

VOTE 8

Northern Cape Provincial Treasury

ANNUAL REPORT 2017

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PART A:

GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor General of South Africa
AO	Accounting Officer
BBBEE	Broad Based Black Economic Empowerment
CFO	Chief Financial Officer
MEC	Member of Executive Council
HOD	Head of Department
PFMA	Public Finance Management Act
TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework
SMME	Small Medium and Micro Enterprises
SCM	Supply Chain Management
SITA	State Information Technology Agency
SDIP	Service Delivery Improvement Plan
MSCOA	Municipal Standard Chart of Accounts

3. FOREWORD BY THE MEC



Provincial Treasury has continued to support and facilitate sound financial management and has been pivotal in implementation of strategies that contribute to economic growth and development within the province. As the custodian of implementation of sound financial management, we are proud to announce that our department has maintained its clean audit status for the year under review and our support to departments and entities has resulted in an improvement of audit outcomes.

Good financial governance and fiscal discipline is key in delivering effective public services.

We have continued to monitor and hold all our government entities accountable in an effort to manage and monitor provincial financial resources. Numerous interactions have been held with departments to ensure that the province's remuneration bill remains within the available resources, however there were challenges with the Department of Health and Department of Education which are currently being addressed. We will not tire out in our endeavour to radically transform the Northern Cape economy, so that all our people, including – the working class and the poor, black people in general and African in particular, women and youth can benefit.

In our efforts to fulfil our mandate of supporting and monitoring municipalities, we have implemented various interventions, which will address amongst others, revenue collection, credible financial statements, improvement of audit outcomes and capacity building of councils and municipal management structures. There were some challenges experienced, however we were able to make a meaningful change where the management of the municipality cooperated and were committed to the interventions and strategies developed.

During the past financial year all efforts were deployed to ensure that municipalities are ready for the implementation of MSCOA and as we table this report we are proud to announce that 29 municipalities have implemented MSCOA by 1 July 2017.

Provincial Treasury is committed to work tirelessly, and passionately to assist and contribute in building a more prosperous and inclusive economy. We will continue to do our best with what we have been entrusted with.

I wish to thank the ministry, management and the staff of the department, led by Acting Head of the Department, Mr Thami Mabija, for all their unwavering hard-work, support and dedication to the mandate of our department.

Let us continue to serve with passion and deliver on time.

I hereby table the annual report for the year ended 31 March 2017.

A handwritten signature in black ink, consisting of a large, stylized 'J' followed by a smaller 'A' and a flourish.

MC JACK
MEC of Provincial Treasury

4. REPORT OF THE ACCOUNTING OFFICER



1.1 Overview of the operations of the department:

Provincial Treasury as a key stakeholder in the fulfilment of government priorities has directed all its efforts in the achievement of the objectives set out in Outcomes 9 and 12 respectively. In fulfilling our mandated responsibility we have taken cognisance of the fact that sound financial management and good governance promotes business confidence, which encourages investment and stimulates economic growth. Thus, it is essential that all our support, oversight and enforcement strategies are geared to improve financial management and corporate governance within the province.

During the 2016/17 significant efforts were employed in supporting local government to enable them to become a responsive, accountable, efficient and effective local government system. The following key projects were implemented as part of our municipal support strategy:

- **Municipal Asset Management Programme** – It is essential that local government operates in an effective and efficient manner, thus the negative audit outcomes adversely affect the achievement of objectives. During the year under review we focused on supporting municipalities that had disclaimer audit opinions. Six municipalities were assisted through the financial management support grant which aims to produce credible financial statements and GRAP compliant asset registers.
- **Revenue Enhancement Strategies** – In an effort to improve and enhance debt collection strategies, Provincial Treasury established consultative committees to address issues related to government debt. Furthermore, it was noted that debt collection is significantly hampered by the quality of data maintained by municipalities. In this regards, a pilot data cleansing project commenced whereby three municipalities were identified for intervention. Part of the project will include reviewing their respective credit control policies and improving revenue management internal controls.
- **Municipal Shared Internal Audit project** - As a mechanism to improve good governance in municipalities, the municipal shared internal audit project was piloted in two districts, namely Pixely Ka Seme and ZF Mcqawu. The intention was to strengthen existing internal audit structures in order to assist local municipalities within the district to improve their financial management and internal controls system, which will further result in improved audit outcomes.
- **Implementation of MSCOA** – Hands-on support which included the establishment of committees, IT compatibility assessments, analysis of information and training of officials was provided to municipalities to ensure their readiness and compliance with MSCOA, however, due to limited capacity in municipalities, it is envisaged that all municipalities will be ready by 1 July 2017

There were various reforms in supply chain management and various consultative workshops were held with government entities to ensure the promotion of Central Supplier Database and compliance with new prescripts. Both municipalities and departments have fully implemented the central supplier database.

