 7 – Conservation Services  
for the year ended 31 March 2006

	Programme per sub-programme	2005/06							2004/05	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
7.1	<b>Conservation Management</b>									
	Current payment	-	-	-	-	-	-	0.0%	10,457	10,457
	Transfers and subsidies	-	-	-	-	-	-	0.0%	22	22
	Payment for capital assets	-	-	-	-	-	-	0.0%	47	47
7.2	<b>Specialist Services</b>									
	Current payment	-	-	-	-	-	-	0.0%	1,877	1,876
	Transfers and subsidies	-	-	-	-	-	-	0.0%	5	5
	Payment for capital assets	-	-	-	-	-	-	0.0%	56	56
	<b>Total</b>	-	-	-	-	-	-	0.0%	12,464	12,463

	Economic classification	2005/06							2004/05	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
	<b>Current</b>									
	Compensation of employees	-	-	-	-	-	-	0.0%	8,717	8,716
	Goods and services	-	-	-	-	-	-	0.0%	3,617	3,617
	Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
	Financial transactions in assets and liabilities	-	-	-	-	-	-	0.0%	-	-
	<b>Transfers &amp; subsidies</b>									
	Provinces & municipalities	-	-	-	-	-	-	0.0%	-	27
	Dept agencies & accounts	-	-	-	-	-	-	0.0%	27	-
	Universities & Technikons	-	-	-	-	-	-	0.0%	-	-
	Foreign governments & international organisations	-	-	-	-	-	-	0.0%	-	-
	Public corporations & private enterprises	-	-	-	-	-	-	0.0%	-	-
	Non-profit institutions	-	-	-	-	-	-	0.0%	-	-
	Households	-	-	-	-	-	-	0.0%	-	-
	Gifts and donations	-	-	-	-	-	-	0.0%	-	-
	<b>Capital</b>									
	Buildings & other fixed structures	-	-	-	-	-	-	0.0%	-	-
	Machinery & equipment	-	-	-	-	-	-	0.0%	103	103
	Biological or Cultivated assets	-	-	-	-	-	-	0.0%	-	-
	Software & other intangible assets	-	-	-	-	-	-	0.0%	-	-
	Land & subsoil assets	-	-	-	-	-	-	0.0%	-	-
	<b>Total</b>	-	-	-	-	-	-	0.0%	12,464	12,463

Northern Cape - Department of Agriculture and Land Reform

Detail per Programme 8 – Environmental Management  
for the year ended 31 March 2006

	Programme per sub-programme	2005/06							2004/05	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
<b>8.1</b>	<b>Impact Management</b>									
	Current payment	-	-	-	-	-	-	0.0%	718	706
	Transfers and subsidies	-	-	-	-	-	-	0.0%	3	3
	Payment for capital assets	-	-	-	-	-	-	0.0%	-	-
<b>8.2</b>	<b>Coastal Management</b>									
	Current payment	-	-	-	-	-	-	0.0%	244	244
	Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-
	Payment for capital assets	-	-	-	-	-	-	0.0%	-	-
<b>8.3</b>	<b>Waste Management &amp; Pollution Control</b>									
	Current payment	-	-	-	-	-	-	0.0%	869	857
	Transfers and subsidies	-	-	-	-	-	-	0.0%	1	1
	Payment for capital assets	-	-	-	-	-	-	0.0%	-	-
<b>8.4</b>	<b>Environment Education &amp; Communication</b>									
	Current payment	-	-	-	-	-	-	0.0%	1,014	1,013
	Transfers and subsidies	-	-	-	-	-	-	0.0%	2	2
	Payment for capital assets	-	-	-	-	-	-	0.0%	41	41
<b>8.5</b>	<b>Environment Management</b>									
	Current payment	-	-	-	-	-	-	0.0%	2,258	2,258
	Transfers and subsidies	-	-	-	-	-	-	0.0%	281	281
	Payment for capital assets	-	-	-	-	-	-	0.0%	59	59
	<b>Total</b>	-	-	-	-	-	-	<b>0.0%</b>	<b>5,490</b>	<b>5,465</b>

# Northern Cape - Department of Agriculture and Land Reform

## Detail per Programme 8 – Environmental Management for the year ended 31 March 2006

	Economic classification	2005/06							2004/05	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
	<b>Current</b>									
	Compensation of employees	-	-	-	-	-	-	0.0%	2,491	2,491
	Goods and services	-	-	-	-	-	-	0.0%	2,612	2,587
	Interest and rent on land	-	-	-	-	-	-	0.0%	-	-
	Financial transactions in assets and liabilities	-	-	-	-	-	-	0.0%	-	-
	<b>Transfers &amp; subsidies</b>									
	Provinces & municipalities	-	-	-	-	-	-	0.0%	7	7
	Dept agencies & accounts	-	-	-	-	-	-	0.0%	-	-
	Universities & Technikons	-	-	-	-	-	-	0.0%	-	-
	Foreign governments & international organisations	-	-	-	-	-	-	0.0%	-	-
	Public corporations & private enterprises	-	-	-	-	-	-	0.0%	-	-
	Non-profit institutions	-	-	-	-	-	-	0.0%	-	-
	Households	-	-	-	-	-	-	0.0%	280	280
	Gifts and donations	-	-	-	-	-	-	0.0%	-	-
	<b>Capital</b>									
	Buildings & other fixed structures	-	-	-	-	-	-	0.0%	-	-
	Machinery & equipment	-	-	-	-	-	-	0.0%	100	100
	Biological or Cultivated assets	-	-	-	-	-	-	0.0%	-	-
	Software & other intangible assets	-	-	-	-	-	-	0.0%	-	-
	Land & subsoil assets	-	-	-	-	-	-	0.0%	-	-
	<b>Total</b>	-	-	-	-	-	-	<b>0.0%</b>	<b>5,490</b>	<b>5,465</b>



## Northern Cape - Department of Agriculture and Land Reform

### 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-L) 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 (Details of special functions (theft and losses)) to the annual financial statements.

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

**4.1 Per programme:**

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Administration	31,773	31,773	-	0%
Sustainable Resource Management	45,159	32,079	13,080	29%
The under-spending was due to vacancies that were not filled and for the Land Care; they incurred problems with tendering processes. Also in the Drought Relief the claims that were submitted for March were only processed in April and May.				
Farmer Support and Development	46,301	34,999	11,302	24%
The equitable share portion was under-spent due to vacancies that were not filled. Several Food security projects were suspended on basis of investigating the viability and sustainability.				
Veterinary services	17,091	17,058	33	0%
In Programme 4 there were under-spending of the earmarked funds and this is mainly due to the capacity constraints that the department have experienced through the financial year.				
Technical Research and Development Services	13,966	13,883	83	1%
The under-spending that occurred in this programme was also due to capacity constraints.				
Agricultural Economics	2,090	1,713	377	18%
In programme 6 there were several vacancies not filled and this lead to funds that was not spent.				

## Northern Cape - Department of Agriculture and Land Reform

### Notes to the Appropriation Statement for the year ended 31 March 2006

<b>4.2 Per economic classification:</b>	<b>R'000</b>
<b>Current expenditure</b>	
Compensation of employees	977
Goods and services	24,224
Interest and rent on land	-
Financial transactions in assets and liabilities	(473)
Unauthorised expenditure approved	-
<b>Transfers and subsidies</b>	
Provinces and municipalities	39
Departmental agencies and accounts	-
Universities and technikons	-
Public corporations and private enterprises	-
Foreign governments and international organisations	-
Non-profit institutions	-
Households	-
<b>Payments for capital assets</b>	
Buildings and other fixed structures	-
Machinery and equipment	154
Heritage assets	-
Biological assets	(46)
Software and other intangible assets	-
Land and sub soil assets	-

