

*KANTOOR VAN DIE SEKRETARIS  
OFFICE OF THE SECRETARY  
I-OFISI KANOBHALA*

Speaker Shaun Byneveldt  
Western Cape Provincial Parliament

Pursuant to section 40(1)(d) of the Public Finance Management Act, 1999, I have the honour in submitting the Western Cape Provincial Parliament's Annual Report on the activities of Parliament's administration for the 2005/06 financial year.

As the Executive Authority of Parliament you are required in terms of section 65(1)(a) of the Public Finance management Act, 1999, to table the report in the Provincial Parliament by 31 August 2006.

My sincere gratitude and appreciation for your continued guidance and support.



**Actg. SECRETARY TO PROVINCIAL PARLIAMENT  
ROYSTON G. HINDLEY**

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## 1. GENERAL INFORMATION

### 1.1. Introduction by Secretary

It is with great pleasure that I present the Annual Report for the Western Cape Provincial Parliament for the period 1 April 2005 to 31 March 2006 to the Members of the Legislature, staff and our interested stakeholders.

In the reading of the budget vote of the Provincial Parliament the Speaker, Mr. SE Byneveldt, committed himself to intensify the pursuance of the organisation's strategic objectives. In so doing, the organisation would continuously assess its work, the outputs generated and how it conducts its business to ensure that it is able to effectively engage with the challenges of our time.



Acting Secretary  
Royston Hindley

The following events summarises the Administration's pursuits in attaining its objectives and activities embarked upon to involve the people in its business and processes.

#### *Organisational Development Study*

In order for the Provincial Parliament's to give effect to its constitutional mandate of law making, oversight and public participation, it tasked a Consortium to review and assess the effectiveness of the existing organisational support structure, systems and processes. The ultimate goal was to enhance service delivery in the legislature.

The study commenced in July 2005 and the final report was issued in October of 2005. An implementation plan was drafted emanating from some of the report's recommendations.

#### *Review of allowances and benefits*

The allowances and benefits payable to Members were reviewed and amended to an all encompassing 'Enabling Allowance'. Members are now able to utilise the allowance according each individual's needs. The amendment took effect 1 April 2005 and Members of the Provincial Parliament have given positive feedback regarding its utilisation.

Although no formal training was given in how the allowance should be utilised, one-to-one guidance was provided with good results.

#### *Review and adoption of Standing Rules*

The impact of the Powers, Privileges and Immunities of Parliament and Provincial Legislatures Act, Act 4 of 2004 on the Provincial Parliament necessitated legislative intervention in the form of:

A: a bill dealing with witnesses appearing before committees.

B: the need to adapt the provincial Powers and Privileges Law to coincide with the National Act.

It was considered necessary to align the Standing Rules of the House with the relevant provisions made by the new Act. It further aimed to enhance the oversight role and to facilitate public participation in the parliamentary processes.

The amended Rules were considered at a two-day workshop held at the Lanzerac Hotel in Stellenbosch and as such adopted. These Rules also served as the catalyst for the introduction of the *Witness Bill* and the *Petitions Bill* early in 2006.

#### *Floor-Crossing*

Every two years, excluding the year of an election, the constitution allows for Members to cross the floor at national, provincial and local levels. In September 2005 a two-week window period was allowed to Members to cross the floor in the legislature.

Two political parties ceased to exist and one new political party gained representation in the Provincial Parliament demonstrating the dynamic environment in which the administration operates.

These are a few of the many reasons I would like to thank the staff of the Provincial Parliament for their unwavering support and dedication in what proved to be an eventful and at times demanding performance year, you have once again risen to the occasion.

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

**RG Hindley**  
**Actg. SECRETARY**

## 1.2. Information on the Office of the Speaker

Speaker, Shaun Byneveldt, entered his second year as the Chief Presiding Officer of the Provincial Parliament. His responsibilities and functions include administering the powers and privileges of the Provincial Parliament and acting as the political head of the Administration of Parliament.



Speaker  
Shaun Byneveldt

Furthermore he, as well as the Deputy Speaker, Yusuf Gabru, is responsible for planning, directing and controlling the activities of the organisation.

Both the Speaker and Deputy Speaker favours forging good relationships with stakeholders in the political arena of the Western Cape and are therefore wholly involved in receiving delegations and visiting various countries both continentally and abroad.

*The following is a list of delegations visiting the Provincial Parliament in the 2005/06 year:*

- Chinese consulate
- Dr. Serote of the Freedom Park
- US Consulate-General
- A delegation from the Nigerian government
- The Director of the Taiwanese Consulate
- Spanish Consulate
- The High Commissioner of India and Republic of Singapore
- The Consul General of China

*The Speaker also undertook various visits for study tours and of a reciprocal nature. These included:*

- |   |                         |
|---|-------------------------|
| • CPA Conference in Cameroon                              | 30 July – 7 August 2005 |
| • National Conference of State Legislatures in Washington | 16 – 20 August 2005     |
| • CPA Conference in Fiji                                  | 2 – 11 September 2005   |
| • Visit to the People's Republic of China                 | 22 March – 3 April 2006 |

## 1.3. Legislative Mandate

The Western Cape Provincial Parliament was established under section 125 of the Interim Constitution of the Republic of South Africa (Act 200 of 1993) and confirmed by the Constitution of the Republic of South Africa of 1996, and also derives its mandate from the Constitution of the Western Cape (Act 1 of 1998). The affairs of the Western Cape Provincial Parliament are further administered in terms of the Western Cape Law on the Powers and Privileges of the Provincial Legislature (Law 3 of 1995).

## 2. PROGRAMME PERFORMANCE

### 2.1. Aim of the Provincial Parliament

A parliament that is dynamic, publicly owned and pro-active in its pursuit of its constitutional responsibilities.

The aim of the Provincial Parliament is to support the Members by providing advice and services of the highest possible standard and to inform and include the public in the legislature activities, through the following goals:

- Sustain and improve processes to ensure an efficient and effective functioning Parliament;
- Enhance community understanding and interaction with the work of Parliament;
- Capacitate Members to fulfil their constitutional obligations as public representatives;
- Ensure that staff members continue to have knowledge, skills and resources to meet Members' needs.

### 2.2. Voted funds of Provincial Parliament for 2005/06 (R'000)

The primary funding for the budget of the Provincial Parliament, which is approximately 99.85%, is received from the Provincial Equitable Share and 0.15% funding from own revenue resources.

The Provincial Parliament's percentage resource share of the provincial envelope has increased to 0.25% from 2004/05 financial year share of 0.19%. This increase in equitable share is as a result of increased activities in public participation.

Appropriation	Main Appropriation	Adjusted Appropriation	Actual Amount Spent	Over/Under Expenditure
Equitable Share	R40, 681	R41, 081	34, 939	6, 142
Statutory Appropriation	14, 917	14, 917	13, 288	1, 629
Executive Authority	Speaker to the Provincial Parliament			
Administering organisation	Provincial Parliament			
Accounting Officer	Secretary to the Provincial Parliament			

### 2.3. Key measurable objectives, programmes and achievements

#### Key strategic objectives

In the Provincial Parliament's undertaking to achieve its legislative mandate the following strategic objectives were identified for 2005/06:

- Focus on the effective, efficient and economical management of Parliament's resources, to equip and develop Members and staff of the Western Cape Provincial

Parliament to maintain and improve support to Members and staff, to enhance service delivery and to ensure that systems, processes and procedures are aligned with the new vision.

- Channel its resources toward the active promotion and marketing of Parliament and its activities.
- Continuous preservation and attention to the oversight of the Executive and legislative processes that produce good and just laws.
- Engage the people of the province in matters affecting them in the activities of the Western Cape Provincial Parliament.
- Amplify continuous improvement of support services to Members and political parties to enable them to serve the people of the Western Cape.

### Programmes

The Provincial Parliament vote comprises of 3 programmes. They are:

Programme 1: Administration of the Provincial Parliament – this programme conducts the overall management of and provides quality corporate support services to the Provincial Parliament.

Programme 2: Procedural Services – provides quality procedural support, reference, research, communication, translation and interpretation services to the Provincial Parliament and other stakeholders.

Programme 3: Facilities and Benefits of Members – provide enabling facilities and benefits to Members and political parties.

### Achievements

The most notable achievement during the year under review was the launch of the Provincial Parliament's official logo and brand on 26 July 2005.

#### *The Logo*

*The logo is a new identity with the emphasis on the people. There are three figures representing people, as opposed to the formal building of Parliament. The logo seeks to capture the message that Parliament is about people, and there is no Parliament without people.*

*The three figures are dressed in the colours of the national flag and that is to communicate diversity, but the three figures are also one figure and that is to signal the Parliament's oneness. The colours of the national flag also signal that while we are the Western Cape, we are also South Africans.*

*The figures stand at the top of a flight of steps and that is to communicate the elevation of the people, but also to indicate the entrance to the Legislature. The arches at the top of the flight of steps symbolise the arches at the entrance to the building and reflect an "open-door" effect, because Parliament cannot be a parliament of closed doors.*

### Overview of the service delivery environment for 2005/06

Every two years, excluding the year of an election, the constitution allows for Members to cross the floor at national, provincial and local levels. In September 2005 a two-week window period was allowed to Members to cross the floor in the legislature.

The service delivery environment can become somewhat strained, particularly when new political parties are launched into the legislature and parties prior to the floor-crossing cease to exist. There are greater logistical and financial demands on the legislature's resources.

The recomposition of political parties subsequent to the floor-crossing affects the allotment of transfer payments, office accommodation and designation of Members which invariably affects the salaries and allowances due to them.

Furthermore the capricious nature of the political environment and its arena makes the administration of the Provincial Parliament challenging.

#### Overview of the Provincial Parliament environment for 2005/06

At the commencement of the financial year the Speaker committed himself to intensify the pursuance of the organisation's strategic objectives. In so doing, the Provincial Parliament would continuously assess its work, the outputs generated and how it conducts its business to ensure that it is able to effectively engage with the challenge of our time.

Confronted with this mandate it became necessary to embark on an intervention to review and assess the effectiveness of the existing organisational support structure, systems and processes to support the Provincial Parliament to realise its strategic goals.

The recruitment, selection and appointment of a service provider including the performance and finalisation of the study spanned a period of 9 months. During this time the filling of vacancies was postponed except for critical appointments. Notwithstanding the staff constraints the Provincial Parliament managed to achieve almost all its stated objectives.

During the latter part of the review year and emanating from the organisational development study recommendations, several vacancies were advertised in the media and an implementation plan was drafted. There has been an unquestionable move forward following this daunting exercise and the increase in house sittings and public participation initiatives and Members' activities attests to this.

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

In pursuit of its strategic objectives the Provincial Parliament committed itself to continuously assess its work, the outputs it generates and how it conducts its business to ensure that it is appropriately geared to effectively engage in the following challenges:

- Ensuring a popularly owned, credible institution with the people of the province at the centre of its business;
- Building a dynamic relationship with all stakeholders;
- Ensuring that its processes and procedures are appropriate for its time and afford the best possible mechanisms to fulfil those responsibilities;
- Ensuring the most effective way for the public to participate in its processes and work, and the implementation of a best-practice model of public participation and education for the Provincial Parliament;



- The development of new institutional arrangements for the Provincial Parliament reflecting matters pertaining to governance, policies and practices;
- Enabling Members of Parliament, through improved facilities and administrative support; and
- The development of a new corporate identity reflecting the institution, its values and work, as well as an appropriate communication strategy to facilitate effective communication with all stakeholders.

## 2.4. Departmental revenue and expenditure

### Collection of departmental revenue

An amount of R58, 000 is budgeted for collection of departmental revenue. Budgeted revenue items are interest accrued on the bank account and commission earned on insurance.