The shared internal audit service unit was expanded successfully to include public entities which did not previously have functional internal audit units. By expanding the internal audit services to entities, compliance with section 51 of the Public Finance Management Act was attained. The expansion of the shared internal audit unit will further enhance good governance, not only in the entities, but also in the province at large.

During the year under review, the Provincial Banking Tender was successfully completed and the contract was awarded to Standard Bank.

The details of the above initiatives have been outlined hereunder in the performance information section.

1.2 Overview of the financial results of the department:

Departmental receipts

Departmental receipts	2016/2017			2015/2016		
	Estimate	Actual Amount collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	128	119	9	120	163	(43)
Interest, dividends and rent on land	733	39,222	(38,489)	690	46,341	(45,651)
Sale of capital assets	80	-	80	75	154	(79)
Financial transactions in assets and liabilities	11	2	9	10	410	(400)
Total	952	39,343	(38,391)	895	47,068	(46,173)

Provincial Treasury as an oversight department generates revenue primarily from interest received on the provincial consolidated bank account. The over collection on interest received is due to proper cash-flow management processes within Provincial Treasury, which ensured that the province doesn't utilise its overdraft facilities.

Included in sale of goods and services is parking fees, service commission and sale of capital assets. There was an under collection with regards to sale of capital assets due to the fact that all redundant assets were donated to non-profitable organisations instead of being auctioned.

No bad debts were written off and the department doesn't render free services.

Programme Expenditure

Programme Name	2015/2017			2016/2016		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	89,571	86,138	3,433	82,124	81,851	273
Sustainable Resource Management	59,064	47,954	11,110	39,493	36,839	2,654
Asset and Liabilities Management	70,578	50,811	19,767	53,813	51,720	2,093
Financial Governance	29,954	26,557	3,397	21,537	20,994	543
Provincial Internal Audit	32,681	31,463	1,218	27,403	27,162	241
Total	281,848	242,923	38,925	224,370	218,566	5,804

The above underspending of R38,925 million, relates to amongst others, to the following projects that will be finalised in the new financial year:

- **Administration** - R2.527 which relates to relocation of office building
- **Sustainable Resource Management** – R9,993 million which relates to earmarked funding for the Health Intervention Strategy, data cleansing intervention at municipalities and funding for the intervention at Ubuntu Municipality.
- **Assets and Liabilities** - R14,968 million relates to transfers to municipalities. Some of the municipalities had not fully complied with the prescripts of the memorandum of agreement. Thus, the withholding of funds, however processes are underway to assist them in complying with the necessary prescripts.
- **Financial Governance** – R4,550 million relates to the implementation of MSCOA project and the pilot phase for the strengthening of municipal shared internal audit services.

Virements/roll overs

At the end of 2016/17 financial year, no virements were effected however shifts were effected within the programme to defray over-expenditure on subprogramme level.

Furthermore in the above-mentioned under-spending there is an amount of R33,179 million requested for rollover. This amount relates to the earmarked funding of the above-mentioned projects and purchases for capital equipment that were not delivered yet at year end.

1.3 Unauthorised, Irregular, Fruitless and Wasteful expenditure

Internal controls in the Department has proven to be effective in that there was no occurrence of unauthorised or irregular expenditure for the financial year. A request was however made for the condonation of the previous years' irregular expenditure which amounted to R31 000 and response is still awaited

There was however an increase in fruitless and wasteful expenditure. The amount for the current financial year amounts to R143 000. This is mainly due to cancellation fees on accommodation and flights which resulted from changes beyond the control of the department. It needs however to be mentioned that subsequent to the investigation processes of fruitless and wasteful expenditure, the department condoned R76 000 and recovered R2 000 of the prior year's fruitless and wasteful expenditure.

During the year, an incidence of petty cash fraud and theft was detected, investigated and resolved accordance with our fraud and corruption policy. The details of the incidence is addressed in Part C of the Report.

1.4 Future plans of the department

The strategic direction of the department is derived from the PFMA section 18 and will remain the same for the new financial year. However, more focus will be provided with regards to support provided to the municipalities and the department of health intervention.

1.5 Public Private Partnerships

Due to the nature of the department's functions, it does not have or propose Private Public Partnerships (PPP). Our role as Treasury is to assist/facilitate the registering of PPP of service delivery departments.

1.6 Discontinued activities/ New proposed activities

There are no services or activities that were discontinued during the year under review nor were any new services introduced.

1.7 Supply chain management

The Department concluded all advertised bids and no unsolicited bids were issued. Sound internal controls were implemented to detect and prevent irregular, wasteful and fruitless expenditure.

The department embarked on tender to list suitably qualified service providers on its panel of consultants in order to be able to service municipalities and departments promptly as and when the need arises required.