# Northern Cape - Department of Agriculture and Land Reform

## Statement of Financial Performance for the year ended 31 March 2006

	<i>Note</i>	<b>2005/06 R'000</b>	<b>2004/05 R'000</b>
<b>REVENUE</b>			
Annual appropriation	1.	156,380	129,228
Statutory appropriation	2.	801	726
Appropriation for unauthorised expenditure approved		-	5,131
Departmental revenue	3.	-	512
Local and foreign aid assistance	4.	-	21,985
<b>TOTAL REVENUE</b>		<b>157,181</b>	<b>157,582</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	5.	41,611	50,728
Goods and services	6.	68,177	54,714
Financial transactions in assets and liabilities	7.	473	633
Local and foreign aid assistance	4.	34	21,951
Unauthorised expenditure approved	10.	-	5,131
<b>Total current expenditure</b>		<b>110,295</b>	<b>133,157</b>
<b>Transfers and subsidies</b>	8.	397	535
<b>Expenditure for capital assets</b>			
Buildings and other fixed structures	9.	1,997	73
Machinery and Equipment	9.	19,570	1,698
Biological or cultivated assets	9.	65	121
Software and other intangible assets	9.	16	-
<b>Total expenditure for capital assets</b>		<b>21,648</b>	<b>1,892</b>
<b>TOTAL EXPENDITURE</b>		<b>132,340</b>	<b>135,584</b>
<b>SURPLUS/(DEFICIT)</b>		24,841	21,998
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>24,841</b>	<b>21,998</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted Funds	15.	24,875	21,452
Departmental revenue	16.	-	512
Local and foreign aid assistance	4.	(34)	34
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>24,841</b>	<b>21,998</b>

# Northern Cape - Department of Agriculture and Land Reform

## Statement of Financial Performance for the year ended 31 March 2006

	<i>Note</i>	2005/06 R'000	2004/05 R'000
<b>ASSETS</b>			
<b>Current assets</b>		31,753	21,527
Unauthorised expenditure	10.	8,822	8,822
Cash and cash equivalents	11.	22,510	12,196
Prepayments and advances	12.	58	168
Receivables	13.	363	341
<b>Non-current assets</b>		47,500	-
Investments	14.	47,500	-
<b>TOTAL ASSETS</b>		<b>79,253</b>	<b>21,527</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		31,753	21,527
Voted funds to be surrendered to the Revenue Fund	15.	23,343	21,452
Departmental revenue to be surrendered to the Revenue Fund	16.	8	-
Payables	17.	8,402	41
Local and foreign aid assistance unutilised	4.	-	34
<b>TOTAL LIABILITIES</b>		<b>31,753</b>	<b>21,527</b>
<b>NET ASSETS</b>		<b>47,500</b>	<b>-</b>
<b>Represented by:</b>			
Capitalisation Reserves		47,500	-
<b>TOTAL</b>		<b>47,500</b>	<b>-</b>

# Northern Cape - Department of Agriculture and Land Reform

## Statement of Changes in Net Assets for the year ended 31 March 2006

	<i>Note</i>	2005/06 R'000	2004/05 R'000
<b>Capitalisation Reserves</b>			
Opening balance		-	-
Movement in Equity		47,500	-
Closing balance		47,500	-
<b>TOTAL</b>		47,500	-

**Northern Cape - Department of Agriculture and Land Reform**  
**Cash Flow Statement**  
**for the year ended 31 March 2006**

	<i>Note</i>	<b>2005/06 R'000</b>	<b>2004/05 R'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		156,151	136,511
Annual appropriated funds received	1.1	154,849	129,228
Statutory appropriated funds received		801	726
Appropriation for unauthorised expenditure received	10.	-	5,131
Departmental revenue received		501	1,151
Local and foreign aid assistance received	4.	-	275
Net (increase)/ decrease in working capital		(8,273)	(425)
Surrendered to Revenue Fund		(21,828)	(16,700)
Current payments		(110,295)	(127,393)
Transfers and subsidies paid		(397)	(535)
<b>Net cash flow available from operating activities</b>	18.	<b>15,358</b>	<b>(8,542)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets		(21,648)	(1,892)
Proceeds from sale of capital assets	3.	13	861
<b>Net cash flows from investing activities</b>		<b>(69,135)</b>	<b>(1,031)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Distribution/dividend received		45	-
<b>Net cash flows from financing activities</b>		<b>47,545</b>	<b>-</b>
Net increase/ (decrease) in cash and cash equivalents		10,314	(9,573)
Cash and cash equivalents at beginning of period		12,196	21,769
<b>Cash and cash equivalents at end of period</b>	19.	<b>22,510</b>	<b>12,196</b>



# Northern Cape - Department of Agriculture and Land Reform

## 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 Provincial Departments

Programmes	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Appropriation Received 2004/05 R'000
Administration	31,773	29,186	2,587	21,239
Sustainable Resource Management	45,159	45,517	(358)	35,763
Farmer Support & Development	46,301	47,848	(1,547)	28,600
Veterinary Services	17,091	16,930	161	12,443
Technology Research & Development Services	13,966	13,278	688	12,008
Agricultural Economics	2,090	2,090	-	1,221
Conservation Services	-	-	-	12,464
Environmental Management	-	-	-	5,490
<b>Total</b>	<b>156,380</b>	<b>154,849</b>	<b>1,531</b>	<b>129,228</b>

Funds for Farmer Support and Development (R1,531) were withheld by Provincial Treasury, without written explanation.  
The other differences were with regard to virement and shifting applied.

	Note	2005/06 R'000	2004/05 R'000
<b>1.2 Conditional grants</b>			
Total grants received	ANNEXURE 1A	58,986	43,317

### 2. Statutory Appropriation

Member of executive committee/parliamentary officers

<b>Total</b>	<b>801</b>	<b>726</b>
Actual Statutory Appropriation received	801	726

### 3. Departmental revenue to be surrendered to Revenue Fund

Sales of goods and services other than capital assets	3.1	470	1,006
Interest, dividends and rent on land	3.2	45	-
Sales of capital assets	3.3	13	861
Financial transactions in assets and liabilities	3.4	104	145
Total revenue collected		632	2,012
Less: Departmental revenue budgeted *	16.	632	1,500
<b>Total</b>		<b>-</b>	<b>512</b>

#### 3.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the department	470	1,006
Administrative fees	470	1,006
Sales of scrap, waste and other used current goods	-	-
<b>Total</b>	<b>470</b>	<b>1,006</b>

#### 3.2 Interest, dividends and rent on land

Dividends	45	-
<b>Total</b>	<b>45</b>	<b>-</b>

#### 3.3 Sales of capital assets

Other capital assets	-	861
<b>Total</b>	<b>-</b>	<b>861</b>

#### 3.4 Financial transactions in assets and liabilities

Nature of loss recovered		
Other receipts including recoverable revenue	104	145
<b>Total</b>	<b>104</b>	<b>145</b>

### 4. Local and foreign aid assistance

#### 4.1 Assistance received in cash: Other

<b>Local</b>		
Opening Balance	34	-
Revenue	-	21,985
Expenditure	34	21,951
Current	34	21,951
Closing Balance	-	34
<b>Total</b>		

# Northern Cape - Department of Agriculture and Land Reform

## Notes to the Annual Financial Statements for the year ended 31 March 2006

	<i>Note</i>	2005/06 R'000	2004/05 R'000
Opening Balance		34	-
Revenue		-	21,985
Expenditure		34	21,951
Current		34	21,951
Closing Balance		-	34
<b>Analysis of balance</b>			
Local and foreign aid unutilised		-	34
Closing balance		-	(34)
<b>5. Compensation of employees</b>			
<b>5.1 Salaries and wages</b>			
Basic salary		29,018	34,996
Performance award		32	22
Service Based		87	88
Compensative/circumstantial		780	932
Periodic payments		118	211
Other non-pensionable allowances		6,221	7,267
<b>Total</b>		<b>36,256</b>	<b>43,516</b>
<b>5.2 Social contributions</b>			
<b>5.2.1 Employer contributions</b>			
Pension		3,708	5,097
Medical		1,637	2,064
Bargaining council		10	12
Official unions and associations		-	19
Insurance		-	20
<b>Total</b>		<b>5,355</b>	<b>7,212</b>
<b>Total compensation of employees</b>		<b>41,611</b>	<b>50,728</b>
Average number of employees		342	386
Statutory compensation for the 2005/06 year is R801 000			
<b>6. Goods and services</b>			
Advertising		676	163
Attendance fees (including registration fees)		604	99
Bank charges and card fees		39	51
Bursaries (employees)		26	111
Communication		2,314	1,937
Computer services		1,030	1,518
Consultants, contractors and special services		13,543	9,477
Courier and delivery services		119	129
Entertainment		882	341
External audit fees	6.1	1,459	629
Equipment less than R5 000		1,652	665
Government motor transport		3,704	4,376
Inventory	6.2	29,085	22,523
Learnerships		81	-
Legal fees		110	91
Maintenance, repair and running costs		967	1,395
Operating leases		3,274	3,766
Plant flowers and other decorations		100	-
Resettlement costs		92	41
Subscriptions		56	2
Owned and leasehold property expenditure		964	1,045
Transport provided as part of the departmental activities		329	185
Travel and subsistence	6.3	6,653	6,003
Venues and facilities		285	67
Protective, special clothing & uniforms		42	22
Training & staff development		91	78
<b>Total</b>		<b>68,177</b>	<b>54,714</b>
<b>6.1 External audit fees</b>			
Regulatory audits		1,459	629
<b>Total external audit fees</b>		<b>1,459</b>	<b>629</b>