The main revenue collection items for the 2005/06 financial year were sales of goods and services other than capital assets, interest accrued on the bank account and receipts of previous year expenditure.

- Sales of goods and services include receipts for sale of refreshments and meals, sale of redundant furniture and equipment, which is not normally budgeted for.
- Interest accrued on the bank account is budgeted for and the target was met for the 2005/06 financial year.
- Financial transactions, which is receipt of previous year expenditure primarily, comprises of recovery of debt owing to the Provincial Parliament.

At the end of the financial year the Provincial Parliament surrenders the budgeted revenue amount and retains any surplus revenue it has collected in accordance with section 22 of the PFMA.

	2002/03 Actual	2003/04 Actual	2004/05 Actual	2005/06 Target	2005/06 Actual	% Deviation from target
Non-tax revenue						
Sale of goods and services	30	122	18	4	35	775%
Interest	77	90	55	54	55	1.86%
Sales of capital assets	29	7	15			
Financial transactions			68		64	100%
<b>TOTAL RECEIPTS</b>	<b>136</b>	<b>219</b>	<b>156</b>	<b>58</b>	<b>154</b>	<b>165.52%</b>

## Departmental Expenditure

The budget of the Provincial Parliament is divided into 3 main divisions, namely;

- Programme 1: Administration of the Provincial Parliament includes expenditure on capital acquisitions for the organisation and non-procedure activities, which include expenditure for the Office of the Speaker and Secretary.
- Programme 2: Procedural Services spending is concentrated on the procedure activities of the Provincial Parliament. These activities ensure the proper and smooth functioning of the organisation.
- Programme 3: Facilities and Benefits of Members include expenditure items such as transfer payments made to political parties and reimbursive telephone, housing and travel allocations for Members.

Savings realised on the vote was mainly as a result of the vacancies, which were not filled during the year. The motive for the aforementioned was the organisational development study, which was conducted during the 2<sup>nd</sup> and 3<sup>rd</sup> quarters of the financial year.

Programmes	Voted for 2005/06	Roll-overs and adjustments	Virement	Total Voted	Actual Expenditure	Variance
Programme 1: Administration	15, 042	(72)		14, 970	12, 857	2,113
Programme 2: Procedural Services	12, 956	(846)		12, 110	8, 914	3,196
Programme 3: Facilities and Benefits of Members	12, 683	1, 318		14, 001	13, 168	833
<b>TOTAL</b>	<b>40, 681</b>	<b>400</b>		<b>41, 081</b>	<b>34, 939</b>	<b>6,142</b>

## Transfer Payments

Payments to political parties represented in the Provincial Parliament are made in respect of constituency and secretarial allowances. These payments are regulated by comprehensive policies and it is a requirement that each political party submit audited financial reports annually.

Following the floor-crossing of 2005/06 two political parties were terminated and one new political party gained a seat in the Provincial Parliament.

Prior to the floor-crossing the political parties represented in the Provincial Parliament were the African National Congress (ANC), New National Party (NNP), Democratic Alliance (DA), United Democratic Movement (UDM) and the African Christian Democratic Party (ACDP). The New National Party and United Democratic Movement ceased to exist after the floor-crossing and one new party, the United Independent Front (UIF) gained a seat in the Provincial Parliament.

<b>Name of Political Party</b>	<b>Amount Transferred R'000</b>
African National Congress	3, 876
New National Party	285
Democratic Alliance	2, 305
African Christian Democratic Party	420
Independent Democrats	371
United Democratic Movement	81
United Independent Front	227

## **2.5. Programme 1 – Administration of the Provincial Parliament**

### **Purpose**

The purpose of this programme is to conduct the overall management of and provide quality corporate support services to the Provincial Parliament.

Programme 1 consists of the following three subprogrammes:

- Office of the Speaker/Deputy Speaker
- Office of the Secretary
- Corporate Services

### **Specified policies, priorities and strategic objectives**

This programme focuses on the effective, efficient and economical management of Parliament's resources, to equip and develop Members and staff of the Western Cape Parliament, to maintain and improve support to Members and staff, to enhance service delivery and to ensure that systems, processes and procedures are aligned with the new vision.

### **Service delivery objectives and indicators**

International and national relations were strengthened by receiving visitors/guests and by official visits/study tours. The Speaker and Deputy Speaker attended the 36<sup>th</sup> Commonwealth Parliamentary Association (CPA) Africa Region Conference in Cameroon. The theme of the conference was "strengthening democratic institutions towards poverty alleviation". The Speaker, Members and the Acting Secretary also attended the 51<sup>st</sup> CPA conference in Fiji. A Member visited the UK Branch of the CPA in London. The Speaker and Acting Secretary attended the Annual Meeting of the National Conference of State Legislatures (NCSL) in Seattle, Washington. A delegation visited the Republic of China (Shandong) to discuss further cooperation and exchange.

Financial, human and physical resources were managed effectively, efficiently and economically during the year under review. The WCPP received a few informal queries and received an unqualified audit report. All Budget inputs were submitted per Treasury guidelines.

The WCPP is committed to continuously and efficiently manage and develop its human resources; therefore despite the high vacancy rate the WCPP managed to facilitate 31 training and development events for staff. Unfortunately, as a result of the Parliamentary Programme and the municipal election no training and development events for Members were facilitated.

A new flexible enabling allowance was implemented with effect from 1 April 2005. This allowance enables Members to better fulfil their constitutional functions; thus becoming a more effective member.

#### Service Delivery Achievements

Strategic Objective	Measurable Objective	Performance Measure or Indicator	Actual performance against target	
			Target	Actual
To strengthen international, national and local relations	Establish and maintain international, national and local relations	Paid up subscriptions to Parliamentary bodies Number of official visitors to the Office of the Speaker Number of official visits by the Speaker and members	Paid up subscriptions. Participate in official visits both locally and internationally. Receive local and foreign delegations.	The CPA membership fee was paid in December 2005 and the Africa Region membership fee was paid in August 2005. Speaker attended Speaker's forum meeting and other relevant meetings. Speaker and members undertook international visits/study tours to Cameroon, Washington, Fiji, London and China. Speaker received international delegations/visitors from the United States, Nigeria, Taiwan, Spain, India and Singapore and China
			Submit Budget, Adjustments Estimate and IYM by due dates established by Provincial Treasury (PT)	Budget Statement 2, Annual Performance Plan and Adjustments Estimate were submitted per Treasury
To effectively, efficiently and economically manage financial, human and physical resources	The effective, efficient and economical management of financial, human and physical resources	Timeliness and quality of Budget and Adjustments Estimate Timeliness and quality of In Year Monitoring process		

Strategic Objective	Measurable Objective	Performance Measure or Indicator	Actual performance against target	
			Target	Actual
		Report of the Auditor-General Accuracy of Asset Register Number of audit queries received Maintained physical resources Feed-back received	Attain an unqualified audit report. Maintain an accurate asset register. Receive minimal audit queries. Maintenance of physical resources.	guidelines. Monthly In Year Monitoring submitted per Treasury guidelines. Received an unqualified audit report for the 2004/05-financial year. Maintained an accurate asset register. Received 9 informal queries
To establish a well developed and effective staff complement	Facilitate training and development events in order to train staff and build capacity	Number of training and development events Effectiveness of training events Feed-back received	Training areas were identified as per workplace skills plan	31 training and development events were facilitated
To equip and develop members to adequately fulfill their constitutional function	Facilitate training and development events for Members	Number of training and development events Feed-back received	Not identified	As result of the parliamentary programme and the municipal elections no training and development events for Members took place during the financial year.
To ensure that systems, processes and procedures are aligned with the new vision	Develop, review and implement systems, processes and procedures that are aligned with the new vision	Systems, processes and procedures effectively aligned	Establish a flexible enabling allowance for Members.	New flexible enabling allowance for Members was implemented with effect from 1 April 2005.
To maintain and improve support services to Members and staff	Monitoring enhanced support services to Members	Surveys Number of enhanced services Service standards and procedures	Maintain and improve current support services to the House and its members.	A new procedure for reporting of IT faults was implemented. A dedicated ICT unit is established w.e.f. 1 April 2006

## **2.6. Programme 2 – Procedural Services**

### **Purpose**

The purpose of this programme is to provide quality procedural support, reference, research, communication, translation and interpretation services to the Provincial Parliament and other stakeholders.

Programme 2 consists of the following six subprogrammes;

- Committees
- Library and Research
- Communication
- House proceedings
- Portfolio committees
- Legal services

### **Specified policies, priorities and strategic objectives**

This programme channels its resources toward the active promotion and marketing of Parliament and its activities. Its customary activities such as the oversight of the Executive and legislative processes that produce good and just laws will receive continuous preservation and attention. A priority strategy identified is to engage all the people of the province in matters affecting them in the activities of the Western Cape Parliament.

### **Service delivery objectives and indicators**

Providing procedural support to Members and creating an environment for effective public participation are the reasons for this programme. Notwithstanding staff shortages the objectives of promoting and marketing the Provincial Parliament, educating and actively involving the public in its activities and providing appropriate support to Members to enhance their oversight function were achieved. However due to a full parliamentary programme, human resource constraints and the process in developing a public participation strategy, the school visits to educate learners at their schools could not take place. Similarly, the training of Members to enhance their oversight functions were postponed.

### Service Delivery Achievements

Strategic Objective	Measurable Objective	Performance Measure or Indicator	Actual performance against target	
			Target	Actual
To actively promote and market the services of the WCPP through continuous assessment of its market strategies to ensure maximum exposure to all the people of the province	To promote awareness of the Provincial Parliament and its activities by advertising and marketing the new corporate identity, advertising the parliamentary programme and regularly updating the parliamentary website	Advertisements placed and current website	Update the website daily. Distribution of promotional material. Official launch of the WCPP corporate identity.	WCPP new corporate identity launched Promotional material distributed to relevant stakeholders Website updated – but functionality being reviewed.
	To produce marketing and promotional material on the activities, role and function of the WCPP and to appropriately brand existing publications	Material available	Multimedia presentation. Installation of a visual history in the Lobby. Speakers debate. Opening of Parliament. New publications.	Marketing material developed and produced and displayed / distributed at official events and to visiting dignitaries / public
	To advertise the annual programme and activities of the WCPP in both print and electronic media to ensure maximum participation and involvement	Programme advertised	Advertise the annual programme in both print and electronic media.	Parliamentary programme and activities advertised in both print and electronic media
To develop models of public participation and involvement in the activities of the WCPP by the people of the Western Cape and public education on their rights and responsibilities	To provide opportunities for 20 interns through co-operative learning programmes during the 2005/06 financial year	Internship attendance register, certificates and reports	Opportunities for 20 internships.	13 interns accommodated The number of interns are determined by demand
	To educate the public, civil servants, school learners, community organisations and interested groups on the role and function of the Provincial	Number of sessions held and persons involved Feed-back received	To hold four sessions per annum.	Training of visiting schools and organisations held No school visits could take place due to staff constraints