Key reforms were implemented with regards to travel and accommodation and cost containment, thus there were modification of certain processes.

1.8 Gifts and Donations received in kind from non-related parties

No gifts and donations were received in kind from non-related parties. The Department as part of Provincial Government

donated goods to recipients identified during EXCO Outreaches through the department's corporate social investment strategies.

1.9 Exemptions and deviations received from the National Treasury

No exemptions or deviations have been granted from National Treasury for the year under review.

1.10 Events after the reporting date

No significant events which might have a financial implication occurred after the reporting date.

I would like to express my gratitude and appreciation to all officials for their unwavering support and tireless efforts in ensuring that the department achieves its objectives. I would also like to extend my gratitude to the MEC for Finance, Economic Development and Tourism, Mr MN Jack, who provided strategic leadership during the year. The information in the report clearly reflects the work Provincial Treasury has performed for the financial year 2016/17, and it is thus accepted as accurate and complete.



ATM MABIJA
Accounting Officer
Provincial Treasury
Date 31 May 2017

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing, and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2017.

Yours faithfully



ATM MABIJA
Acting Accounting Officer
Date: 31 May 2017

6. STRATEGIC OVERVIEW

6.1. Vision

To be the heartbeat of sound financial management that support economic growth and development.

6.2. Mission

To strive to promote sound fiscal policy that enables financial sustainability and support economic development.

6.3. Values

Batho Pele
Integrity
Excellence
Professionalism

7. LEGISLATIVE AND OTHER MANDATES

LEGISLATION	PURPOSE
Constitution of the Republic South Africa 1996	The supreme law of the Republic, law or conduct inconsistent with it is invalid and the obligations imposed by it must be fulfilled.
Public Finance Management Act (Act 1 of 1999) as amended (PFMA)	To regulate financial management in the National Government and Provincial Governments, to ensure that all revenue, expenditure, assets and liabilities of the Governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those Governments and to provide for matters connected therewith.
Division of Revenue Act as annually enacted	To provide for the equitable division of revenue anticipated to be raised nationally among the national, provincial and local spheres of government and the reporting requirements for allocation pursuant to such division; to permit the withholding and the delaying of payments in certain circumstances; to provide for liability for costs incurred in litigation in violation of the principles of co-operative governance and intergovernmental relations and to provide for matters connected therewith.
Treasury Regulations, March 2005 (as amended)	To regulate for the requirements for strategic planning as the basis for the preparation of budgets; To set minimum standards for financial management, clarification of roles; to instilling a culture of output measurement; to regulate and provide guidelines for the handling of property, disposal of state assets, disposal of immovable state assets and procurement.
Preferential Procurement Policy Framework Act (Act 5 of 2000)	To provide regulatory framework enabling and assisting departments and potentially disadvantaged Individuals (HDI's) in the sustainable development and implementation of preferential procurement system.
Preferential Procurement Regulations	To promote the introduction of practical measures pertaining to application of the points system referred to in the Act; the call for evaluation and allocation of tenders in accordance with the preference policy.
Public Service Act (Act 103 of 1994) as amended	To provide for the organization and administration of human resources management which includes the regulation of conditions of employment, terms of office, discipline, retirement and discharge of staff and matters connected therewith.
Occupational Health and Safety Act	To provide for the Health and Safety of persons at work and for the health and safety of persons connected with the use of plant and machinery; the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work; to establish an advisory council for occupational health and safety; to provide for matters connected therewith.