# Northern Cape - Department of Agriculture and Land Reform

## Notes to the Annual Financial Statements for the year ended 31 March 2006

	<i>Note</i>	2005/06 R'000	2004/05 R'000
<b>6.2 Inventory</b>			
Construction work in progress		145	1,425
Strategic stock		421	93
Domestic Consumables		131	123
Agricultural		25,912	18,678
Learning and teaching support material		50	29
Food and Food supplies		1	23
Fuel, oil and gas		383	264
Laboratory consumables		137	1
Other consumables		381	507
Parts and other maintenance materials		287	418
Stationery and Printing		1,050	885
Veterinary supplies		163	38
Medical Supplies		24	39
<b>Total Inventory</b>		<b>29,085</b>	<b>22,523</b>
<b>6.3 Travel and subsistence</b>			
Local		6,082	5,748
Foreign		571	255
<b>Total travel and subsistence</b>		<b>6,653</b>	<b>6,003</b>
<b>7. Financial transactions in assets and liabilities</b>			
Debts written off	<i>7.1</i>	473	633
<b>Total</b>		<b>473</b>	<b>633</b>
<b>7.1 Debts written off</b>			
<b>Nature of debts written off</b>			
Transfer to debts written off (Group major categories, but list material items)			
Department of Tourism, Environmental Affairs and Conservation		473	-
Debt outstanding longer than 2 years and recoverability			
Unlikely		-	633
<b>Total</b>		<b>473</b>	<b>633</b>
Debt written off were money owed by the new established Department of Tourism, Environmental Affairs and Conservation and this was done not to put the department under an uneconomical burden. There were funds available for the write off.			
<b>8. Transfers and subsidies</b>			
Provinces and municipalities	<i>ANNEXURE 1B &amp; 1F</i>	144	168
Households	<i>ANNEXURE 1C</i>	253	367
<b>Total</b>		<b>397</b>	<b>535</b>
<b>9. Expenditure for capital assets</b>			
Buildings and other fixed structures	<i>ANNEXURE 4</i>	1,997	73
Machinery and equipment	<i>ANNEXURE 4</i>	19,570	1,698
Biological or cultivated assets	<i>ANNEXURE 4</i>	65	121
Software and other intangible assets	<i>ANNEXURE 5</i>	16	-
<b>Total</b>		<b>21,648</b>	<b>1,892</b>
<b>10. Unauthorised expenditure</b>			
<b>10.1 Reconciliation of unauthorised expenditure</b>			
Opening balance		8,822	13,953
Unauthorised expenditure – current year		-	-
Amounts approved by Parliament/Legislature (with funding)		-	(5,131)
Current Expenditure		-	(5,131)
Unauthorised expenditure awaiting authorisation		8,822	8,822
<b>11. Cash and cash equivalents</b>			
Consolidated Paymaster General Account		22,504	12,191
Cash receipts		1	-
Cash on hand		5	5
<b>Total</b>		<b>22,510</b>	<b>12,196</b>
<b>12. Prepayments and advances</b>			
<b>Description</b>			
Travel and subsistence		58	29
Prepayments		-	139
<b>Total</b>		<b>58</b>	<b>168</b>

# Northern Cape - Department of Agriculture and Land Reform

## Notes to the Annual Financial Statements for the year ended 31 March 2006

### 13. Receivables

		Less than one year R'000	One to three years R'000	Older than three years R'000	Total R'000	Total R'000
Staff debtors	13.1	-	-	-	-	83
Other debtors	13.2	363	-	-	363	258
Claims recoverable	Annex 6	-	-	-	-	-
<b>Total</b>		<b>363</b>	<b>-</b>	<b>-</b>	<b>363</b>	<b>341</b>

#### 13.1 Staff debtors

(Group major categories, but list material items)

Tax Debt	-	9
Overpayments	-	74
<b>Total</b>	<b>-</b>	<b>83</b>

#### 13.2 Other Debtors

Revenue Accrual Account	-	249
Disallowances Suppliers	-	9
Advances from National Departments	100	-
Debt Account	127	-
Claims recoverable Public Entities	130	-
Debt Receivable Income	6	-
<b>Total</b>	<b>363</b>	<b>258</b>

### 14. Investments

#### Non-current

#### Shares and other equity

(List investments at cost)

Nocal	34,000	-
Kalahari Kid	13,500	-
<b>Total</b>	<b>47,500</b>	<b>-</b>

#### Total non-current

47,500	-
--------	---

#### Analysis of non-current investments

Non-cash movement	47,500	-
Closing balance	47,500	-
Investment that was previously shown in Economic affairs' books now in Agriculture as this department has the true control		

### 15. Voted funds to be surrendered to the Revenue Fund

Opening balance	21,452	14,049
Transfer from Statement of Financial Performance	24,875	21,452
Voted funds not requested/not received	15.1 (1,531)	-
Paid during the year	(21,453)	(14,049)
Closing balance	23,343	21,452

#### 15.1 Voted funds not requested/not received

Funds to be rolled over	(1,531)	-
<b>Total</b>	<b>(1,531)</b>	<b>-</b>

### 16. Departmental revenue to be surrendered to the Revenue Fund

Opening balance	(249)	390
Transfer from Statement of Financial Performance	-	512
Departmental revenue budgeted *	3 632	1,500
Paid during the year	(375)	(2,651)
Closing balance	8	(249)

### 17. Payables – current

Description	30 Days R'000	30+ Days R'000	2005/06 Total R'000	2004/05 Total R'000
Amounts owing to other entities	ANNEXURE 7 537	-	537	-
Other payables	17.1 7,865	-	7,865	41
<b>Total</b>	<b>8,402</b>	<b>-</b>	<b>8,402</b>	<b>41</b>

#### 17.1 Other payables

#### Description

(Identify major categories, but list material amounts)

Disallowance Miscellaneous	14	-
Sal: ACB Recalls	2	-
Sal: Pension Fund	5	-
Sal: Housing	1	-
Sal: Garnishee	2	-
Provincial Treasury	7,375	-
Flower bulb project	466	41
<b>Total</b>	<b>7,865</b>	<b>41</b>

# Northern Cape - Department of Agriculture and Land Reform

## Notes to the Annual Financial Statements for the year ended 31 March 2006

	<i>Note</i>	2005/06 R'000	2004/05 R'000
<b>18. Net cash flow available from operating activities</b>			
Net surplus/ (deficit) as per Statement of Financial Performance		24,841	21,998
Non-cash movements			
(Increase)/decrease in receivables – current		(22)	(369)
(Increase)/decrease in prepayments and advances		110	429
(Increase)/decrease in other current assets		-	5,131
Increase/(decrease) in payables – current		8,361	(485)
Proceeds from sale of capital assets		(13)	-
Surrenders to revenue fund		(21,828)	(16,700)
Expenditure on capital assets		21,648	1,892
Voted funds not requested/ not received		(1,531)	-
Other non cash items		(1,385)	(20,438)
<b>Net cash flow generated by operating activities</b>		<b>30,181</b>	<b>(8,542)</b>
<b>19. Reconciliation of cash and cash equivalents for cash flow purposes</b>			
Consolidated Paymaster General Account		22,504	12,191
Cash receipts		1	-
Cash on hand		5	5
<b>Total</b>		<b>22,510</b>	<b>12,196</b>