Strategic Objective	Measurable Objective	Performance Measure or Indicator	Actual performance against target	
			Target	Actual
	Parliament as well as how to participate in its processes by holding information seminars and training sessions			
	To facilitate the arrangements of all events relating to outreach and public participation as well as all official events	Successfully managed events	To successfully manage events.	All official events including People's Assembly, visiting delegations, etc. were successfully managed
	To facilitate and prepare for two sittings of Parliament outside of Cape Town and three sector specific parliaments before December 2005	Parliament sits at least twice outside Cape Town and three sector specific parliaments held	Youth Parliament. Women's Parliament. One other sector specific parliament. Two sittings of Parliament outside Cape Town.	WCPP met outside parliament at Saldanha Bay (People's Assembly) and Worcester (Presidents' state of the nation address), Youth and Women's Parliament were held
To efficiently and effectively support Members in exercising their lawmaking responsibilities by providing sound procedural advice and administrative support and researched information	To provide a professional, confidential and non-partisan research and information service to Members and committees	Research request forms and feedback forms; information flyers and committee dossiers	Produce 10 sets of committee dossiers. Produce 10 information flyers. Receive at least 20% of feedback forms. Provide information on research requests timeously.	11 sets of committee dossiers completed 10 information flyers produced 10% of feedback forms received Research requests completed timeously
	Updating isiXhosa terminology databank on an annual basis	IsiXhosa terminology databank updated	Continuous maintenance of database.	Database updated with new terminology
	Review and amend existing Rules and procedures enhancing public participation and oversight by December 2005	Rules reviewed and amended	Amend Rules by December 2005.	Rules reviewed and adopted
	Provide interpretation of proceedings in all three official languages in plenaries and committee meetings for the	Interpretation available	Provide interpretation in all meetings and house sittings.	Interpretation provided to all house sittings and meetings (when required)

Strategic Objective	Measurable Objective	Performance Measure or Indicator	Actual performance against target	
			Target	Actual
	duration of such meetings when required			
	Provide translation of Parliament documents in all 3 official languages of the Western Cape if and when required	Quality translation provided	Provide timeous, prompt written translation.	Timeous quality translation provided for all documents and other documents /reports as requested
To provide administrative and procedural back-up for Members to play their oversight role and hold the executive to account	To provide administrative and procedural support to Members and parliamentary committees to facilitate oversight of the Executive during committee meetings and plenary sessions	Standing Rules reviewed and updated	Amend Rules by December 2005.	Rules review and adopted Appropriate administrative support provided for House and Committee meetings 41 House sittings 183 Committee meetings
	To review, develop and introduce procedures to enhance Members' oversight role by December 2005	Procedures implemented, reviewed and developed	Amend Rules by December 2005.	Rules reviewed Question time extended Process refined pertaining to replies and questions
	To provide 2 training sessions for Members to enhance their oversight and lawmaking skills by December 2005	No. of training sessions held	2 Training sessions.	Due to parliamentary programme – no formal training sessions were held
	To ensure legislative compliance by reviewing and where necessary amending provincial legislation pertaining to the WCPP and considering the impact of national legislation on WCPP by 30 December 2005	Legislation considered, reviewed and amended	Petitions Bill. Witness Bill. Amend WC Powers and Privileges Law. Members interest compliance.	Petitions bill introduced Witness bill introduced Rules amended to incorporate changes All Members completed register
To comply with National and Provincial Legislation affecting the WCPP and to provide legal advice of the highest quality to Presiding Officers, Committees, Members and Secretary	To ensure compliance with the Code of Conduct for Members of the Western Cape Provincial Parliament by reviewing and	Code of Conduct reviewed and updated	Hold 4 meetings with the Conduct Committee. Publication of public part of register of interests.	One meeting of Conduct committee held Public part of register made available to public

Strategic Objective	Measurable Objective	Performance Measure or Indicator	Actual performance against target	
			Target	Actual
	updating the Code by 30 November 2005		Seminar with Registrar of Interests at National Parliament.	Seminar put on hold due to staff constraints
	To devise a system to ensure adequate legal services to committees by July 2005	Legal services provided	Meet with Committee Section to establish ambit of meetings and necessity for legal advice.	Regular meetings with committee section held

## **2.7. Programme 3 – Facilities and Benefits of Members**

### **Purpose**

The purpose of the programme is to provide enabling facilities and benefits to members and political parties. Programme 3 consists of the following three subprogrammes;

- Contributions
- Allowances
- Catering services

### **Specified policies, priorities and strategic objectives**

This programme will amplify the continuous improvement of support services to Members and political parties to enable them to serve the people of the Western Cape.

### **Service delivery objectives and indicators**

The WCPP was able to increase the amount of the Secretarial and Constituency allowances significantly in the financial year under review; this enabled political parties to improve their infrastructure at in their constituencies and within the precincts of the Provincial Parliament.

A new flexible enabling allowance was implemented with effect from 1 April 2005. This allowance enables Members to better fulfil their constitutional functions; thus becoming a more effective member.

### Service Delivery Achievements

Strategic Objective	Measurable Objective	Performance Measure or Indicator	Actual Performance against target	
			Target	Actual
To provide enabling facilities and allowances to members and political parties to serve the people of the Western Cape	Payment of financial assistance to political parties and Members to enable Members to fulfil their constitutional duties and function adequately	Timeous and accurate payments Financial statements received from political parties	Timeous and accurate payments	Two-month advance paid in April. Ensured that political parties submitted financial statements in accordance with section 38 (j) of the PFMA and that expenditure was according to policy. Quarterly payments were timeous and accurate.
	Review the support systems to Members and processes and procedures in order to align it with the new vision	Number of systems, processes and procedures reviewed and aligned	Establish a flexible enabling allowance for Members	New flexible enabling allowance for Members was implemented with effect from 1 April 2005.
	Review the facilities for Members and implement the amendments, if applicable	Revised facilities for Members	Establish a flexible enabling allowance for Members	New flexible enabling allowance for Members was implemented with effect from 1 April 2005.

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

**REPORT OF THE AUDIT COMMITTEE  
for the year ended 31 March 2006**

**3. REPORT OF THE AUDIT COMMITTEE**

**PROVINCIAL GOVERNMENT WESTERN CAPE  
PROVINCIAL PARLIAMENT (VOTE 2)  
SHARED AUDIT COMMITTEE REPORT  
FOR THE FINANCIAL YEAR ENDING 31 MARCH 2006**

We are pleased to present our report for the above-mentioned financial year.

**Appointment of the Shared Audit Committee**

Provincial Parliament (Vote 2) is served by a Shared Audit Committee appointed under Cabinet Resolution 75/2003 of 23 June 2003 for the 2 year period to 31 March 2005, which was extended by Resolution 95/2005 for 2 more years to 31 March 2007.

**Audit Committee Members and Attendance:**

The Committee consists of the independent members listed hereunder, is required to meet at least 4 times per annum as per its approved Terms of Reference. During the current year 11 meetings were held:

<i><b>Member</b></i>	<i><b>Number of Meetings Attended</b></i>
Mr J.A. Jarvis (Chairperson)	11
Mr J. January	9
Mr P. Jones	11
Mr R. Warley	7
Mr V.W. Sikobi	(resigned May 2005)

**Audit Committee Responsibility**

The Committee has complied with its responsibilities arising from section 38(1) (a) of the PFMA and Treasury Regulation 3.1.13 and 27(1) (10). The Committee has also regulated its affairs and discharged its responsibilities in terms of the Audit Committee Charter.

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

**REPORT OF THE AUDIT COMMITTEE  
for the year ended 31 March 2006**

**Effectiveness of Internal Control**

During the year under review the Risk Assessment and Control Mapping exercises and the 1-year Operational Internal Audit Plan, were completed.

The 1-year Operational Internal Audit Plan which was approved by the Committee in April 2005 identified 12 high risk areas. However, due to budgetary constraints, the Plan was amended in September 2005, to cover only 8 audit areas.

The Committee reviewed Internal Audit Reports which highlighted one critical control weakness in respect of Human Resource Management and a few significant control weaknesses in respect of: Administration Services, Human Resource Management, Management Accounting, Table and Papers, Committees, Provisioning Management and Members Benefits.

The Committee noted that management undertook to implement the recommended corrective actions.

Internal audits were conducted on the transversal IT systems of the Province.

The Committee acknowledges that e-Innovation provides the IT service to the Western Cape Provincial Parliament (WCPP). The Committee wishes to emphasize the importance of the WCPP ensuring that a service level agreement is concluded with e-Innovation to address future technology and training requirements.

The Committee further acknowledges that the responsibility for addressing control weaknesses identified by the Internal audit vests with e-Innovation. The Committee will follow-up on the implementation of corrective action in the 2006/07 financial year.

**The quality of in-year management and monthly / quarterly reports submitted in terms of the PFMA and the Division of Revenue Act.**

The Committee has not reviewed the quality of in-year management and monthly/ quarterly reports submitted in terms of the PFMA and the Division of Revenue Act, but has relied on the feedback of the Auditor General who has not reported adversely in this regard.

**Evaluation of Financial Statements**

The Committee has,

- Reviewed and discussed the audited annual financial statements included in the annual report with the Auditor General and the Accounting Officer

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

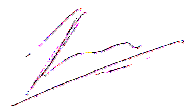
**REPORT OF THE AUDIT COMMITTEE  
for the year ended 31 March 2006**

- Reviewed the Auditor General's management letter and management's response thereto;
- Reviewed the Auditor General's report.

The Committee concurs and accepts the Auditor General's conclusions on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor General.

**Appreciation**

The Committee wishes to express its appreciation to the Provincial Treasury, Officials of the WCPP, Auditor General and the Sihluma Sonke Consortium for their assistance and co-operation in compiling this report.



J.A. JARVIS

Chairperson of the Shared Audit Committee

Date: 10 August 2006



**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

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

**4. ANNUAL FINANCIAL STATEMENTS**

**4.1. Report of the Accounting Officer**

Report by the Accounting Officer to the Speaker and Parliament of the Western Cape.

**4.1.1. General review of the state of financial affairs**

This report addresses the performance of the Western Cape Provincial Parliament and includes relevant statutory information in terms of the Public Finance Management Act, 1999 (PFMA) (Act 1 of 199). Although the Provincial Parliament is not fully subject to the PFMA, it operates in the spirit of the Act.

The adjusted appropriation of the Provincial Parliament increased by 23.37% to R41,081,000 over the previous (2004/05) financial year. The increase, which is mainly attributed to, identified policy options in the MTEF period was earmarked for the launch of the corporate identity, increased capacity for the Directing Authority of the Provincial Parliament and to amplify public participation activities through ensuring full participation and involvement of the people of the Western Cape in its processes and work.

In July 2005 a consultant was appointed to conduct a 3-month organisational development study of the Western Cape Provincial Parliament. The final report was received in October 2005. As a result many of the planned activities for the reporting year as well as the filling of vacancies were postponed until the finalisation of the study.

Subsequently a saving of 14.95% was realised of which 53.41% (R3, 280, 000) was identified as a compulsory saving to augment the 2006/07 appropriation.

However, significant increases were made to the allowances payable to political parties; 31.17% increase in constituency allowance and 23.46% increase in secretarial allowance budgets. These increases were funded through the savings realised on the non-filling of vacancies and reducing the catering budget by 50%.

Despite the human resource constraints, the impact on service delivery was minimal and significant activities, which were planned, were carried out successfully.

The following graph illustrates the expenditure per economic classification. The graph reflects the major expenditure areas as 'Compensation of Employees', 'Goods and Services', 'Non-profit institutions' and 'Households'.