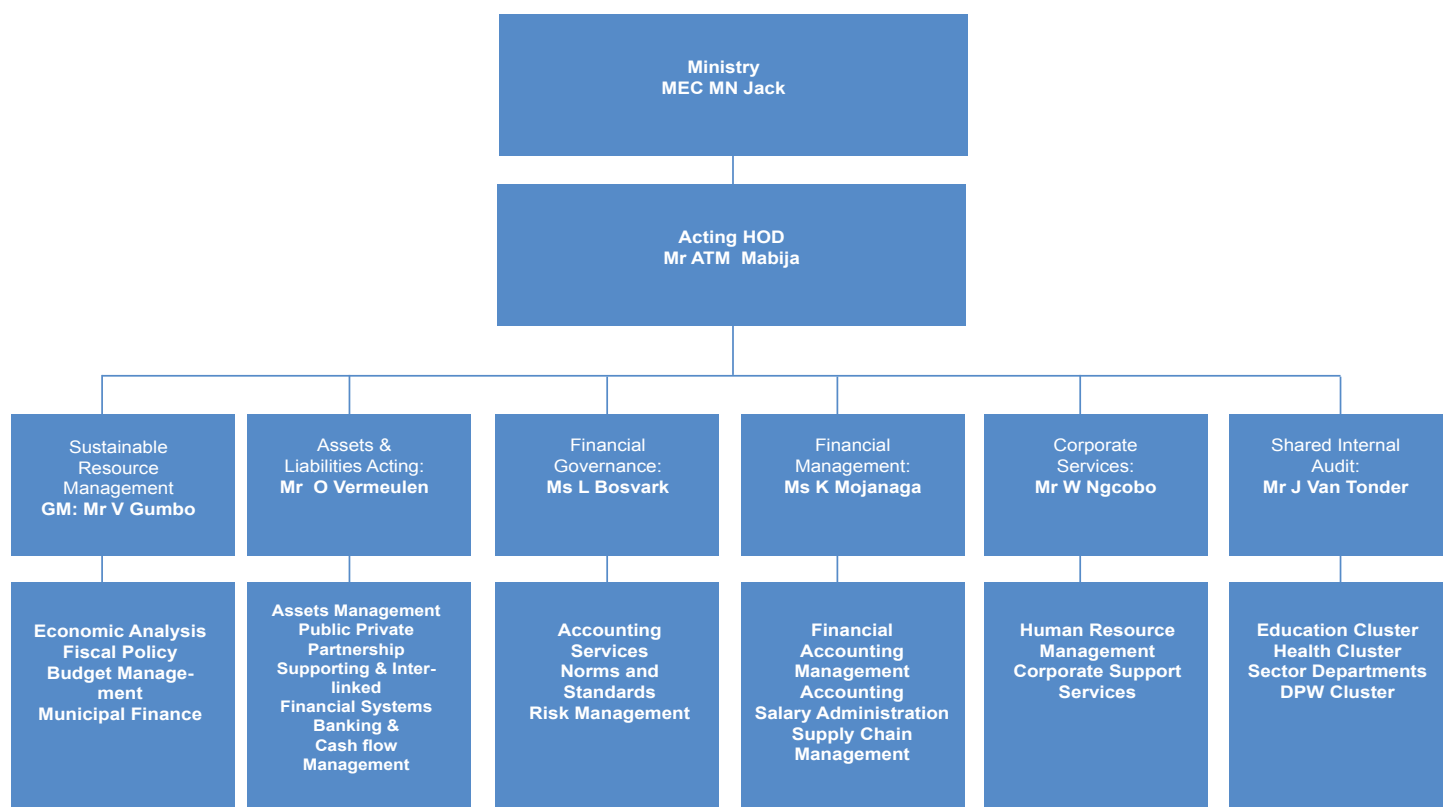
LEGISLATION	PURPOSE
Promotion of Access to Information Act, 2000 (Act 2 of 2000)	To give effect to constitutional right of access to any information held by the state and any information that is held by another person and that is required for the exercise or protection of any rights; and to provide for matters connected therewith.
Employment Equity Act, 1998 (Act 55 of 1998)	To regulate the process and procedures in achieving a diverse and competent workforce broadly representative of demographics of the country and eliminating unfair discrimination in employment towards implementing equity.
Labour Relations Act, 1995 (Act 66 of 1995)	To regulate and guide organisations in recognizing and fulfilling their roles in effecting labour harmony and democratization of the workplace.
Municipal Financed Management Act, 2003 (Act 56 of 2003) (MFMA)	To secure sound and sustainable management of the financial affairs of the municipalities and other institutions in the local sphere of government; to establish treasury norms and standards for the local sphere of government and to provide for matters connected therewith.
Municipal Systems Act (2000) and Development facilitation Act (1995)	To support and monitor municipal Integrated Development Planning (IDP)
Skills Development Act 1998 (Act 97 of 1998)	To provides an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce; to provide for the financing of skills development by means of a levy-grant scheme and a national skills fund, to provide for and regulate employment services; and to provide for matters connected therewith.
Skills Development Levies Act (Act 9 of 1999)	To imposing the payment of a skills development levy on employers; establishment of a system for the recovery and disbursement of levies for purpose of funding skills development training in accordance with approved skills development strategy.
Qualification Authority Act, 1995	To provide for learner ship that lead to recognized occupational qualification; provide for matters connected therewith.