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

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

		Note	2005/06 R'000	2004/05 R'000
20.	Contingent liabilities			
	Liable to	Nature		
	Housing loan guarantees	Employees	ANNEXURE 3	577
	Other departments (interdepartmental unconfirmed balances)		ANNEXURE 7	705
	Total		1,282	662
21.	Commitments			
	Current expenditure			
	Approved and contracted		3,246	8,737
	Capital expenditure			
	Approved and contracted		1,975	1,744
	Total Commitments		5,221	10,481
22.	Accruals			
		30 Days R'000	30+ Days R'000	Total R'000
	By economic classification			
	Compensation of employees	-	-	7
	Goods and services	474	208	1,596
	Machinery and Equipment	-	-	10
	Total			682
	Listed by programme level			
	Administration			290
	Sustainable Resource Management			196
	Farmer Support and Development			1
	Veterinary Services			65
	Technology Research and Development Services			120
	Agricultural Economics			10
	Conservation Management			-
	Total			682
	Confirmed balances with other departments		ANNEXURE 7	367
	Total			367
				14

	<i>Note</i>	2005/06 R'000	2004/05 R'000
<b>23. Employee benefit provisions</b>			
Leave entitlement		433	1,032
Thirteenth cheque		2,324	1,425
Capped leave commitments		4,491	5,285
<b>Total</b>		<b>7,248</b>	<b>7,742</b>

		<b>Land R'000</b>	<b>Buildings &amp; other fixed structures R'000</b>	<b>Machinery and equipment R'000</b>	<b>Total R'000</b>	<b>Total R'000</b>
<b>24. Lease Commitments</b>						
<b>24.1 Operating leases</b>						
Not later than 1 year		-	3,832	685	4,517	2,679
Later than 1 year and not later than 5 years		-	17,679	231	17,910	2,286
Later than five years		-	22,183	-	22,183	2
<b>Total present value of lease liabilities</b>		<b>-</b>	<b>43,694</b>	<b>916</b>	<b>44,610</b>	<b>4,967</b>

# Northern Cape - Department of Agriculture and Land Reform

## Notes to the Annual Financial Statements for the year ended 31 March 2006

	<i>Note</i>	2005/06 R'000	2004/05 R'000
<b>25. Related party transactions</b>			
The department did not have any related party transactions for the financial year.			
<b>26. Key management personnel</b>			
<b>Description</b>	<b>No of Individuals</b>	<b>Total R'000</b>	<b>Total R'000</b>
Political Office Bearers (provide detail below)	1	801	766
Officials			
Level 15 to 16	1	678	255
Level 14	2	1,117	294
<b>Total</b>		<b>2,596</b>	<b>1,315</b>
<b>27. Provisions</b>			
<b>Provisions</b>			
Impairment of investments		47,500	-
<b>Total</b>		<b>47,500</b>	<b>-</b>
Please refer to the annexure 2 and the Accounting officer's report			



# Northern Cape - Department of Agriculture and Land Reform

## 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 R'000	Roll Overs R'000	DORA Adjustments	Other Adjustments R'000	Total Available R'000	Amount received by department R'000	Amount spent by department R'000	% of Available funds spent by department %	Division of Revenue Act R'000	Amount spent by departments R'000
<b>Division of Revenue Act</b>										
Department of Agriculture - Comprehensive Agricultural Support Programme (CASP)	13,148	2,844	-	-	15,992	15,993	9,274	58.0%	10,518	7,674
Department of Agriculture - Land Care Programme: Poverty Relief and Infrastructure Development	2,000	1,493	-	-	3,493	3,493	1,620	46.4%	3,158	1,665
Department of Agriculture - Drought Relief	-	13,701	-	20,000	33,701	33,701	22,828	67.7%	26,000	12,299
Department of Agriculture - Poverty Relief	-	500	-	-	500	500	500	100.0%	500	-
Provincial Infrastructure Grant	3,172	2,128	-	-	5,300	3,769	3,712	70.0%	3,141	1,013
	<b>18,320</b>	<b>20,666</b>	<b>-</b>	<b>20,000</b>	<b>58,986</b>	<b>57,456</b>	<b>37,934</b>		<b>43,317</b>	<b>22,651</b>

Capacity constraints were a major reason for the under-spending. The department struggled to recruit relevant scarce skills and therefore there were few officials to provide after-care and start new projects. There were delays in the implementation and expending on the projects due to the amount of projects taken up and suppliers not having the specific required goods

Northern Cape - Department of Agriculture and Land Reform

Annexures to the Annual Financial Statements  
for the year ended 31 March 2006

ANNEXURE 1B

STATEMENT OF UNCONDITIONAL TRANSFERS PAID TO PROVINCES

NAME OF PROVINCE/GRANT	GRANT ALLOCATION				TRANSFERS		SPENT			2004/05
	Amount R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Transferred %	Amount received by department R'000	Amount spent by department R'000	% of available funds spent by department %	Total Available R'000
Regional Service Council Levy	-	-	138	138	138	0.0%	-	-	0.0%	158
Vehicle Licences	-	-	6	6	6	0.0%	-	-	0.0%	10
	-	-	144	144	144		-	-		168

Northern Cape - Department of Agriculture and Land Reform

Annexures to the Annual Financial Statements  
for the year ended 31 March 2006

ANNEXURE 1C

STATEMENT OF TRANSFERS/SUBSIDIES TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2004/05
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Transferred %	Final Appropriation Act R'000
Households	-	-	253	253	253	100.0%	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>253</b>	<b>253</b>	<b>253</b>		<b>-</b>

Northern Cape - Department of Agriculture and Land Reform

Annexures to the Annual Financial Statements  
for the year ended 31 March 2006

ANNEXURE 1D

STATEMENT OF LOCAL AND FOREIGN AID ASSISTANCE RECEIVED FOR THE YEAR ENDED 31 MARCH 2006

NAME OF DONOR	PURPOSE	OPENING BALANCE R'000	REVENUE R'000	EXPENDITURE R'000	CLOSING BALANCE R'000
Received in cash					
WWF/SA-Riverine Rabbit	For expenditure incurred while gathering statistical information	34	-	34	-
<b>Total</b>		<b>34</b>	<b>-</b>	<b>34</b>	<b>-</b>

Northern Cape - Department of Agriculture and Land Reform

Annexures to the Annual Financial Statements  
for the year ended 31 March 2006

ANNEXURE 1E

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE FOR THE YEAR ENDED 31 MARCH 2006

NATURE OF GIFT, DONATION OR SPONSORSHIP	R'000
<b>Paid In cash</b>	
Financial assistance	10,000
Financial assistance	15,000
<b>Subtotal</b>	<b>25,000</b>
<b>Total</b>	<b>25,000</b>

## Northern Cape - Department of Agriculture and Land Reform

### Annexures to the Annual Financial Statements for the year ended 31 March 2006

#### STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES AS AT 31 MARCH 2006 (Only Public and Private Entities)

Name of Public Entity	State Entity's PFMA Schedule type (state year end if not 31 March)	% Held 04/05	% Held 05/06	Number of shares held		Cost of investment R'000		Net Asset value of investment R'000		Profit/(Loss) for the year R'000		Losses guaranteed
				2005/06	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06	2004/05	Yes/No
<b>Other</b>												
HADIDHA INVESTMENT HOLDINGS (PTY) LTD / Kalahari Kid Corporation Limited	N/A	0.0%	95.0%	27,300,000	-	13,500	-	-	-	-	-	N/A
EDUGAIN 62 (PTY) LTD / NOCAL Agricultural Developments (PTY) Ltd	N/A	20.0%	45.0%	65	20	34,000	-	-	-	-	-	N/A
<b>Total</b>						<b>47,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

#### COMMENTS

These amounts were disclosed in the Department of Economic Affairs' books for the 2004/05 financial year. This is however not investments in the true sense of the definition, as government does not expect any return on the money given and the true nature was grant money. The return that will come from these ventures are qualitative and not quantitative. The department did however, after good consideration and discussions, decide to impair the amounts to zero for the following reasons: NOCAL is in the process of being declared insolvent. Kalahari Kid showed losses for the past 3 financial years and also did not have good audit reports, however this investment does show potential to grow and therefore will be revalued in the future until these shares will be transferred to the community.