## WESTERN CAPE PROVINCIAL PARLIAMENT VOTE 2

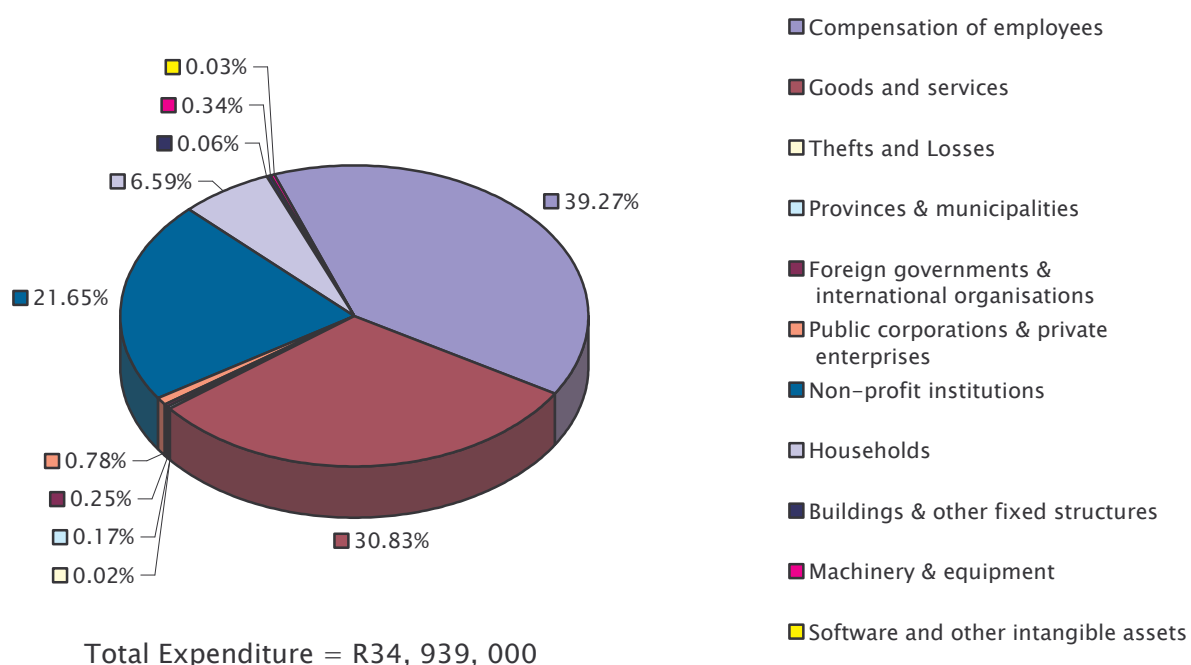
### REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2006

Compensation of employees is salaries and allowances payable to staff of the Provincial Parliament as well as employer contributions to pension and medical aid funds for staff and Members.

Goods and Services is expenditure primarily related to the running costs of the Provincial Parliament and project related costs such as the People's Assembly, Opening of Parliament, Youth Day, Women's Parliament and committee activities.

Non-profit institution expenditure is payments to political parties in respect of constituency and secretarial allowances.

Payments to Households include severance pay to an employee and leave gratuities paid out to staff that have resigned.



#### 4.1.2. Service rendered by the department

The business of the legislature is to provide an enabling environment for Members to publicly debate and consider issues, pass legislation and scrutinise and oversee executive actions. The promotion of public involvement in Parliament's actions is also an integral function of the Parliament.

To achieve this, we provide procedural support such as committee, research, library, legal, language and communication services. Support services such as finance and supply chain management, human resource management and information technology and household services are also delivered.

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

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

Financial support in the form of allowances to political parties is provided to establish and maintain their infrastructure at the legislature and respective constituencies.

**4.1.3. Capacity constraints**

A chief constraint faced by the Provincial Parliament was the shortage of human resources. This was hampered by the organisational development study and non-filling of vacancies until its finalisation.

Towards the end of the financial year several vacancies were advertised and it is anticipated that these will be filled as soon as possible. Various other positions, which were identified by the organisational development study, are currently undergoing a process of job profiling and grading. It is anticipated all vacancies will be filled during the 2006/07 financial year.

**4.1.4. Utilisation of donor funds**

The European Union Legislature Support Programme (EULSP) provides funding for various key result areas. These result areas are:

- Improving law making systems and processes, policy development, assessment of implementation capacity, oversight and accountability;
- Enhancing public participation in decision making and developing education in democracy;
- Improving equality on gender and disability in the legislatures;
- Improving skills in legislature; and
- Enhancing Information and communication technology (ICT) facilities and equipment in legislatures.

**4.1.5. Transfer payments to political parties**

Transfer payments in respect of secretarial and constituency support were made to all political parties represented in the Provincial Parliament.

Following the floor-crossing of 2005/06 two political parties were terminated and one new political party gained a seat in the Provincial Parliament.

Prior to the floor-crossing the political parties represented in the Provincial Parliament were the African National Congress (ANC), New National Party (NNP), Democratic Alliance (DA), United Democratic Movement (UDM) and the African Christian Democratic Party (ACDP). The New National Party and United Democratic Movement ceased to exist after the floor-crossing and one new party, the United Independent Front (UIF) gained a seat in the Provincial Parliament.

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

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

**4.1.6. Corporate governance arrangements**

Internal Audit

The Sihluma Sonke Consortium appointed by the Provincial Treasury has continued with their implementation of the strategic audit plan for the Provincial Parliament. Several process and control maps were completed for the following line functions:

- Asset Management
- Human Resource Administration
- Management Accounting
- Administration Services
- Provisioning Management
- Members Benefits
- Table and Papers
- Committees

The internal audit fieldwork for the above line functions was done concurrent with the process and control mapping. Final audit reports were received early in the 2006/07 financial year and presented at the internal audit meeting on 9 May 2006 held with the Management of the Provincial Parliament.

Employees

A code of conduct for staff provides a framework for the staff's ethical conduct, which seeks to instil in its employees the spirit of fairness, respect and ethical standards in dealing with Parliament's clients (Members and the general public) to ensure that Parliament's integrity is not compromised. The health and safety of Members, staff, visitors and contractors are extremely important to the Provincial Parliament. An Occupational Health and Safety committee exists to address risks and needs of the Provincial Parliament. The Provincial Parliament actively participates in similar structures of the Provincial Administration.

Accounting Officer

The acting Secretary to the Provincial Parliament performed the functions of the Accounting Officer during the year under review. The functions of the Accounting Officer include but are not restricted to sections 36 – 45 of the Public Finance Management Act.

**4.1.7. New/proposed activities**

Several new line functions will sprout from the organisational development study. Other units / activities not identified by the study is borne from either pending legislation in the Western Cape or identified as areas which will give greater capacity and improve the structure of the Directing Authority.

These new units are as follows:

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

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

- Petitions Unit
- Public Relations Unit
- Public Education and Outreach Unit
- Internal Control and Risk Management Unit
- Interparliamentary Relations and Protocol Unit
- Members' Affairs Unit

**4.1.8. Asset management**

In January 2006 an external service provider was appointed to update the Provincial Parliament's asset register. The updating of the asset register was completed on 7 April 2006.

As per the Asset Management Reform milestones the Provincial Parliament fully complies with the minimum requirements of the asset register. An asset management team consisting of Asset Management Officer and Asset Management Clerk is established at the Provincial Parliament to ensure the regular updating and maintenance of the asset register and assets of the organisation.

**4.1.9. Performance information**

Performance is reported in relation to general performance indicators of timeliness, quality and quantity for each objective as set out in Parliament's Strategic Plan. The evaluation of Parliament's performance takes place through informal surveys of Members' satisfaction. Evaluation is also based on comments of Members' satisfaction with Parliament's performance, including comments in the Chamber, Rules Committee and other fora.

Approval

The Annual Financial Statements set out on pages 32 – 69 have been approved by the Accounting Officer.



.....  
**RG HINDLEY**  
**Actg. ACCOUNTING OFFICER**  
**31 MAY 2006**

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

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

**4.2. Report of the Auditor-General**

**REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL PARLIAMENT OF THE  
WESTERN CAPE ON THE FINANCIAL STATEMENTS OF THE WESTERN CAPE PROVINCIAL  
PARLIAMENT (VOTE 2)  
FOR THE YEAR ENDED 31 MARCH 2006**

**1. AUDIT ASSIGNMENT**

The financial statements as set out on pages 32 to 69 for the year ended 31 March 2006, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004). The fixed asset opening balances have not been audited because of the timing of guidance from National Treasury to the departments relating to the treatment, valuation and disclosure of fixed assets. These financial statements are the responsibility of the accounting officer. 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,
- evaluating the overall financial statement presentation.

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

**3. BASIS OF ACCOUNTING**

The entity's policy is to prepare financial statements on the basis of accounting determined by the National Treasury, as described in note 1 to the financial statements.

WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2

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

4. AUDIT OPINION

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Provincial Parliament at 31 March 2006 and the results of its operations and its cash flows for the year then ended, in accordance with the basis of accounting determined by the National Treasury of South Africa, as described in note 1 to the financial statements.

5. APPRECIATION

The assistance rendered by the staff of the Western Cape Provincial Parliament during the audit is sincerely appreciated.

*Shaunet Fakie*  
—

Auditor-General

Pretoria  
31 July 2006



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

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

**ACCOUNTING POLICIES AND RELATED MATTERS  
for the year ended 31 March 2006**

**4.3. Accounting Policies and Related Matters**

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Provincial Parliament Treasury Directives issued in terms of the Act and the Division of Revenue Act, Act 1 of 2005.

**4.3.1. Presentation of the Financial Statements**

**4.3.1.1. Basis of preparation**

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

**4.3.1.2. Presentation currency**

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

**4.3.1.3. Rounding**

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

**4.3.1.4. Comparative figures**

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

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



**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

**ACCOUNTING POLICIES AND RELATED MATTERS  
for the year ended 31 March 2006**

**4.3.2. Revenue**

**4.3.2.1. Appropriated funds**

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

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

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

**4.3.3. Departmental revenue**

The budgeted departmental revenue is paid into the Provincial Revenue Fund at the end of the financial year, unless otherwise stated (but no later than 31 March of the year). Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position.

**4.3.3.1. Tax revenue**

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

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

**4.3.3.2. Sales of goods and services other than capital assets**

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

**4.3.3.3. Fines, penalties & forfeits**

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

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

**ACCOUNTING POLICIES AND RELATED MATTERS  
for the year ended 31 March 2006**

**4.3.3.4. Interest, dividends and rent on land**

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

**4.3.3.5. Sale of capital assets**

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

**4.3.4. Financial transactions in assets and liabilities**

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds. Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

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

**4.3.5. Gifts, donations and sponsorships (transfers received)**

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

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

**4.3.6. Expenditure**

**4.3.6.1. Compensation of employees**

Salaries and wages comprise payments to employees. Salaries and wages are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

All other payments are classified as current expenses.

Social contributions include the Provincial Parliament's contribution to social insurance schemes paid on behalf of the employee. Social contributions are

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

**ACCOUNTING POLICIES AND RELATED MATTERS  
for the year ended 31 March 2006**

recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system.

**4.3.6.1.1. Short term employee benefits**

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

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

**4.3.6.2. Long-term employee benefits**

**4.3.6.2.1. Termination benefits**

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

**4.3.6.2.2. Post employment retirement benefits**

The Provincial Parliament provides retirement benefits (pension benefits) for certain of its employees and Members of the Provincial Parliament through a defined benefit plan. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year). No provision is made for retirement benefits in the financial statements of the Provincial Parliament. Any potential liabilities are disclosed in the financial statements of the Provincial Revenue Fund and not in the financial statements of the Provincial Parliament.

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

**4.3.7. 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

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

**ACCOUNTING POLICIES AND RELATED MATTERS  
for the year ended 31 March 2006**

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

**4.3.8. Financial transactions in assets and liabilities**

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

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

**4.3.9. Unauthorised expenditure**

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

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

**4.3.10. Fruitless and wasteful expenditure**

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

**4.3.11. Irregular expenditure**

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

**4.3.12. Transfers and subsidies**

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

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

**ACCOUNTING POLICIES AND RELATED MATTERS  
for the year ended 31 March 2006**

**4.3.13. Expenditure for capital assets**

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

**4.3.14. Assets**

**4.3.14.1. Cash and cash equivalents**

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

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

**4.3.14.2. Prepayments and advances**

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

**4.3.14.3. Receivables**

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

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

**4.3.14.4. Inventory**

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

**4.3.14.5. Asset Registers**

Assets are recorded in an asset register, at cost, on receipt of the item. Cost of an asset is defined as the total cost of acquisition. Assets procured in previous financial periods, may be stated at fair value, where determinable, or R1, in instances where the original cost of acquisition or fair value cannot be established. No revaluation or impairment of assets is currently recognised in the asset register. Projects (of construction/development) running over more than one financial year relating to assets, are only brought into the asset register on completion of the project and at the total cost incurred over the duration of the project.