POLICY MANDATES	PURPOSE
National Development Plan	The department should ensure that its plans are aligned to the country's development plan. This will ensure achievement of socio-economic development and growth.
Medium Term Strategic Framework(MTSF) 2014 -2019	The department must develop a five year strategic plan and budget requirement taking into account the medium-term imperatives as outlined in the MTSF 2014 – 2019
Northern Cape Provincial Growth and Development Strategy (NCPGDS)	Given the limitations of funding from the equitable share and provincial own revenue, the department has a responsibility to find alternative mechanisms to leverage additional funding for promoting growth and development in the province
Integrated Development Plans	To assist in determining the credibility of Integrated Development Plans and Municipal Budgets as well as facilitate integrated planning among the three spheres of government
Human Resource Development Strategy	To maximise the potential of the people of South Africa, through the acquisition of knowledge, skills and values, to work productively and competitively in order to achieve a rising quality of life for all, and to set in place an operational plan, together with the necessary institutional arrangements, to achieve this.
Implementation of the PT & COGHSTA MoU	To clarify the roles and consolidate efforts between NCPT and COHGSTA in rendering support to municipalities; Collaborate and cross cutting issues and synchronise efforts in providing assistance to municipalities through "Back to Basics" programme.
Provincial strategy to support municipalities	<ul style="list-style-type: none"> Promote credible and reliable financial reporting by enforcing; The implementation of control activities in all financial management functional areas; Build financial management capacity in municipalities in a holistic approach by addressing individual institutional and organisation gaps; Enhance control environment in municipalities to improve oversight and accountability; Municipal financial viability through sustainable operations that will enable service delivery.

7.1 OTHER RELEVANT LEGISLATION AND IMPORTANT DOCUMENTS:

- SITA Act;
- Provincial Appropriation Act;
- Provincial Adjustment Appropriation Act;
- Provincial Finance Act;
- Public Service Regulations, 2001;
- Public Service Co-ordinating Bargaining Council Collective Agreements;
- Basic Conditions of Employment Act;
- Report of the Auditor-General on the accounts of Government;
- Budget review documents;
- Financial and Fiscal Commission's recommendations;
- Outcome-based Service Delivery Agreements.

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

The Executive Authority provides political and strategic direction over the Department of Economic Development and Tourism and Provincial Treasury, thus Department of Economic Development and Tourism and its related public entities are listed as related party.

PART B:

PERFORMANCE INFORMATION

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 78 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

Provincial Treasury's primary responsibility finds its mandate from Public Finance Management Act of 1999, Section 17 and 18 which states that there is a Provincial Treasury in each province responsible for financial matters in the province. These mandates are exercised through oversight, advisory support and capacity building services for 12 Departments, 30 Municipalities and 6 entities.

In effectively rendering government services it is essential to take cognisance of the current stringent economic conditions. The current economic environment has also placed significant pressure on the available resources. It becomes essential to ensure prudent management of available resources. The implementation of cost containment measures also necessitates us as Provincial Treasury to vigilantly monitor departmental expenditure trends.

There have been various changes in the legislative prescripts and this has resulted in an increase in the demand for services. These reforms are in Supply Chain Management, Financial Reporting and Expenditure Management both for municipalities and departments. These changes have significantly impacted how the department monitors, supports and enforces compliance.

2.2 Service Delivery Improvement Plan

The department has completed a service delivery improvement plan. The tables below highlight the service delivery plan and the achievements to date.

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Render budgetary support and assistance to ensure credibility of budgets, Promote sustainable municipal budgets	13 Departments and 31 municipalities	Support provided to departments and municipalities on how compile budget	13 Departments and 30 Municipalities supported	13 Departments and 30 Municipalities supported
Batho Pele Principles:				
Consultation	13 Departments and 31 municipalities	Consult with departments during budget process. Hold budget forums, PMTECs, MEC Bilaterals	Consultation on budget issues thorough: <ul style="list-style-type: none"> Quarterly budget forums, Budget guideline workshops PMTECs, MEC Bilateral Implement budget tips for MEC of finance from the public	<ul style="list-style-type: none"> Budget benchmark visits were held with municipalities. Revenue forums were held with departments Budget guideline workshop, PMTEC and Budget Lekgotla were held. Issued assessment reports to departments on the IYM analysis reports for provincial own revenue performance against revenue budget.
Courtesy		Communication systems are in place:	Written Acknowledgement on all request for advice or approval. Provide feedback on all assessment within 5 days of receipt	Responses provided to departments on all requests e.g. Increase in Transfers Feedback provided to municipality and departments in acknowledgement of request received for assistance. Feedback reports on assistance with municipal revenue related policies