Northern Cape - Department of Agriculture and Land Reform

Annexures to the Annual Financial Statements  
for the year ended 31 March 2006

ANNEXURE 3

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

Guarantor Institution	Guarantee in respect of	Original Guaranteed capital amount R'000	Opening Balance 01/04/2005 R'000	Guarantees issued during the year R'000	Guarantees released/paid/can celled/reduced during the year R'000	Guaranteed Interest outstanding as at 31 March 2006 R'000	Closing Balance 31/03/2006 R'000	Realised losses not recoverable R'000
	<b>Housing</b>							
ABSA		1,980	366	14	-	-	380	-
First National Bank		456	73	-	-	-	73	-
Nedbank		410	80	-	-	-	80	-
Standard Bank		75	15	29	-	-	44	-
		2,921	534	43	-	-	577	-
	<b>Total</b>	<b>2,921</b>	<b>534</b>	<b>43</b>	<b>-</b>	<b>-</b>	<b>577</b>	<b>-</b>



# Northern Cape - Department of Agriculture and Land Reform

## Annexures to the Annual Financial Statements for the year ended 31 March 2006

### ANNEXURE 4

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

	Opening Balance R'000	Additions R'000	Disposals/ Transfers R'000	Closing balance R'000
<b>BUILDING AND OTHER FIXED STRUCTURES</b>	259	1,997	-	2,256
Dwellings	73	-	-	73
Other fixed structures	186	1,997	-	2,183
<b>MACHINERY AND EQUIPMENT</b>	5,483	19,570	-	25,053
Transport assets	907	2,896	-	3,803
Computer equipment	957	5,377	-	6,334
Furniture and Office equipment	2,746	3,325	-	6,071
Other machinery and equipment	873	7,972	-	8,845
<b>CULTIVATED ASSETS</b>				
Cultivated assets	121	65	-	186
<b>TOTAL CAPITAL ASSETS</b>	5,863	21,632	-	27,495

### ANNEXURE 4.1

#### ADDITIONS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Cash R'000	In-Kind R'000	Total R'000
<b>BUILDING AND OTHER FIXED STRUCTURES</b>	1,997	-	1,997
Other fixed structures	1,997	-	1,997
<b>MACHINERY AND EQUIPMENT</b>	19,570	-	19,570
Transport assets	2,896	-	2,896
Computer equipment	5,377	-	5,377
Furniture and Office equipment	3,325	-	3,325
Other machinery and equipment	7,972	-	7,972
<b>CULTIVATED ASSETS</b>			
Cultivated assets	65	-	65
<b>TOTAL CAPITAL ASSETS</b>	21,632	-	21,632

# Northern Cape - Department of Agriculture and Land Reform

## Annexures to the Annual Financial Statements for the year ended 31 March 2006

### ANNEXURE 4.2

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

	Additions R'000	Disposals R'000	Total Movement R'000
<b>BUILDING AND OTHER FIXED STRUCTURES</b>	73	-	73
Other fixed structures	73		73
<b>MACHINERY AND EQUIPMENT</b>	1,698	-	1,698
Transport assets	222		222
Computer equipment	264		264
Furniture and Office equipment	525		525
Other machinery and equipment	687		687
<b>CULTIVATED ASSETS</b>			
Cultivated assets	121		121
<b>TOTAL CAPITAL ASSETS</b>	1,892	-	1,892

# Northern Cape - Department of Agriculture and Land Reform

## Annexures to the Annual Financial Statements for the year ended 31 March 2006

### ANNEXURE 5

#### CAPITAL INTANGIBLE ASSET COST MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Computer Software	-	16	-	16
<b>TOTAL</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>16</b>

### ANNEXURE 5.1

#### ADDITIONS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Cash R'000	In-Kind R'000	Total R'000
Computer Software	16	-	16
<b>TOTAL</b>	<b>16</b>	<b>-</b>	<b>16</b>

### ANNEXURE 5.2

#### CAPITAL INTANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Additions R'000	Disposals R'000	Movement R'000
<b>BUILDING AND OTHER FIXED STRUCTURES</b>			
Patents, Copyrights, Brand Names & Trademarks			-
Computer Software			-
Masterheads & Publishing Titles			-
Recipes, Formulas, Prototypes, Designs & Models			-
<b>Service &amp; Operating Rights</b>	-	-	-
Airport landing rights			-
Import/export licences			-
Fishing Quotas			-
Utility rights			-
Mineral extraction rights			-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>

Northern Cape - Department of Agriculture and Land Reform

Annexures to the Annual Financial Statements  
for the year ended 31 March 2006

ANNEXURE 6  
INTER-GOVERNMENTAL 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
<b>Other Government Entities</b>						
Government Pension Funds (GFP)	-	-	-	9	-	9
South African Revenue Services	-	-	-	130	-	130
<b>TOTAL</b>	-	-	-	<b>139</b>	-	<b>139</b>

# Northern Cape - Department of Agriculture and Land Reform

## Annexures to the Annual Financial Statements for the year ended 31 March 2006

### ANNEXURE 7

#### INTER-DEPARTMENTAL PAYABLES – CURRENT

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
<b>DEPARTMENTS</b>						
<b>Current</b>						
South African Revenue Services	-	-	602	-	602	-
Department of Finance ( Provincial Treasury)	-	14	-	-	-	14
National Department of Agriculture	21	-	2	-	23	-
Department of Foreign Affairs	-	-	-	2	-	2
Northern Cape Provincial Legislature	-	-	31	1	31	1
Northern Cape Department of Public Transport, Roads & works	346	-	70	122	416	122
Gauteng Department of Public Transport, Roads & works	-	-	-	3	-	3
<b>Total</b>	<b>367</b>	<b>14</b>	<b>705</b>	<b>128</b>	<b>1,072</b>	<b>142</b>

## 5. HUMAN RESOURCE MANAGEMENT

### Public Service Regulations

The statistics and information published in this part of the annual report are required in terms of Chapter 1, Part III J.3 of the Public Service Regulations, 2002 and have been prescribed by the Minister for the Public Service and Administration for all departments within the Public Service. The statistical tables provide high-level information on key human resource issues.

### Expenditure

Departments budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme and by salary bands. In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the department.

#### 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)
Programme 1: Administration	31,773	10,041			32%	32
Programme 2: Sustainable Resource Management	32,079	5,654			18%	17
Programme 3: Farmer Support & Development	34,999	6,195			18%	18
Programme 4: Veterinary Services	17,058	8,821			52%	26
Programme 5: Technology Research & Development Services	13,883	9,551			69%	28
Programme 6: Agricultural Economics	1,713	548			32%	2
Programme 7: Conservation Services	0	0			0%	0
Programme 8: Environmental Management	0	0			0%	0
Statutory	801	0			0%	0
<b>Total</b>	<b>132,306</b>	<b>40,810</b>			<b>31%</b>	<b>123</b>

#### 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)	5,305	13	50
Skilled (Levels 3-5)	4,407	10.8	69
Highly skilled production (Levels 6-8)	13,467	33	146
Highly skilled supervision (Levels 9-12)	12,651	31	211
Senior management (Levels 13-16)	3,877	9.5	554
Contract (levels 1-2)	82	0.2	82
Contract (levels 3-5)	286	0.7	286
Contract (levels 6-8)	163	0.4	163
Contract (levels 9-12)	408	1	102
Periodical remuneration	82	0.2	14
Abnormal appointment	82	0.2	8
Statutory	0	0	0
Wages and other journals not included on Persal	0	0	0
<b>Total</b>	<b>40,810</b>	<b>100</b>	<b>116</b>

The following tables provide a summary per programme and salary bands, of expenditure incurred as a result of salaries, overtime, home owners allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

#### 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
Agricultural Economics	405	66.3	0	0	2	0.3	13	2.1
Conservation Services	451	65.7	0	0	6	0.9	37	5.4
Environmental Management	68	58.6	0	0	0	0	1	0.9
Farmer Support & Development	4,187	60.9	0	0	78	1.1	259	3.8
Administration	7,308	67	0	0	80	0.7	345	3.2
Statutory MEC	181	63.7	0	0	0	0	13	4.6
Sustainable Resource Management	3,826	57.7	0	0	51	0.8	289	4.4
Technology Research &	7,087	71.9	112	1.1	191	1.9	319	3.2

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
Development Services								
Veterinary Services	6,031	57.2	531	5	101	1	378	3.6
<b>TOTAL</b>	<b>29,544</b>	<b>63.5</b>	<b>643</b>	<b>1.4</b>	<b>509</b>	<b>1.1</b>	<b>1654</b>	<b>3.6</b>