**WESTERN CAPE PROVINCIAL PARLIAMENT  
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**ACCOUNTING POLICIES AND RELATED MATTERS  
for the year ended 31 March 2006**

Annexure 3 and 4 of the disclosure notes, reflect the total movement in the asset register of assets with a cost equal to and exceeding R5000 (therefore capital assets only) for the current financial year. The movement is reflected at the cost as recorded in the asset register and not the carrying value, as depreciation is not recognised in the financial statements under the modified cash basis of accounting. The opening balance reflected on Annexure 3 and 4 will include items procured in prior accounting periods and the closing balance will represent the total cost of the register for capital assets on hand.

**4.3.15. Liabilities**

**4.3.15.1. Payables**

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

**4.3.15.2. Lease commitments**

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

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

**4.3.15.3. Accruals**

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

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

**4.3.15.4. Contingent liabilities**

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

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

**ACCOUNTING POLICIES AND RELATED MATTERS  
for the year ended 31 March 2006**

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

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

Contingent liabilities are included in the disclosure notes.

**4.3.15.5. Commitments**

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

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

**4.3.16. Key management personnel**

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

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

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

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

**4.4. Statements**

Appropriation per programme									
		2005/06						2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>1. Programme 1</b>									
Current payment	13,098		(31)	13,067	11,241	1,826	86.0%	9,746	9,839
Transfers and subsidies	1,466		31	1,497	1,465	32	97.9%	2,002	1,992
Payment for capital assets	406			406	151	255	37.2%	1,515	354
<b>2. Programme 2</b>									
Current payment	12,004		(20)	11,984	8,795	3,189	73.4%	8,834	8,203
Transfers and subsidies	106		20	126	119	7	94.4%	155	162
Payment for capital assets									
<b>3. Programme 3</b>									
Current payment	5,110			5,110	4,464	646	87.4%	4,456	3,808
Transfers and subsidies	8,891			8,891	8,704	187	97.9%	6,592	6,349
Payment for capital assets									
<b>Subtotal</b>	<b>41,081</b>			<b>41,081</b>	<b>34,939</b>	<b>6,142</b>	<b>85.0%</b>	<b>33,300</b>	<b>30,707</b>
<b>Statutory Appropriation</b>									
Current payment	14,917			14,917	13,288	1,629	89.1%	13,561	12,892
<b>TOTAL</b>	<b>55,998</b>			<b>55,998</b>	<b>48,227</b>	<b>7,771</b>	<b>86.1%</b>	<b>46,861</b>	<b>43,599</b>
<b>Reconciliation with Statement of Financial Performance</b>									
<b>Add:</b>									
Departmental receipts					96			88	
<b>Actual amounts per Statements of Financial Performance (Total revenue)</b>					<b>56,094</b>			<b>46,949</b>	
<b>Actual amounts per Statements of Financial Performance (Total expenditure)</b>					<b>48,227</b>				<b>43,599</b>



**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

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

<b>Appropriation per economic classification</b>									
	<b>2005/06</b>							<b>2004/05</b>	
	Adjusted Appro- piation	Shifting of Funds	Vire- ment	Final Appro- piation	Actual Expen- diture	Vari- ance	Expenditure as % of final appro- piation	Final Appro- piation	Actual Expenditure
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>									
Compensation of employees	16,233		(1,410)	14,823	13,721	1,102	92.6%	14,119	13,831
Goods and services	13,979		1,359	15,338	10,770	4,568	70.2%	8,915	7,977
Financial transactions in assets and liabilities					9	(9)			42
<b>Transfers and subsidies</b>									
Provinces and municipalities	76			76	60	16	78.9%	72	58
Foreign governments and international organisations	100			100	88	12	88%	70	70
Public corporations and private enterprises	295			295	271	24	91.9%	294	292
Non-profit institutions	7,679			7,679	7,565	114	98.5%	5,481	5,249
Households	2,313		51	2,364	2,304	60	97.5%	2,834	2,834
<b>Payments for capital assets</b>									
Buildings and other fixed structures					21	(21)			27
Machinery and equipment	396			396	120	276	30.3%	1,515	327
Software and other intangible assets	10			10	10		100.0%		
<b>Total</b>	<b>41,081</b>			<b>41,081</b>	<b>34,939</b>	<b>6,142</b>	<b>85.0%</b>	<b>33,300</b>	<b>30,707</b>

<b>Statutory Appropriation</b>									
	<b>2005/06</b>							<b>2004/05</b>	
<b>Details of direct changes against the Provincial Revenue Fund</b>	Adjusted Appro- piation	Shifting of Funds	Vire- ment	Final Appro- piation	Actual Expen- diture	Vari- ance	Expendi-ture as % of final appro- piation	Final Appro- piation	Actual Expenditure
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
Salaries and allowances of the Members of Parliament	14,917			14,917	13,288	1,629	89.1%	13,561	12,892
<b>Total</b>	<b>14,917</b>			<b>14,917</b>	<b>13,288</b>	<b>1,629</b>	<b>89.1%</b>	<b>13,561</b>	<b>12,892</b>

<b>Statutory Appropriation per economic classification</b>									
	<b>2005/06</b>							<b>2004/05</b>	
	Adjusted Appro- piation	Shifting of Funds	Vire- ment	Final Appro- piation	Actual Expen- diture	Vari- ance	Expendi-ture as % of final appro- piation	Final Appro- piation	Actual Expenditure
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payment</b>									
Compensation of employees	14,917			14,917	13,288	1,629	89.1%	13,561	12,892
<b>Total</b>	<b>14,917</b>			<b>14,917</b>	<b>13,288</b>	<b>1,629</b>	<b>89.1%</b>	<b>13,561</b>	<b>12,892</b>

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

**DETAIL PER PROGRAMME  
for the year ended 31 March 2006**

	2005/06							2004/05	
<b>Programme 1: Administration of the Provincial Parliament</b>	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>1.1 Office of the Speaker</b>									
Current payment	1,967		541	2,508	2,433	75	97.0%	1,644	1,640
Transfers and subsidies	16		8	24	23	1	95.8%	29	29
<b>1.2 Office of the Secretary</b>									
Current payment	3,361		(549)	2,812	2,295	517	81.6%	1,950	1,940
Transfers and subsidies	52			52	50	2	96.2%	6	4
<b>1.3 Corporate Services</b>									
Current payment	7,770		(23)	7,747	6,513	1,234	84.1%	6,152	6,259
Transfers and subsidies	1,398		23	1,421	1,392	29	98.0%	1,967	1,959
Payment for capital assets	406			406	151	255	37.2%	1,515	354
<b>TOTAL</b>	<b>14,970</b>			<b>14,970</b>	<b>12,857</b>	<b>2,113</b>	<b>85.9%</b>	<b>13,263</b>	<b>12,185</b>

	2005/06							2004/05	
<b>Economic Classification</b>	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payment</b>									
Compensation of employees	7,718		(610)	7,108	6,593	515	92.8%	6,806	6,731
Goods and services	5,380		579	5,959	4,639	1,320	77.8%	2,940	3,065
Financial transactions in assets and liabilities					9	(9)			42
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	24			24	19	5	79.2%	22	20
Foreign governments and international organisations									
Public corporations and private enterprises	132			132	114	18	86.4%	140	139
Non-profit institutions									
Households	1,310		31	1,341	1,332	9	99.3%	1,840	1,834
<b>Payment for capital assets</b>									
Buildings and other fixed structures					21	(21)			27
Machinery and equipment	396			396	120	276	30.3%	1,515	327
Software and other intangible assets	10			10	10		100.0%		
<b>Total</b>	<b>14,970</b>			<b>14,970</b>	<b>12,857</b>	<b>2,113</b>	<b>85.9%</b>	<b>13,263</b>	<b>12,185</b>

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

**DETAIL PER PROGRAMME  
for the year ended 31 March 2006**

	2005/06							2004/05	
<b>Programme 2: Procedural Services</b>	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>2.1 Committees</b>									
Current payment	1,554		16	1,570	1,560	10	99.4%	2,644	2,643
Transfers and subsidies	7		9	16	16		100.0%	42	53
<b>2.2 Library, Research and Information</b>									
Current payment	1,263		(24)	1,239	1,217	22	98.2%	1,195	1,190
Transfers and subsidies	11			11	10	1	90.9%	3	2
<b>2.3 Communication</b>									
Current payment	5,043		(74)	4,969	2,242	2,727	45.1%	2,307	1,688
Transfers and subsidies	82		9	91	89	2	97.8%	57	54
<b>2.4 House Proceedings</b>									
Current payment	2,484			2,484	2,082	402	83.8%	1,424	1,424
Transfers and subsidies	5			5	3	2	60.0%	52	52
<b>2.5 Portfolio Committees</b>									
Current payment	1,050		38	1,088	1,064	24	97.8%	767	763
Transfers and subsidies			2	2		2			
<b>2.6 Legal Services</b>									
Current payment	610		24	634	630	4	99.4%	497	495
Transfers and subsidies	1			1	1		100.0%	1	1
<b>TOTAL</b>	<b>12,110</b>			<b>12,110</b>	<b>8,914</b>	<b>3,196</b>	<b>73.6%</b>	<b>8,989</b>	<b>8,365</b>

	2005/06							2004/05	
<b>Economic Classification</b>	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 payment</b>									
Compensation of employees	5,711		(800)	4,911	4,558	353	92.8%	4,703	4,698
Goods and services	6,293		780	7,073	4,237	2,836	59.9%	4,129	3,505
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	13			13	12	1	92.3%	13	11
Households	93		20	113	107	6	94.7%	144	151
<b>Total</b>	<b>12,110</b>			<b>12,110</b>	<b>8,914</b>	<b>3,196</b>	<b>73.6%</b>	<b>8,989</b>	<b>8,365</b>

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

**DETAIL PER PROGRAMME  
for the year ended 31 March 2006**

	2005/06							2004/05	
<b>Programme 3: Facilities and Benefits of Members</b>	Adjusted Appro- piation	Shifting of Funds	Vire- ment	Final Appro- piation	Actual Expend- iture	Vari- ance	Expenditure as % of final appro- piation	Final Appro- piation	Actual Expenditure
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>3.1 Contributions</b>									
Current payment	2,804			2,804	2,570	234	91.7%	2,610	2,402
Transfers and subsidies	1,212			1,212	1,139	73	94.0%	1,111	1,100
<b>3.2 Allowances</b>									
Current payment	1,900			1,900	1,752	148	92.2%	1,480	1,330
Transfers and subsidies	7,679			7,679	7,565	114	98.5%	5,481	5,249
<b>3.3 Catering Services</b>									
Current payment	406			406	142	264	35.0%	366	76
<b>TOTAL</b>	<b>14,001</b>			<b>14,001</b>	<b>13,168</b>	<b>833</b>	<b>94.1%</b>	<b>11,048</b>	<b>10,157</b>

	2005/06							2004/05	
<b>Economic Classification</b>	Adjusted Appro- piation	Shifting of Funds	Vire- ment	Final Appro- piation	Actual Expend- iture	Vari- ance	Expenditure as % of final appro- piation	Final Appro- piation	Actual Expenditure
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payment</b>									
Compensation of employees	2,804			2,804	2,570	234	91.7%	2,610	2,402
Goods and services	2,306			2,306	1,894	412	82.1%	1,846	1,407
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	39			39	29	10	74.4%	37	27
Foreign governments and international organisations	100			100	88	12	88.0%	70	70
Public corporations and private enterprises	163			163	157	6	96.3%	154	153
Non-profit institutions	7,679			7,679	7,565	114	98.5%	5,481	5,249
Households	910			910	865	45	95.1%	850	849
<b>Total</b>	<b>14,001</b>			<b>14,001</b>	<b>13,168</b>	<b>833</b>	<b>94.1%</b>	<b>11,048</b>	<b>10,157</b>

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

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

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

Transfers are made to several entities, namely;

Municipalities

In respect of regional services council levies

Private Enterprises

The contribution to accident insurance paid to Alexander Forbes

International Organisations

Annual subscription fees payable to the Commonwealth Parliamentary Association. This amount is paid in pounds sterling.