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Render budgetary support and assistance to ensure credibility of budgets, Promote sustainable municipal budgets	13 Departments and 31 municipalities	Support provided to departments and municipalities on how compile budget	13 Departments and 30 Municipalities supported	13 Departments and 30 Municipalities supported
Batho Pele Principles:				
Access		Continuous communication between Budget Analysts and the Departmental Officials.	Designated budget analyst that will conduct regular visits to departments and attend to request for support	Support provided by budget analysts to departments in relation to the compilation of the adjustment and main budgets. Requests on support for revenue enhancement and internal controls received from clients were addressed.
Information		Information communicated with the relevant stakeholders to ensure timely implementation	Publish the budget statements, guidelines and any relevant communication on the departmental website. Disseminate all budgetary policy information to affected department.	Budget statement compiled and accessible to the public, distributed to libraries and municipalities in the province. Provided inputs on the budget statements to be published.
Openness & Transparency		The budget process should be transparent to all stakeholders	Issue assessment reports on department's budget and IYM submissions. Issue budget guidelines	Analysis reports of revenue performance against municipal budgets and status of government debt reports were compiled. Compiled IYM analysis reports for provincial own revenue performance against revenue budget were sent to departments. EXCO Memos / Analysis reports were compiled on the IYM's submitted by the department
Redress		Head Office staff available to address complaints	Allocate a designated budget analyst to attend to departmental compliant and communicate the resolution to the compliant timeously	Support provided by budget analysts to departments in relation to the compilation of the adjustment and main budgets.
Value for money		Ensure provision of services by departments are cost effective and within allocative budgets	Ensure provision of services by departments are cost effective and within allocative budgets	Monitored expenditure of provincial departments Monitored the revenue and municipal budgets and provided reports.

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Monitoring compliance with laws and regulations	30 municipalities 12 departments	Monitoring compliance of 12 Departments & 30 Municipalities.	Monitoring and support services provided to 30 municipalities 12 departments and entities.	Monitored and supported services provided to 30 municipalities 12 departments and entities.
Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Batho Pele Principles				
Consultation		Forums Meetings. Correspondence. Workshops conducted. Official visits conducted.	Consultation through Forums, Meetings; Written correspondence, Workshops conducted, Official visits conducted and	CFO forums and meetings with our clients. Written correspondence and official PT visit to the clients. Workshops and trainings conducted.
Courtesy		Sensitive to individuals learning capabilities and preferences. Caring about people skills development and growth.	Sensitive to individuals learning capabilities and preferences. Caring about people skills development and growth.	This was practiced throughout the year. Trainings were organised closer to the clients, i.e. at district level
Access		Training notice circulated 30 days before the training commencement date. Training schedules available on websites. Accredited training providers listed on National Treasury website.	Training notice circulated 30 days before the training commencement date. Training schedules available on websites. Accredited training providers listed on National Treasury website.	Done. Not done. Instead notice of trainings to be conducted was emailed to all the relevant stakeholders. Available
Information		Minimum Competency Levels Regulation. Skills development act require up skilling of all officials. Public Sector Competency Framework. Progress reports submitted on various forums.	Minimum Competency Levels Regulation. Skills development act require up skilling of all officials. Public Sector Competency Framework. Progress reports submitted on various forums.	The regulation requirements were explained to the clients. Available on the websites
Openness & Transparency		Awareness programmes National Treasury website	Awareness programmes National Treasury website	Clients were informed about capacity building initiatives driven by both NT and PT

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Monitoring compliance with laws and regulations	30 municipalities 12 departments	Monitoring compliance of 12 Departments & 30 Municipalities.	Monitoring and support services provided to 30 municipalities 12 departments and entities.	Monitored and supported services provided to 30 municipalities 12 departments and entities.
Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Batho Pele Principles				
Redress		Service evaluation forms completed by clients.	Service evaluation forms completed by clients. Comments and inputs considered when implementing other training sessions.	Evaluation forms were completed per engagement with clients.

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Render Shared internal audit services	12 Departments	12 Departments	12 Departments 5 Public Entities	12 Departments 5 Public Entities
Batho Pele Principles:				
Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Consultation		Quarterly AC meetings AC engagement at IA, HOD and/or MEC level. Client satisfaction survey	Consult with departments through Quarterly AC meetings AC engagement at IA, HOD and/or MEC level. Issuing of AC meeting terms of reference letters	Meetings were held with our clients All stakeholders were involved in the implementation of training programmes
Courtesy		Client satisfaction questionnaires Engagement with HOD and relevant stakeholders.	Client satisfaction questionnaires Engagement with HOD and relevant stakeholders. Client satisfaction questionnaires	Client satisfaction questionnaires were completed by all 12 provincial departments. Engagements took place with all HODs and relevant stakeholders at AC meetings as well as in-committee meetings.
Access		Meetings convened at Provincial Treasury boardroom Per AC charter AC has access to all departmental officials.	Meetings convened at Provincial Treasury boardrooms Per AC charter AC has access to all departmental officials.	Meetings were held at Provincial Treasury Templar building boardroom. When meetings took place at the same time, boardrooms at other provincial departments were used. AC has open access to all departmental officials and held in-committee meetings with some HODs and departmental officials.