### 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)	4,488	76.6	70	1.2	147	2.5	158	2.7
Skilled (Levels 3-5)	3,294	72.1	60	1.3	94	2.1	224	4.9
Highly skilled production (Levels 6-8)	9,518	60.3	474	3	145	0.9	703	4.5
Highly skilled supervision (Levels 9-12)	9,106	60.8	39	0.3	121	0.8	459	3.1
Senior management (Levels 13-16)	2,399	57.3	0	0	0	0	111	2.7
Contract (levels 1-2)	59	79.7	0	0	0	0	0	0
Contract (levels 3-5)	239	76.1	0	0	0	0	0	0
Contract (levels 6-8)	117	74.5	0	0	0	0	0	0
Contract (levels 9-12)	325	76.1	0	0	0	0	0	0
Periodical remuneration	0	0	0	0	0	0	0	0
Abnormal appointment	0	0	0	0	0	0	0	0
<b>Total</b>	<b>29,545</b>	<b>63.5</b>	<b>643</b>	<b>1.4</b>	<b>507</b>	<b>1.1</b>	<b>1,655</b>	<b>3.6</b>

### Employment and vacancies

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables: - programme, salary band and critical occupations. Departments have identified critical occupations that need to be monitored. The vacancy rate reflects the percentage of posts that are not filled.

### 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
Agricultural Economics, Permanent	54	6	88.9	0
Conservation Services, Permanent	103	0	100	0
Environmental Management, Permanent	34	0	100	0
Farmer Support & Development, Permanent	60	46	23.3	0
Administration, Permanent	131	58	56.2	0
Sustainable Resource Management, Permanent	46	33	28.3	1
Technology Research & Development Services, Permanent	159	131	17.6	0
Veterinary Services, Permanent	113	62	45.1	1
<b>Total</b>	<b>700</b>	<b>336</b>	<b>52</b>	<b>2</b>

### 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)	195	109	44.1	0
Skilled (Levels 3-5)	135	67	50.4	0
Highly skilled production (Levels 6-8)	244	90	63.1	1
Highly skilled supervision (Levels 9-12)	110	63	42.7	1
Senior management (Levels 13-16)	16	7	56.3	0
<b>Total</b>	<b>700</b>	<b>336</b>	<b>52</b>	<b>2</b>

### 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	22	13	40.9	0
Agriculture animal oceanography forestry & other science, Permanent	23	12	47.8	0
Agriculture related, Permanent	38	19	50	0
All artisans in the building metal machinery etc., Permanent	2	1	50	0
Auxiliary and related workers, Permanent	12	9	25	0
Biochemistry pharmacology. zoology & life science technician, Permanent	41	31	24.4	0
Cashiers tellers and related clerks, Permanent	1	0	100	0
Civil engineering technicians, Permanent	36	15	58.3	0
Cleaners in offices workshops hospitals etc., Permanent	29	20	31	0



Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Client inform clerks(switchboard reception inform clerks), Permanent	9	5	44.4	0
Communication and information related, Permanent	2	0	100	0
Conservation labourers, Permanent	49	0	100	0
Economists, Permanent	10	5	50	0
Engineering sciences related, Permanent	1	1	0	1
Engineers and related professionals, Permanent	4	2	50	0
Environmental health, Permanent	10	0	100	0
Farm hands and labourers, Permanent	80	70	12.5	0
Farming forestry advisors and farm managers, Permanent	4	1	75	0
Financial and related professionals, Permanent	4	3	25	0
Financial clerks and credit controllers, Permanent	14	8	42.9	0
General legal administration & related professionals, Permanent	4	2	50	0
Horticulturists foresters agriculture & forestry technician, Permanent	30	17	43.3	0
Human resources clerks, Permanent	9	2	77.8	0
Human resources related, Permanent	3	2	33.3	0
Information technology related, Permanent	3	3	0	0
Legal related, Permanent	2	1	50	0
Library mail and related clerks, Permanent	6	3	50	0
Light vehicle drivers, Permanent	4	1	75	0
Material-recording and transport clerks, Permanent	29	21	27.6	0
Messengers porters and deliverers, Permanent	6	4	33.3	0
Motorised farm and forestry plant operators, Permanent	13	12	7.7	0
Natural sciences related, Permanent	4	0	100	0
Nature conservation and oceanographical related technician, Permanent	31	0	100	0
Other administrative & related clerks and organisers, Permanent	31	11	64.5	0
Other administrative policy and related officers, Permanent	7	1	85.7	0
Other occupations, Permanent	5	2	60	0
Rank: Administrative line function & support personnel sr2, Permanent	1	0	100	0
Rank: Administrative line function & support personnel sr3, Permanent	1	0	100	0
Rank: Administrative line function & support personnel sr5, Permanent	1	0	100	0
Rank: Agricultural related and support personnel sr10, Permanent	4	0	100	0
Rank: Agricultural related and support personnel sr11, Permanent	1	0	100	0
Rank: Agricultural related and support personnel sr3, Permanent	3	0	100	0
Rank: Agricultural related and support personnel sr6, Permanent	1	0	100	0
Rank: Agricultural related and support personnel sr7, Permanent	17	0	100	0
Rank: Agricultural related and support personnel sr8, Permanent	3	0	100	0
Rank: Artisan and support personnel sr1, Permanent	1	0	100	0
Rank: Artisan and support personnel sr2, Permanent	2	0	100	0
Rank: Auxiliary services officer, Permanent	3	0	100	0
Rank: Economic advisory and support personnel sr8, Permanent	1	0	100	0
Rank: Industrial technician, Permanent	3	0	100	0
Rank: Management and general support personnel sr1, Permanent	2	0	100	0
Rank: Management and general support personnel sr2, Permanent	1	0	100	0
Rank: Management and general support personnel sr3, Permanent	2	0	100	0
Rank: Management and general support personnel sr5, Permanent	1	0	100	0
Rank: Management and general support personnel sr6, Permanent	1	0	100	0
Safety health and quality inspectors, Permanent	8	7	12.5	1
Secretaries & other keyboard operating clerks, Permanent	15	6	60	0
Senior managers, Permanent	10	4	60	0
Trade labourers, Permanent	20	15	25	0
Veterinarians, Permanent	20	7	65	0
<b>TOTAL</b>	<b>700</b>	<b>336</b>	<b>52</b>	<b>2</b>

The information in each case reflects the situation as at 31 March 2005. For an indication of changes in staffing patterns over the year under review, please refer to section 5 of this report.

## Employment changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and by critical occupations.

## 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 2005	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	116	10	17	14.7
Skilled (Levels 3-5)	72	25	19	26.4
Highly skilled production (Levels 6-8)	99	15	12	12.1
Highly skilled supervision (Levels 9-12)	47	14	3	6.4
Senior Management Service Band A	4	0	0	0
Senior Management Service Band B	2	0	0	0
Senior Management Service Band C	1	0	0	0
<b>Total</b>	<b>341</b>	<b>64</b>	<b>51</b>	<b>15</b>