Non-profit institutions

Transfer payments made to political parties in respect of constituency and secretarial allowances.

Households

Payments in respect of severance package, incentive rewards and employers contribution to medical aid for members of Parliament who continues with the membership of the medical aid after resignation / retirement.

*Details of these transactions can be viewed in note 7 (Transfers and Subsidies) and Annexures 1 (A-E) to the Annual Financial Statements.*

**2. Detail on financial transactions in assets and liabilities**

Debts that have become irrecoverable have been written off in terms of PPTD 11.2.1 and the WCPP debt write-off policy.

Transport accident claim was written off as a result of the driver not being found negligent.

The replacement of stolen computer cartridges from the stationery storeroom.

The write-off of fruitless and wasteful expenditure.

*Detail of these transactions per programme can be viewed in note 6 (Details of special functions (theft and losses)) to the annual financial statements.*

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

Per Programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Programme 1: Administration of the Provincial Parliament	14,970	12,857	2,113	14.11%
Programme 2: Procedural Services	12,110	8,914	3,196	26.39%
Programme 3: Facilities and Benefits of Members	14,001	13,168	833	5.95%
<b>Total</b>	<b>41,081</b>	<b>34,939</b>	<b>6,142</b>	<b>14.95%</b>

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

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

**Programme 1: Administration of the Provincial Parliament**

Savings were realised as a result of vacancies, which were not filled pending the outcome of the organisational development study.

**Programme 2: Procedural Services**

Savings were realised as a result of vacancies, which were not filled pending the outcome of the organisational development study as well as selected objectives not proceeded with as a result of staff constraints.

**Programme 3: Facilities and Benefits of Members**

Savings were realised on the catering budget. A fully-fledged catering service was budgeted for but the service continued to operate on an ad hoc basis throughout the financial year. Expenditure on air tickets for Members was also less than originally budgeted as Members travelled less than anticipated.

**4. Variance per economic classification**

<b>Per Economic classification</b>	<b>2005/06 R'000</b>	<b>2004/05 R'000</b>
<b>Current payment:</b>		
Compensation of employees	1,102	288
Goods and services	4,568	938
Financial transactions in assets and liabilities	(9)	(42)
<b>Transfers and subsidies:</b>		
Provinces and municipalities	16	14
Public corporations and private enterprises	24	2
Foreign governments and international organisations	12	
Non-profit institutions	114	232
Households	60	(2)
<b>Payments for capital assets:</b>		
Buildings and other fixed structures	(21)	(27)
Machinery and equipment	276	1,188
Software and other intangible assets		

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

**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	<i>1</i>	41,081	33,300
Statutory appropriation	<i>2</i>	14,917	13,561
Departmental revenue	<i>3</i>	96	88
<b>TOTAL REVENUE</b>		<b>56,094</b>	<b>46,949</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	<i>4</i>	27,009	26,723
Goods and services	<i>5</i>	10,770	7,977
Financial transactions in assets and liabilities	<i>6</i>	9	42
<b>Total current expenditure</b>		<b>37,788</b>	<b>34,742</b>
<b>Transfers and subsidies</b>	<i>7</i>	<b>10,288</b>	<b>8,503</b>
<b>Expenditure for capital assets</b>			
Buildings and other fixed structures	<i>8</i>	21	27
Machinery and equipment	<i>8</i>	120	327
Software and other intangible assets	<i>8</i>	10	
<b>Total expenditure for capital assets</b>		<b>151</b>	<b>354</b>
<b>TOTAL EXPENDITURE</b>		<b>48,227</b>	<b>43,599</b>
<b>SURPLUS FOR THE YEAR</b>		<b>7,867</b>	<b>3,350</b>
<b>Reconciliation of Surplus for the year</b>			
Voted Funds	<i>12</i>	7,771	3,262
Departmental Revenue	<i>13</i>	96	88
<b>SURPLUS FOR THE YEAR</b>		<b>7,867</b>	<b>3,350</b>

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

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

	<i>Note</i>	2005/06 R'000	2004/05 R'000
<b>ASSETS</b>			
<b>Current assets</b>		7,875	3,433
Cash and cash equivalents	9	7,358	3,147
Prepayments and advances	10	78	115
Receivables	11	439	171
<b>TOTAL ASSETS</b>		<u>7,875</u>	<u>3,433</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		7,875	3,433
Voted funds to be surrendered to the Revenue Fund	12	7,771	3,262
Departmental revenue to be surrendered to the Revenue Fund	13	96	158
Payables	14	8	13
<b>TOTAL LIABILITIES</b>		<u>7,875</u>	<u>3,433</u>
<b>TOTAL</b>		<u><u>7,875</u></u>	<u><u>3,433</u></u>



**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

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

	<i>Note</i>	2005/06 R'000	2004/05 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		56,152	47,004
Annual appropriated funds received	<i>1.1</i>	41,081	33,300
Statutory appropriated funds received	<i>2</i>	14,917	13,561
Departmental revenue received		<u>154</u>	<u>143</u>
Net decrease/(increase) in working capital		(236)	1,128
Net Increase / decrease in net assets			13
Transfer out to Financing activities			(13)
Surrendered to Revenue Fund		(3,478)	(2,481)
Current payments		(37,788)	(34,742)
Transfers and subsidies paid		<u>(10,288)</u>	<u>(8,503)</u>
<b>Net cash flow available from operating activities</b>	<i>15</i>	<u>4,362</u>	<u>2,406</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets		(151)	(354)
Proceeds from sale of capital assets	<i>3.3</i>	<u></u>	<u>15</u>
<b>Net cash flows from investing activities</b>		<u>(151)</u>	<u>(339)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in net assets		<u></u>	<u>13</u>
<b>Net cash flows from financing activities</b>		<u></u>	<u>13</u>
Net increase in cash and cash equivalents		4,211	2,080
Cash and cash equivalents at the beginning of the period		3,147	1,067
<b>Cash and cash equivalents at end of period</b>	<i>9</i>	<u><u>7,358</u></u>	<u><u>3,147</u></u>

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

**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

	<b>Final Appropriation R'000</b>	<b>Actual Funds Received R'000</b>	<b>Funds not requested/ not received R'000</b>	<b>Appropriation received 2004/05 R'000</b>
Programme 1	14,970	14,970		13,263
Programme 2	12,110	12,110		8,989
Programme 3	14,001	14,001		11,048
<b>Total</b>	<b>41,081</b>	<b>41,081</b>		<b>33,300</b>

**2. Statutory Appropriation**

	<b>2005/06</b>	<b>2004/05</b>
Members of the Provincial Parliament	14,917	13,561
	<b>14,917</b>	<b>13,561</b>

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

*Notes*

Sales of goods and services other than capital assets	3.1	35	21
Interest, dividends and rent on land	3.2	55	55
Sale of capital assets	3.3		15
Financial transactions in assets and liabilities	3.4	64	67
<b>Total revenue collected</b>		<b>154</b>	<b>158</b>
Less: Departmental Revenue Budgeted	13	58	70
<b>Departmental revenue collected</b>		<b>96</b>	<b>88</b>

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

Sales of goods and services produced by the department

Other sales	26	21
Sales of scrap, waste and other used current goods	9	
<b>Total</b>	<b>35</b>	<b>21</b>

**WESTERN CAPE PROVINCIAL PARLIAMENT  
VOTE 2**

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

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

	2005/06 R'000	2004/05 R'000
Interest	55	55
<b>Total</b>	<b>55</b>	<b>55</b>

**3.3 Sale of capital assets**

Other capital assets		15
<b>Total</b>		<b>15</b>

**3.4 Financial transactions in assets and liabilities**

Other Receipts including Recoverable Revenue	64	67
<b>Total</b>	<b>64</b>	<b>67</b>

**4. Compensation of employees**

**4.1 Salaries and Wages**

Basic salary	17,762	18,057
Performance award	789	213
Service Based		3
Compensative/circumstantial	250	110
Other non-pensionable allowances	4,214	4,288
	<b>23,015</b>	<b>22,671</b>

**4.2 Social contributions**

**4.2.1 Employer contributions**

Pension	2,651	2,769
Medical	1,339	1,280
UIF	4	3
	<b>3,994</b>	<b>4,052</b>

**Total compensation of employees**

<b>27,009</b>	<b>26,723</b>
---------------	---------------

Average number of employees

56	61
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Included in the total compensation of employees is an amount of R13, 288, 000, which forms a direct charge against the Provincial Revenue Fund.

**5. Goods and services**

Advertising	533	131
Attendance fees (including registration fees)	149	113
Bank charges and card fees	50	43
Bursaries (employees)	16	17
Communication	970	765

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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	<i>Note</i>	<b>2005/06</b>	<b>2004/05</b>
		<b>R'000</b>	<b>R'000</b>
Computer services		10	194
Consultants, contractors and special services		1,068	48
Courier and delivery services		1	
Entertainment		822	845
External audit fees	5.1	436	277
Equipment less than R5000		181	219
Inventory	5.2	299	366
Legal fees		65	38
Maintenance, repairs and running cost		96	184
Operating leases		360	354
Photographic services		3	17
Plant flowers and other decorations		39	49
Printing and publications		553	109
Professional bodies and membership fees		7	34
Resettlement cost			24
Subscriptions		201	146
Owned leasehold property expenditure		5	2
Translations and transcriptions		1,051	1,261
Travel and subsistence	5.3	3,825	2,718
Venues and facilities		3	5
Protective, special clothing & uniforms		27	18
		<b>10,770</b>	<b>7,977</b>

**5.1 External audit fees**

Regulatory audits	436	277
<b>Total external audit fees</b>	<b>436</b>	<b>277</b>

**5.2 Inventory**

Other inventory		61
Domestic consumables	3	7
Learning and teaching support material	42	
Other consumables	1	
Parts and other maintenance material	2	
Stationery and printing	235	295
Medical supplies	16	3
	<b>299</b>	<b>366</b>

**5.3 Travel and subsistence**

Local	2,181	1,882
Foreign	1,644	836
<b>Total travel and subsistence</b>	<b>3,825</b>	<b>2,718</b>

**WESTERN CAPE PROVINCIAL PARLIAMENT  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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	<i>Note</i>	<b>2005/06 R'000</b>	<b>2004/05 R'000</b>
<b>6. Financial transactions in assets and liabilities</b>			
Other material losses written off	<i>6.1</i>	3	19
Debts written off	<i>6.2</i>		13
Theft	<i>6.3</i>	6	10
		<u>9</u>	<u>42</u>
<b>6.1 Other material losses</b>			
<b>Nature of losses</b>			
Government Motor Vehicle Accidents		2	19
Fruitless and Wasteful expenditure written off		1	
		<u>3</u>	<u>19</u>
<b>6.2 Debts written off</b>			
<b>Nature of debts written off</b>			
Irrecoverable debt		1	13
Debt reversed		(1)	
		<u></u>	<u>13</u>
<b>6.3 Detail of Theft</b>			
Theft (Replacement of stolen items)		6	10
		<u>6</u>	<u>10</u>
<b>7. Transfers and subsidies</b>			
	<i>Notes</i>		
Provinces and municipalities	<i>Annex 1A</i>	60	58
Foreign governments and international organisations	<i>Annex 1C</i>	88	70
Public corporations and private enterprises	<i>Annex 1B</i>	271	292
Political Parties	<i>Annex 1D</i>	7,565	5,249
Households	<i>Annex 1E</i>	2,304	2,834
		<u>10,288</u>	<u>8,503</u>
<b>8. Expenditure for capital assets</b>			
Buildings and other fixed structures	<i>Annex 3</i>	21	27
Machinery and equipment	<i>Annex 3</i>	120	327
Software and other intangible assets	<i>Annex 4</i>	10	
<b>Total</b>		<u>151</u>	<u>354</u>