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Render internal services Shared audit	12 Departments	12 Departments	12 Departments 5 Public Entities	12 Departments 5 Public Entities
Batho Pele Principles:				
Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Information		Quarterly AC packs. Annual AC report for inclusion in annual report.	Information on services provided can be accessed through the Promotion of Information Act	AC packs were compiled for every AC meeting. AC compiled a feedback report after every AC and issued it to the MEC. AC will compile annual AC report for inclusion in each departmental annual report. Draft report scheduled for May 2016 and final report July 2016.
Open & Transparency		Quarterly AC meetings open to AGSA, PAG, Risk Management oversight, relevant departmental officials, National Treasury.	Issuing Quarterly AC packs prior to meetings to AGSA, PAG, Risk Management oversight, relevant departmental officials, National Treasury	AC packs were issued prior to AC meetings to all stakeholders, in both hardcopy and softcopy format.
Redress		AC reporting responsibility to MEC, HOD Provincial Treasury and HODs per department. Client satisfaction survey AC assessment of IA	Responding to complaints promptly within the quarter, before next AC meeting Addressing weakness identified in the Client satisfaction survey AC assessment of IA	No complaints received. However quarterly AC meetings still took place together with Joint AC meetings to reflect on any complaints. Client satisfaction surveys issued February 2016 AC meetings. Reflection on it to take place in the next AC meeting, scheduled for May 2016. AC completed the assessment of IA during the February 2016 AC meetings. Reflection on it to take place in the next AC meeting, scheduled for May 2016.
Value for Money		Tracking AC resolutions on quarterly basis. Tracking implementation of IA recommendations quarterly.	Tracking AC resolutions on quarterly basis. Tracking implementation of IA recommendations quarterly. implementation of IA recommendations quarterly.	AC resolutions are tracked at every AC meeting, through the minutes of the previous meeting as well as a matters arising list. IA reports at every AC meeting on progress with the audits. This includes implementation of IA recommendations and IA does separate follow-up audits of implementation of recommendations.

2.3 Organisational environment

The organizational environment of the department has been significantly stable over the financial year. Most vacancies have been filled, however the head of department post is still vacant. The recent budget cuts have resulted in a provincially approved post moratorium (limited to filling of critical posts), this had an impact on the vacancy rate of the department as filling of post is limited to critical posts only.

The organizational structure is currently under review, a preferred model has been adopted and is currently being finalized. The revised structure is aligned to the generic provincial treasuries structure ie the integrated option. The new structure will strengthen those directorates that are operating in the coalface of service delivery. The amendments that are proposed will indeed allow the department to be more effective. Once finalised the draft organizational structure will be submitted to the Office of the Premier (OTP) and the Department of Public Service and Administration (DPSA) to start the consultation process for approval.

2.4 Key policy developments and legislative changes

- The Draft Treasury Regulations have not been approved for implementation and the envisage date has not been provided as yet.
- The Preferential Procurement Framework Act and the Regulations have been enacted and will significantly change how government procures services and will empower small micro medium enterprises.
- The Public Procurement Bill which will address the role of the chief procurement officer and has been issued for comment. Currently National Treasury is conducting stakeholder engagement in each province.
- The signing of the MOU between Department and COGHSTA has resulted in the de-establishment of the municipal finance unit in COGHSTA. These functions will be the responsibility of Provincial Treasury. The functions will be fully operational within in the department from 1 April 2017.

3. STRATEGIC OUTCOME ORIENTED GOALS

Strategic Goal 1:	Strategic leadership and administrative support
Goal statement :	To render strategic leadership, effective management and administrative support within the department
Justification	To provide and maintain high quality support services to Member of the Executive Council and the whole Department pertaining to sound financial management, human resource management and corporate support.
Links	MTSF Priority 12: An efficient, effective and development-oriented public service.
Progress Made:	Through the leadership, management and administrative support, 90% of the departmental performance targets have been achieved. Sound financial management and corporate services processes have been implemented resulting in effective management of the department, thus the clean audit status.

Strategic Goal 2:	Management and use of fiscal resources
Goal statement :	To ensure effective and efficient management and utilization of fiscal resources at 30 municipalities and 13 provincial departments.
Justification	To formulate and manage sound fiscal policy and to support municipal and departmental budget processes.
Links	MTSF priority area 9: Responsive, accountable, effective and efficient developmental Local government. MTSF priority are 12: An efficient, effective and development-oriented public service.
Progress Made:	The Department has been able to advise and direct departments on effective utilisation of financial resources. A credible provincial budget informed by provincial and national policies has been tabled. Assistance has been provided in optimising revenue collection and improving financial planning especially within municipalities.

Strategic Goal 3:	Management of assets and liabilities
Goal statement 3	To promote compliance with supply chain management prescripts and the prudent management of assets and liabilities through effective management of transversal systems and processes within the province
Justification	To provide policy direction and facilitate the effective and efficient management of assets and liabilities and compliance with supply chain policies.
Links	MTSF priority area 4: Decent employment and an inclusive economic growth MTSF priority area 9: Responsive, accountable, effective and efficient developmental Local government. MTSF priority area 12: An efficient, effective and development-oriented public service.
Progress Made	Hands on support and development of standards has contributed effective and efficient asset management within the province.