## 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 department	Terminations and transfers out of the department	Turnover rate
Administrative related, Permanent	12	6	4	33.3
Agricultural animal oceanography forestry & other science, Permanent	13	0	0	0
Agriculture related, Permanent	15	4	1	6.7
All artisans in the building metal machinery etc., Permanent	1	0	0	0
Auxiliary and related workers, Permanent	10	1	0	0
Biochemistry pharmacology. zoology & life science, technician, Permanent	30	2	2	6.7
Biologists botanists zoologists & related professional, Permanent	0	0	0	0
Building and other property caretakers, Permanent	1	0	0	0
Bus and heavy vehicle drivers, Permanent	0	0	0	0
Civil engineering technicians, Permanent	13	0	0	0
Cleaners in offices workshops hospitals etc., Permanent	21	2	2	9.5
Client inform clerks (switchboard reception inform clerks), Permanent	4	7	4	100
Communication and information related, Permanent	1	1	1	100
Conservation labourers, Permanent	3	0	0	0
Economists, Permanent	3	3	0	0
Engineering sciences related, Permanent	1	0	0	0
Engineers and related professionals, Permanent	2	0	0	0
Environmental health, Permanent	0	0	0	0
Farm hands and labourers, Permanent	75	1	3	4
Farming forestry advisors and farm managers, Permanent	3	0	0	0
Financial and related professionals, Permanent	2	1	0	0
Financial clerks and credit controllers, Permanent	7	4	6	85.7
General legal administration & related professionals, Permanent	2	0	0	0
Horticulturists foresters agricultural & forestry technician, Permanent	14	12	12	85.7
Human resources clerks, Permanent	6	0	0	0
Information technology related, Permanent	2	1	0	0
Legal related, Permanent	1	2	2	200
Library mail and related clerks, Permanent	3	0	0	0
Light vehicle drivers, Permanent	2	0	0	0
Material-recording and transport clerks, Permanent	19	8	6	31.6
Messengers porters and deliverers, Permanent	4	0	0	0
Meteorologists statistical & related technicians, Permanent	2	0	0	0
Motorised farm and forestry plant operators, Permanent	13	0	0	0
Natural sciences related, Permanent	0	0	0	0
Nature conservation and oceanographically related technician, Permanent	3	0	0	0
Other administrative & related clerks and organisers, Permanent	10	2	1	10
Other administrative policy and related officers, Permanent	1	0	0	0
Other occupations, Permanent	2	1	1	50
Pharmacologists pathologists & related professional, Permanent	0	0	0	0
Safety health and quality inspectors, Permanent	5	1	0	0
Secretaries & other keyboard operating clerks, Permanent	7	2	3	42.9
Senior managers, Permanent	4	0	0	0
Trade labourers, Permanent	16	0	1	6.3
Veterinarians, Permanent	8	3	2	25
<b>TOTAL</b>	<b>341</b>	<b>64</b>	<b>51</b>	<b>15</b>

The table below identifies the major reasons why staff left the department.

### Reasons why staff are leaving the department

Termination Type	Number	% of total
Death	2	3.9
Resignation	7	13.7
Expiry of contract	38	74.5
Discharged due to ill-health	0	0
Retirement	4	7.8
Other	0	0
<b>Total</b>	<b>51</b>	<b>100</b>
Total number of employees who left as a % of the total employment		

## 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	12	1	8.3	3	25
Agriculture animal oceanography forestry & other science	13	3	23.1	4	30.8
Agriculture related	15	1	6.7	9	60
All artisans in the building metal machinery etc.	1	0	0	1	100
Auxiliary and related workers	10	0	0	9	90
Biochemistry pharmacology zoology & life science technician	30	1	3.3	21	70
Biologists botanists zoologists & related professional	0	0	0	0	0
Building and other property caretakers	1	0	0	1	100
Bus and heavy vehicle drivers	0				
Civil engineering technicians	13	2	15.4	8	61.5
Cleaners in offices workshops hospitals etc.	21	0	0	15	71.4
Client inform clerks (switchboard reception information clerks)	4	0	0	1	25
Conservation labourers	1	0	0	0	0
Economists	3	0	0	0	0
Engineering sciences related	3	2	66.7	1	33.3
Engineers and related professionals	1	0	0	0	0
Environmental health	2				
Farm hands and labourers	0	4	5.3	72	96
Farming forestry advisors and farm managers	75	0	0	3	100
Financial and related professionals	3	1	50	1	50
Financial clerks and credit controllers	2	2	28.6	3	42.9
General legal administration & related professionals	7	2	100	1	50
Horticulturists foresters agriculture & forestry technician	2	3	21.4	6	42.9
Human resources clerks	14	1	16.7	3	50
Human resources related	6	2	0	0	0
Information technology related	2	0	0	2	100
Legal related	1	0	0	0	0
Library mail and related clerks	3	0	0	1	33.3
Light vehicle drivers	2	0	0	2	100
Material-recording and transport clerks	19	1	5.3	18	94.7
Messengers porters and deliverers	4	0	0	2	50
Meteorologists statistical & related technicians	2	0	0	1	50
Motorised farm and forestry plant operators	13	0	0	13	100
Natural sciences related	0	0	0	0	0
Nature conservation and oceanographic related technician	3	0	0	0	0
Other administration & related clerks and organisers	10	2	20	5	50
Other administrative policy and related officers	1	0	0	1	100
Other occupations	2	0	0	0	0
Pharmacologists pathologists & related professional	0	0	0	0	0
Safety health and quality inspectors	5	0	0	5	100
Secretaries & other keyboard operating clerks	7	0	0	2	28.6
Senior managers	4	2	50	0	0
Trade labourers	16	0	0	16	100
Veterinarians	8	3	37.5	2	25
<b>TOTAL</b>	<b>341</b>	<b>33</b>	<b>9.7</b>	<b>232</b>	<b>68.3</b>

## 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)	116	0	0	103	88.8
Skilled (Levels 3-5)	72	4	5.6	48	66.7
Highly skilled production (Levels 6-8)	99	10	10.1	66	66.7
Highly skilled supervision (Levels 9-12)	47	17	36.2	16	34
Senior management (Levels 13-16)	7	2	28.6	0	0
<b>Total</b>	<b>341</b>	<b>33</b>	<b>9.7</b>	<b>233</b>	<b>68.3</b>

## Employment equity

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

### 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	4	0	0	0	1	2	0	0	7
Professionals	34	26	0	44	19	7	0	14	144
Clerks	2	4	0	0	14	13	1	20	54
Craft and related trades workers	0	1	0	0	0	0	0	0	1
Plant and machine operators and assemblers	10	5	0	0	0	0	0	0	15
Elementary occupations	57	38	0	2	11	7	0	0	115
<b>Total</b>	<b>107</b>	<b>74</b>	<b>0</b>	<b>46</b>	<b>45</b>	<b>29</b>	<b>1</b>	<b>34</b>	<b>336</b>
<b>Employees with disabilities</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>

### 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	1	0	0	0	0	0	0	0	1
Senior Management	3	0	0	0	1	2	0	0	6
Professionally qualified and experienced specialists and mid-management	13	5	0	26	8	4	0	8	64
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	18	16	0	18	14	6	1	20	93
Semi-skilled and discretionary decision making	18	19	0	2	10	9	0	6	64
Unskilled and defined decision making	54	34	0	0	12	8	0	0	108
<b>Total</b>	<b>107</b>	<b>74</b>	<b>0</b>	<b>46</b>	<b>45</b>	<b>29</b>	<b>1</b>	<b>34</b>	<b>336</b>

### 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	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	6	0	0	2	1	1	0	4	14
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	6	6	0	0	3	0	0	0	15
Semi-skilled and discretionary decision making	6	2	0	0	10	3	1	2	24
Unskilled and defined decision making	1	0	0	0	8	2	0	0	11
<b>Total</b>	<b>19</b>	<b>8</b>	<b>0</b>	<b>2</b>	<b>22</b>	<b>6</b>	<b>1</b>	<b>6</b>	<b>64</b>
<b>Employees with disabilities</b>									

### Promotions 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, Permanent	1	0	0	0	1	0	0	0	2
Professionally qualified and experienced specialists and mid-management	5	4	0	13	7	0	0	4	33
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	13	15	0	18	6	4	1	19	76
Semi-skilled and discretionary decision making	16	18	0	0	6	7	0	5	52
Unskilled and defined decision making	52	35	0	0	8	8	0	0	103
<b>Total</b>	<b>87</b>	<b>72</b>	<b>0</b>	<b>31</b>	<b>28</b>	<b>19</b>	<b>1</b>	<b>28</b>	<b>266</b>
<b>Employees with disabilities</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>

### Terminations for the period 1 April 2005 to 31 March 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionally qualified and experienced specialists and mid-management	1	0	0	1	0	0	0	1	3
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	3	6	0	2	1	0	0	1	13
Semi-skilled and discretionary decision making	5	2	0	0	8	1	0	3	19
Unskilled and defined decision making	2	2	0	0	11	1	0	1	16
<b>Total</b>	<b>11</b>	<b>10</b>	<b>0</b>	<b>3</b>	<b>20</b>	<b>2</b>	<b>0</b>	<b>6</b>	<b>51</b>
<b>Employees with disabilities</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>