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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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	Note	2005/06 R'000	2004/05 R'000		
<b>11.3 Other debtors</b>					
Disallowance: Telephone			74		
Disallowance: Miscellaneous		128	25		
Disallowance: Suppliers		189	2		
Disallowance: Political Parties		74	27		
Ex-personnel and –Members		31	33		
Salary Reversal Control Account		13			
		<u>435</u>	<u>161</u>		
<b>12. Voted funds to be surrendered to the Revenue Fund</b>					
Opening balance		3,262	2,257		
Transfer from Statement of Financial Performance		7,771	3,262		
Paid during the year		<u>(3,262)</u>	<u>(2,257)</u>		
Closing balance		<u>7,771</u>	<u>3,262</u>		
<b>13. Departmental revenue to be surrendered to the Revenue Fund</b>					
Opening balance		158	224		
Transfer from Statement of Financial Performance		96	88		
Departmental revenue budgeted	3	58	70		
Paid during the year		<u>(216)</u>	<u>(224)</u>		
Closing balance		<u>96</u>	<u>158</u>		
<b>14. Payables – current</b>					
	Notes	30 Days	30+ days	Total	Total
Clearing accounts	14.1	7		7	10
Other payables	14.2	1		1	3
		<u>8</u>		<u>8</u>	<u>13</u>
<b>14.1 Clearing accounts</b>					
Unallocated receipts				<u>7</u>	<u>10</u>
				<u>7</u>	<u>10</u>
<b>14.2 Other payables</b>					
Medical aid payover					1
Income tax payover				<u>1</u>	<u>2</u>
				<u>1</u>	<u>3</u>

**WESTERN CAPE PROVINCIAL PARLIAMENT  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2006**

	2005/06 R'000	2004/05 R'00
<b>15. Net cash flow available from operating activities</b>		
Net surplus/(deficit) as per Statement of Financial Performance	7,867	3,350
(Increase)/decrease in receivables – current	(268)	1,227
(Increase)/decrease in prepayments and advances	37	(99)
Increase/(decrease) in payables – current	(5)	13
Transfer out to financing activities		(13)
Proceeds from sale of capital assets		(15)
Surrenders to Revenue Fund	(3,478)	(2,481)
Expenditure on capital assets	151	354
Budgeted Departmental Revenue	58	70
<b>Net cash flow generated by operating activities</b>	<b><u>4,362</u></b>	<b><u>2,406</u></b>
<b>16. Reconciliation of cash and cash equivalents for cash flow purposes</b>		
Consolidated Paymaster General account	960	295
Disbursements	(891)	(331)
Cash with commercial banks	7,289	3,183
	<b><u>7,358</u></b>	<b><u>3,147</u></b>



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

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

		<i>Note</i>	<b>2005/06 R'000</b>	<b>2004/05 R'000</b>
<b>17. Contingent liabilities</b>				
	<b>Liable to Nature</b>			
	Housing loan guarantees	Employees <i>Annex 2</i>		40
				<b>40</b>
<b>18. Commitments</b>				
	<b>Current expenditure</b>			
	Approved and contracted		148	63
	<b>Capital expenditure</b>			
	Approved and contracted		366	
	<b>Total Commitments</b>		<b>514</b>	<b>63</b>
<b>19. Accruals</b>				
	<b>Listed by economic classification</b>			
		<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>
	Goods and services		151	151
	Other		33	33
			<b>184</b>	
	<b>Listed by programme level</b>			
	Disallowance: Miscellaneous		33	
	Programme 1: Administration		71	
	Programme 2: Procedural Services		49	
	Programme 3: Facilities and Benefits of Members		31	
			<b>184</b>	
	<b>Confirmed balances with other departments</b>	<i>Annex 6</i>	17	
			<b>17</b>	
<b>20. Employee benefits</b>				
	Leave entitlement		1,381	1,389
	Thirteenth cheque		235	277
			<b>1,616</b>	<b>1,666</b>

**WESTERN CAPE PROVINCIAL PARLIAMENT  
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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**21. Lease Commitments**

21.1 Operating leases	Machinery and equipment R'000	2005/06 Total R'000	2004/05 Total R'000
Not later than 1 year	98	98	147
Later than 1 year and not later than 5 years			98
Total present value of lease liabilities	<u>98</u>	<u>98</u>	<u>245</u>

**22. Key management personnel**

	No. of Individuals		
Speaker and Deputy Speaker	2	1,308	1,296
Secretary and Deputy Secretary	2	<u>1,030</u>	<u>1,360</u>
		<u><b>2,338</b></u>	<u><b>2,656</b></u>

An amount of R1, 092, 000 included in the total forms a direct charge against the Provincial Revenue Fund.

**23. Provisions**

**Potential irrecoverable debts**

Other debtors	<u>281<sup>#</sup></u>	
	<u><b>281</b></u>	

The amount is made up of 3 debts older than 1 year, which has been referred to the State Attorney and has been deemed doubtful in terms of recovery.

**24. Inventory at year end**

Stationery and printing	<u>125</u>	
	<u><b>125</b></u>	

<sup>#</sup> This amount does not reflect in note 11: Receivables because the net result of the debt and debt receivable accounts is accounted for.

**WESTERN CAPE PROVINCIAL PARLIAMENT  
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**ANNEXURES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2006**

**4.5. Annexures**

**ANNEXURE 1A  
STATEMENT OF UNCONDITIONAL GRANTS PAID TO PROVINCES**

NAME OF PROVINCE/GRANT	GRANT ALLOCATION				TRANSFER		SPENT			2004/05
	Amount R'000	Roll Overs R'000	Other Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred	Amount received by department R'000	Amount spent by department R'000	% of available funds spent by department	
Cape Metropolitan Council	73		3	76	60	78.9%	76	60	78.9%	58
	73		3	76	60	78.9%	76	60	78.9%	58

**WESTERN CAPE PROVINCIAL PARLIAMENT  
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**ANNEXURES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2006**

**ANNEXURE 1B**

**STATEMENT OF TRANSFERS TO PRIVATE ENTERPRISES**

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	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 funds Transferred	Capital R'000		Current R'000
Private Enterprises Alexander Forbes Contribution to Accident Insurance	295			295	271	91.9%	271	292	
Total	295			295	271	91.9%	271	292	

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**ANNEXURES TO THE FINANCIAL STATEMENTS  
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**ANNEXURE 1C  
STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS**

FOREIGN GOVERNMENT / INTERNATIONAL ORGANISATION	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 funds Transferred  %	
Transfers Commonwealth Parliamentary Association							
	100			100	88	88.0%	70
	100			100	88	88.0%	70

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**ANNEXURES TO THE FINANCIAL STATEMENTS  
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**ANNEXURE 1D  
STATEMENT OF TRANSFERS TO POLITICAL PARTIES**

	TRANSFER ALLOCATION				EXPENDITURE		2004/05
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
POLITICAL PARTIES	R'000	R'000	R'000	R'000	R'000	%	R'000
African National Congress	3,934			3,934	3,876	98.5%	2,343
New National Party	289			289	285	98.6%	604
Democratic Alliance	2,339			2,339	2,305	98.5%	1,487
African Christian Democratic Party	426			426	420	98.6%	292
Independent Democrats	377			377	371	98.4%	366
United Democratic Movement	83			83	81	97.6%	152
New Labour Party							5
United Independent Front	231			231	227	98.3%	
	<b>7,679</b>			<b>7,679</b>	<b>7,565</b>		<b>5,249</b>

**WESTERN CAPE PROVINCIAL PARLIAMENT  
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**ANNEXURES TO THE FINANCIAL STATEMENTS  
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**ANNEXURE 1E  
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

	TRANSFER ALLOCATION				EXPENDITURE		2004/05
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
HOUSEHOLDS	R'000	R'000	R'000	R'000	R'000	%	R'000
Severance package and leave gratuities	1,384			1,384	1,428	103.2%	1,953
Incentive Rewards	19			19	2	10.5%	32
Medical aid iro Continuation Members	910			910	865	95.1%	849
Donations					9		
<b>Total</b>	<b>2,313</b>			<b>2,313</b>	<b>2,304</b>		<b>2,834</b>

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

**ANNEXURE 1 F**

**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2005/06	2004/05
		R'000	R'000
<b>Received in kind</b> European Union Parliamentary Support Programme Canadian Parliamentary Centre	Parliamentary and Legislature support Legislative accountability support	1,124	18
			38
		<b>1,124</b>	<b>56</b>



**WESTERN CAPE PROVINCIAL PARLIAMENT  
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**ANNEXURES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2006**

**ANNEXURE 2  
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2006 – LOCAL**

<b>Guarantor institution</b>	<b>Guarantee in respect of</b>	<b>Original guaranteed capital amount</b>	<b>Opening balance 1 April 2005</b>	<b>Guarantees issued during the year</b>	<b>Guarantees released/paid/cancelled/reduced during the year</b>	<b>Guaranteed interest for year ended 31 March 2006</b>	<b>Closing balance 31 March 2006</b>	<b>Realised losses not recoverable</b>
		<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
First National Bank	Housing	170	17		17			
Old Mutual Bank	Housing	71	12		12			
ABSA	Housing	54	11		11			
	<b>Total</b>	<b>295</b>	<b>40</b>		<b>40</b>			

**WESTERN CAPE PROVINCIAL PARLIAMENT  
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**ANNEXURES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2006**

**ANNEXURE 3**

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

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
<b>BUILDING AND OTHER FIXED STRUCTURES</b>	<b>83</b>	<b>21</b>		<b>104</b>
Heritage assets	83	21		104
<b>MACHINERY AND EQUIPMENT</b>	<b>2,321</b>	<b>120</b>		<b>2,441</b>
Computer equipment	771	115		886
Furniture and office equipment	641			641
Other machinery and equipment	909	5		914
<b>TOTAL CAPITAL ASSETS</b>	<b>2,404</b>	<b>141</b>		<b>2,545</b>

**ANNEXURE 3.1**

**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>	<b>21</b>		<b>21</b>
Heritage assets	21		21
<b>MACHINERY AND EQUIPMENT</b>	<b>120</b>		<b>120</b>
Computer equipment	115		115
Other machinery and equipment	5		5
<b>TOTAL CAPITAL ASSETS</b>	<b>141</b>		<b>141</b>

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**ANNEXURES TO THE FINANCIAL STATEMENTS  
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**ANNEXURE 3.2**

**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>	<b>27</b>		<b>27</b>
Heritage assets	27		27
<b>MACHINERY AND EQUIPMENT</b>	<b>327</b>		<b>327</b>
Computer equipment	161		161
Furniture and office equipment	140		140
Other machinery and equipment	26		26
<b>TOTAL CAPITAL ASSETS</b>	<b>354</b>		<b>354</b>

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**ANNEXURES TO THE FINANCIAL STATEMENTS  
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**ANNEXURE 4**

**SOFTWARE AND OTHER INTANGIBLE ASSETS MOVEMENT SCHEDULE AS AT 31 March 2006**

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Computer Software	13	10		23
<b>TOTAL</b>	<b>13</b>	<b>10</b>		<b>23</b>

**ANNEXURE 4.1**

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

	Cash	In-Kind	Total
	R'000	R'000	R'000
Computer Software	10		10
<b>TOTAL</b>	<b>10</b>		<b>10</b>

**ANNEXURE 4.2**

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

	Additions	Disposals	Total Movement
	R'000	R'000	R'000
<b>BUILDING AND OTHER FIXED STRUCTURES</b>			
Computer Software			
<b>TOTAL</b>			

**WESTERN CAPE PROVINCIAL PARLIAMENT  
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**ANNEXURES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2006**

**ANNEXURE 5**

**INTER-GOVERNMENT RECEIVABLES**

<b>Government Entity</b>	<b>Confirmed balance outstanding</b>		<b>Unconfirmed balance outstanding</b>		<b>Total</b>	
	<b>31•03•2006</b>	<b>31•03•2005</b>	<b>31•03•2006</b>	<b>31•03•2005</b>	<b>31•03•2006</b>	<b>31•03•2005</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Department</b>						
Economic Development and Tourism		3				3
Agriculture	2			3	2	3
Health				3		3
<b>Total</b>	<b>2</b>	<b>3</b>		<b>6</b>	<b>2</b>	<b>9</b>

**ANNEXURE 6**

**INTER-GOVERNMENT PAYABLES**

<b>Government Entity</b>	<b>Confirmed balance outstanding</b>		<b>Unconfirmed balance outstanding</b>		<b>TOTAL</b>	
	<b>31•03•2006</b>	<b>31•03•2005</b>	<b>31•03•2006</b>	<b>31•03•2005</b>	<b>31•03•2006</b>	<b>31•03•2005</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Department</b>						
Agriculture	10				10	
Local Government and Housing	7				7	
<b>Total</b>	<b>17</b>				<b>17</b>	

## 5. HUMAN RESOURCE MANAGEMENT REPORT

### 5.1. Human Resource Management

The Western Cape Provincial Parliaments' 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 parliament.

**Table 5.1.1 – Personnel costs by programme, 2005/06**

Programme	Personnel Expenditure (R'000)	Personnel cost as a percent of total expenditure	Average personnel cost per employee (R'000)
Programme 1: Administration	5,519	55,55%	167
Programme 2: Procedural Services	4,416	44,45%	201
<b>Total</b>	<b>9,935</b>		<b>181</b>

**Table 5.1.2 – Personnel costs by salary bands, 2005/06**

Salary bands	Personnel Expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)
Lower skilled (Band A & B)	762	7,67%	85
Skilled (Band C)	1,975	19,88%	116
Highly skilled (Band D & E)	4,011	40,37%	191
Senior management (Band F, G & H)	3,187	32,07%	398
<b>Total</b>	<b>9,935</b>		

The following tables provide a summary per programme and salary bands, of expenditure incurred as a result of salaries, overtime, living 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.

**Table 5.1.3 – Salaries, Overtime, Living Allowance and Medical Assistance by programme, 2005/06**

Programme	Salaries		Overtime		Living Allowance		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	LA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
Programme 1 Administration	3,504	35,27%	60	0,06%	285	2,87%	259	2,61%
Programme 2 Procedural Services	2,968	29,87%	51	0,51%	170	1,71%	149	1,50%
<b>Total</b>	<b>6,472</b>	<b>65,14%</b>	<b>111</b>	<b>1,12%</b>	<b>455</b>	<b>4,58%</b>	<b>408</b>	<b>4,12%</b>

**Table 5.1.4 – Salaries, Overtime, Living Allowance and Medical Assistance by salary bands, 2005/06**

Salary Bands	Salaries		Overtime		Living Allowance		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	LA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
Lower skilled (Band A & B)	449	4,52%	31	0,31%	90	0,91%	62	0,62%
Skilled (Band C)	1,270	12,78%	19	0,19%	156	1,57%	153	1,54%
Highly skilled (Band D & E)	2,732	27,50%	53	0,53%	208	2,09%	175	1,76%
Senior management (Band F, G & H)	2,021	20,34%	9	0,09%			18	0,18%
<b>Total</b>	<b>6,472</b>	<b>65,14%</b>	<b>111</b>	<b>1,12%</b>	<b>455</b>	<b>4,58%</b>	<b>408</b>	<b>4,11%</b>

## 5.2. 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 two key variables: – programme and salary band.

The vacancy rate reflects the percentage of posts that are not filled.

**Table 5.2.1 – Employment and vacancies by programme, 31 March 2006**

Programme	Number of posts	Number of funded posts vacant	Vacancy rate
Programme 1 Administration	48	15	31,25%
Programme 2 Procedural Services	36	14	38,89%
<b>Total</b>	<b>84</b>	<b>29</b>	<b>34,52%</b>

**Table 5.2.2 – Employment and vacancies by salary bands, 31 March 2006**

Salary band	Number of posts	Number of posts filled	Number of funded posts vacant	Vacancy Rate
Lower skilled (Band A & B)	10	9	1	10,00%
Skilled (Band C)	22	13	6	27,27%
Highly skilled (Band D & E)	39	19	15	38,46%
Senior management (Band F, G & H)	13	5	7	53,85%
<b>Total</b>	<b>84</b>	<b>46</b>	<b>29</b>	<b>34,52%</b>

### 5.3. Job evaluation

No posts were evaluated during the year under review.

### 5.4. 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 Provincial Parliament. The following tables provide a summary of turnover rates by salary band.

**Table 5.4.1 – Annual turnover rates by salary band for the period 1 April 2005 to 31 March 2006**

Salary Band	Number of employees per band as on 1 April 2005	Appointments	Terminations	Number of employees per band as on 31 March 06
Lower skilled (Band A & B)	9	1	1	9
Skilled (Band C)	14	3	4	13
Highly skilled (Band D & E)	20	1	2	19
Senior Management (Band F, G & H)	8		3	5
<b>Total</b>	<b>*51</b>	<b>5</b>	<b>10</b>	<b>46</b>

\* Officer appointed as on 1 April 2005

Table 5.4.2 identifies the major reasons why staff left the Provincial Parliament.

**Table 5.4.2 – Reasons for terminations**

Termination Type	Number	% of total
Resignation	8	15,69%
Internal appointment/ promotion	1	1,96%
Other	1	1,96%
<b>Total</b>	<b>10</b>	
<b>Total number of employees who left as a % of the total employment</b>		<b>19,61%</b>

### 5.5. Employment equity

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

**Table 5.5.1 – Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2006**

Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	1	1				1		1	4
Professionals							1		1



Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Technicians and associate professionals		1							1
Clerks	4	14		1	5	12		4	40
Service and sales workers									
Skilled agriculture and fishery workers									
Craft and related trades workers									
Plant and machine operators and assemblers									
Elementary occupations									
Total	5	16		1	5	13	1	5	46
Employees with disabilities	1								1

**Table 5.5.2 – Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2006**

Occupational Bands		Male				Female				Total
		African	Coloured	Indian	White	African	Coloured	Indian	White	
Band G & H	Top Management		1							1
Band F	Senior Management Professionally qualified	1					1	1	1	4
Band C,D&E	Semi-skilled and Skilled technical and academically qualified	3	10		1	3	11		4	32
Band A & B	Unskilled and defined decision making	1	5			2	1			9
Total		5	16		1	5	13	1	5	46

**Table 5.5.3 – Recruitment for the period 1 April 2005 to 31 March 2006**

Occupational Bands		Male				Female				Total
		African	Coloured	Indian	White	African	Coloured	Indian	White	
Band G & H	Top Management									
Band F	Senior Management Professionally qualified									

Occupational Bands		Male				Female				Total
		African	Coloured	Indian	White	African	Coloured	Indian	White	
Band C, D & E	Semi-skilled and Skilled technical and academically qualified		2			1	1			
Band A & B	Unskilled and defined decision making					1				
Total			2			2	1			5

Employees with disabilities									
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**Table 5.5.5 – Terminations for the period 1 April 2005 to 31 March 2006**

Occupational Bands		Male				Female				Total
		African	Coloured	Indian	White	African	Coloured	Indian	White	
Band G & H	Top Management				1					
Band F	Senior Management Professionally qualified				1				1	
Band C, D & E	Semi-skilled and Skilled technical and academically qualified	1				3	1		1	
Band A & B	Unskilled and defined decision making									
Total		1			2	3	1		2	9*

*\*excludes "promotions"*

Employees with disabilities									
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**Table 5.5.6 – Disciplinary action for the period 1 April 2005 to 31 March 2006**

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	1								1*

*\*contract employee*

**Table 5.5.7 – Skills development for the period 1 April 2005 to 31 March 2006**

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	1					1		1	3
Professionals							1		1
Technicians and associate professionals		1							1
Clerks	4	14		1	5	12		4	40
Service and sales workers									
<b>Total</b>	<b>5</b>	<b>15</b>		<b>1</b>	<b>5</b>	<b>13</b>	<b>1</b>	<b>5</b>	<b>45</b>
Employees with disabilities	1								1

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

The following tables provide an indication of the use of sick leave and the estimated cost of the leave is also provided.

**Table 5.6.1 – Sick leave, 1 January 2005 to 31 December 2005**

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Band A & B)	68	32,35%	8	88,88%	9	14
Skilled (Band C)	149	68,46%	12	92,31%	12	53
Highly skilled (Band D & E)	73	49,32%	15	78,95%	5	42
Senior management (Band F, G & H)	21	52,38%	3	60,00%	7	43

**Table 5.6.2 – Annual Leave, 1 January 2005 to 31 December 2005**

Salary Bands	Total days taken	Average per employee
Lower skilled (Band A & B)	191	21
Skilled (Band C)	248	19
Highly skilled (Band D & E)	364	19
Senior management (Band F,G & H)	110	22

The following table summarises payments made to employees as a result of termination of service.

**Table 5.6.3 – Leave payouts for the period 1 April 2005 to 31 March 2006**

<b>Reason</b>	<b>Total Amount (R'000)</b>	<b>Number of Employees</b>	<b>Average payment per employee</b>
Current leave payout on termination of service for 2005/06	510	9	57

## **5.7. Labour relations**

The following table summarises the outcome of disciplinary hearings conducted within the Provincial Parliament for the year under review.

**Table 5.7.1 – Misconduct and disciplinary hearings finalised, 1 April 2005 to 31 March 2006**

<b>Outcomes of disciplinary hearings</b>	<b>Number</b>
Dismissal	1
<b>Total</b>	<b>1</b>

**Table 5.7.2 – Types of misconduct addressed at disciplinary hearings**

<b>Type of misconduct</b>	<b>Number</b>
Dishonesty & breach of trust,	1
Abuse of state resources,	
Failure to carry-out lawful & reasonable instructions,	
Derelict of duty	
<b>Total</b>	<b>1</b>

**Table 5.7.3 – Grievances lodged for the period 1 April 2005 to 31 March 2006**

	<b>Number</b>
Number of grievances resolved	1
<b>Total number of grievances lodged</b>	<b>1</b>

**Table 5.7.4 – Precautionary suspensions for the period 1 April 2005 to 31 March 2006**

Number of people suspended	1*
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	42
Cost (R'000) of suspensions	R9 095

\*contract employee

## 5.8. Skills development

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

**Table 5.8.1 – Training needs identified and provided 1 April 2005 to 31 March 2006**

<b>Occupational Categories</b>	<b>Gender</b>	<b>Number of employees as at 1 April 2005</b>	<b>Training Identified</b>	<b>Training Provided</b>
Legislators, senior officials and managers	Female	3	6	1
	Male	4	3	3
Professionals	Female	1	6	4
	Male			
Technicians and associate professionals	Female			
	Male	1	4	3
Clerks	Female	23	20	11
	Male	19	20	11
<b>Total</b>		<b>51</b>	<b>59</b>	<b>33</b>