## Performance rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability; salary bands and critical occupations.

### 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
<b>African</b>					
Male	1	104	1	32	32,386
Female	0	44	0	0	0
<b>Asian</b>					
Male	0	0	0	0	0
Female	0	1	0	0	0
<b>Coloured</b>					
Male	0	74	0	0	0
Female	0	29	0	0	0
<b>White</b>					
Male	0	45	0	0	0
Female	0	34	0	0	0
<b>Employees with a disability</b>	0	5	0	0	0
<b>Total</b>	<b>1</b>	<b>336</b>	<b>0.3</b>	<b>32</b>	<b>32,386</b>

### 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)	0	108	0	0	0	
Skilled (Levels 3-5)	0	64	0	0	0	
Highly skilled production (Levels 6-8)	0	93	0	0	0	
Highly skilled supervision (Levels 9-12)	0	64	0	0	0	
<b>Total</b>	<b>0</b>	<b>329</b>	<b>0</b>	<b>0</b>	<b>0</b>	

### 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	0	12	0	0	0
Agriculture animal oceanography forestry & other science	0	11	0	0	0
Agriculture related	0	16	0	0	0
All artisans in the building metal machinery etc.	0	1	0	0	0
Auxiliary and related workers	0	10	0	0	0
Biochemistry pharmacology zoology & life science technician	0	30	0	0	0
Biologists botanists zoologists & related professional	0	0	0	0	0
Building and other property caretakers	0	1	0	0	0
Civil engineering technicians	0	13	0	0	0
Cleaners in offices workshops hospitals etc.	0	20	0	0	0
Client inform clerks (switchboard reception information clerks)	0	5	0	0	0
Communication and information related	0	5	0	0	0
Conservation labourers	0	1	0	0	0
Economists	0	2	0	0	0
Engineering sciences related	0	75	0	0	0
Engineers and related professionals	0	3	0	0	0
Environmental health	0	4	0	0	0
Farm hands and labourers	0	7	0	0	0
Farming forestry advisors and farm managers	0	2	0	0	0
Financial and related professionals	0	13	0	0	0
Financial clerks and credit controllers	0	20	0	0	0
General legal administration & related professionals	0	5	0	0	0
Horticulturists foresters agriculture & forestry technician	0	14	0	0	0
Human resources clerks	0	3	0	0	0
Human resources related	0	2	0	0	0
Information technology related	0	3	0	0	0
Legal related	0	1	0	0	0
Library mail and related clerks	0	3	0	0	0
Light vehicle drivers	0	2	0	0	0
Material-recording and transport clerks	0	21	0	0	0
Messengers porters and deliverers	0	4	0	0	0
Meteorologists statistical & related technicians	0	2	0	0	0
Motorised farm and forestry plant operators	0	13	0	0	0
Natural sciences related	0	1	0	0	0

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Nature conservation and oceanographic related technician	0	0	0	0	0
Other administration & related clerks and organisers	0	9	0	0	0
Other administrative policy and related officers	0	1	0	0	0
Other occupations	0	2	0	0	0
Safety health and quality inspectors	0	6	0	0	0
Secretaries & other keyboard operating clerks	0	6	0	0	0
Senior managers	1	4	25	32	32,000
Trade labourers	0	14	0	0	0
Veterinarians	0	7	0	0	0
<b>Total</b>	<b>1</b>	<b>374</b>	<b>0.3</b>	<b>32</b>	<b>32,000</b>

#### 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	0	3	0	0	0	0
Band B	0	3	0	0	0	0
Band C	1	1	100	32	3,200	4.1
<b>Total</b>	<b>1</b>	<b>7</b>	<b>14.3</b>	<b>32</b>	<b>3,200</b>	<b>4.1</b>

### Foreign workers

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

#### Foreign Workers, 1 April 2005 to 31 March 2006, by salary band

Salary Band	1 April 2004		31 March 2005		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	1	100	1	100
Senior management (Levels 13-16)	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>100</b>	<b>1</b>	<b>100</b>

#### Leave utilisation for the period 1 January 2005 to 31 December 2005

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

#### 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)	440	98	75	36.2	6	67
Skilled (Levels 3-5)	310.5	97.3	53	25.6	6	58
Highly skilled production (Levels 6-8)	357	99.7	53	25.6	7	131
Highly skilled supervision (Levels 9-12)	164	99.4	25	12.1	7	130
Senior management (Levels 13-16)	3	100	1	0.5	3	6
<b>Total</b>	<b>1 274.5</b>	<b>98.5</b>	<b>207</b>	<b>100</b>	<b>6</b>	<b>392</b>

#### 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)	26	100	2	20	13	4
Highly skilled production (Levels 6-8)	37	100	3	30	12	9
Highly skilled production (Levels 6-8)	71	100	4	40	18	23
Highly skilled supervision (Levels 9-12)	132	100	1	10	132	71
<b>Total</b>	<b>266</b>	<b>100</b>	<b>10</b>	<b>100</b>	<b>27</b>	<b>107</b>

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

#### Annual Leave, 1 January 2005 to 31 December 2005

Salary Bands	Total days taken	Average per employee
Lower skilled (Levels 1-2)	2 842	21
Skilled Levels 3-5)	1 581.08	18



Salary Bands	Total days taken	Average per employee
Highly skilled production (Levels 6-8)	2 184	19
Highly skilled supervision (Levels 9-12)	1 216	17
Senior management (Levels 13-16)	114	16
<b>Total</b>	<b>7 937.08</b>	<b>19</b>

### 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 2004
Lower skilled (Levels 1-2)	76	5	50
Skilled Levels 3-5)	42	6	54
Highly skilled production (Levels 6-8)	45	8	64
Highly skilled supervision (Levels 9-12)	33	5	58
<b>Total</b>	<b>196</b>	<b>5</b>	<b>56</b>

The following table summarises payments made to employees as a result of leave that was not taken.

### Leave payouts for the period 1 April 2005 to 31 March 2006

REASON	Total Amount (R'000)	Number of Employees	Average payment per employee
Capped leave payouts on termination of service for 2004/05	2	2	1,000
Current leave payout on termination of service for 2004/05	1	3	333
<b>Total</b>	<b>3</b>	<b>5</b>	<b>600</b>

## HIV and aids & health promotion programmes

### Details of Health Promotion and HIV and AIDS Programmes

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Mr. T Sibhono
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		
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		
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	
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	
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	
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.		X	
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.		X	

## Labour relations

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

### Collective agreements, 1 April 2005 to 31 March 2006

<b>Total collective agreements</b>	
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The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

### Misconduct and disciplinary hearings finalised, 1 April 2005 to 31 March 2006

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	6	32
Verbal warning	83	16
Written warning	10	0
Final written warning	01	5
Suspended without pay	0	0
Fine	0	0
Demotion	04	21
Dismissal	04	21
Not guilty	01	5
Case withdrawn	0	0
<b>Total</b>	<b>109</b>	<b>100</b>

### Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	% of total
Theft	4	14
Unauthorised absence	10	36



Type of misconduct	Number	% of total
Fraud	0	0
Unprotected strike	0	0
Alcohol abuse	6	21
Unbecoming behaviour & insolence	13	11
Impounding of Government vehicles	02	7
Assault	0	0
Work for additional remuneration privately	2	7
Misuse of state controlled vehicle	1	4
<b>Total</b>	<b>38</b>	<b>100</b>

### Grievances lodged for the period 1 April 2005 to 31 March 2006

	Number	% of total
Number of grievances resolved	12	46
Number of grievances not resolved	11 (collective) + 3	54
<b>Total number of grievances lodged</b>	<b>26</b>	<b>100</b>

### Disputes lodged with Councils for the period 1 April 2005 to 31 March 2006

	Number	% of total
Number of disputes upheld	2	67
Number of disputes dismissed	1	33
<b>Total number of disputes lodged</b>	<b>3</b>	<b>100</b>

### Strike actions for the period 1 April 2005 to 31 March 2006

<b>Total number of person working days lost</b>	42
<b>Total cost (R'000) of working days lost</b>	1
<b>Amount (R'000) recovered as a result of no work no pay</b>	5

## Injury on duty

The following tables provide basic information on injury on duty.

### Injury on duty, 1 April 2005 to 31 March 2006

Nature of injury on duty	Number	% of total
Required basic medical attention only	-	-
Temporary Total Disablement	-	-
Permanent Disablement	-	-
Fatal	-	-
<b>Total</b>	<b>-</b>	<b>-</b>