Strategic Goal 4:	Sound financial management and good governance
Goal statement 4	To promote sound financial management and good governance within the province
Justification	Strive for clean administration through good financial governance
Links	MTSF priority area 9: Responsive, accountable, effective and efficient developmental Local government. MTSF priority area 12: An efficient, effective and development-oriented public service.
Progress Made	Financial governance improved leading to improved financial administration at a provincial level. The financial management maturity level has still below level 3, however progress is noted in Departments

Strategic Goal 5:	Sound governance through internal audit and audit committees
Goal statement 5	To render an independent objective assurance and consulting activity designed to add value and improve audit committee oversight over Northern Cape Provincial Government
Justification	To improve the effectiveness of risk management, control and governance processes in the Northern Cape Provincial Government. To maintain oversight through audit committees over Northern Cape Provincial Government
Links	MTSF priority area 12: An efficient, effective and development-oriented public service
Progress Made	Assurance was provided to all 12 provincial departments and 5 public entities by the unit on various fields as outlined by the approved audit plans. Four Audit Committees provided oversight over the 12 departments and 5 public entities. The unit operates through annual internal audit plans that are risk-based and approved by the audit committee. The unit has also implemented combined assurance plans that enhance controls, assurance and oversight between the various assurance stakeholders.

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 Programme 1: Administration

Programme Purpose

To provide and maintain high quality support service to the Executive Authority and the department pertaining to sound financial management, human resource management and administration.

The programme consist of the following sub-programmes:

- Office of the MEC
- Management Services
- Corporate Services
- Financial Management (Office of the CFO)
- Security and Records Management

Strategic objectives:

Programme Name : Administration					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Achievement of all Provincial Treasury's performance targets as indicated in the APP.	84% of achievement of Provincial Treasury target as indicated in the APP.	Achievement of all Provincial Treasury's targets as indicated in the APP.	96% of performance targets achieved	4%	Targets not achieved due to non corporation of external parties
Compliance to all HRM and Corporate Support Services regulations and prescripts.	No matter of emphasis reported in the audit report.	No matter of emphasis reported in the audit report.	No matter of emphasis reported in the audit report.	-	-
Implementation of sound financial management within the department evidenced by annual clean audit outcome.	1 Clean Audit Report	1 Clean Audit Report	1 Clean Audit Report	-	-

Performance indicators

Sub-programme: Management Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Reports on the province's financial performance.	4 Quarterly budget performance reports to Exco.	4 Quarterly budget performance reports to Exco.	4 Quarterly budget performance reports to Exco.	4 Quarterly budget performance reports to Exco.	4 Quarterly budget performance reports to Exco.	-	-
Number of risk register review sessions completed	-	-	-	1	1	-	-
Number of progress reports and action plans issued	-	-	-	4	4	-	-

Sub-programme: Corporate Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of HRM compliance reports submitted timeously.	-	4 PMDS & OE	4 PMDS & OE	4 PMDS & 4 OE	4 PMDS & 4 OE	-	-
		1 HRD	1 HRD	4 HRD	4 HRD	-	-
		4 EHW	-	4 EHW	4 EHW	-	-
Number of HRM plans	-	1	1	1	1	-	-
Number of EE reports	1	-	-	1	1	-	-
Compliance with the corporate governance of ICT Framework(GCICT)	-	1	93%	Full compliance with Phase 2 requirement	Approved ICT strategic Plan, Approved ICT Implementation Plan, Approved ICT Operational Plan	Policies required by Phase 2 of ICT Framework not completed	Still awaiting guidelines from DPSA and OTP on the development of Phase 2 policies
Number of Facility Management Reports.	-	-	-	4	4	-	-
Number of Security Management reports.	-	-	4	4	4	-	-
Percentage of misconduct cases received and finalised internally with 90 days.	100%	-	100%	100%	100%	-	-

Sub-programme: Financial Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of APPs and Estimates of Provincial Expenditure (EPRE) submitted.	1 APP	1 APP	1 APP	1 APP	1 APP	-	-
	2 EPRE	2 EPRE	2 EPRE	2 EPRE	2 EPRE	-	-
Number of annual reports submitted timeously.	1 AR	1 AR	1 AR	1 AR	1 AR	-	-
Number of compliant Financial Statements.	4 IFS	4 IFS	3 IFS	4t IFS	3 IFS	1 IFS	Accounting Services Instruction stated that there is no need for Departments to submit March 2017 IFS, therefore only 3 IFS were submitted.
	1 AFS	1 AFS	1 AFS	1 AFS	1 AFS	-	-
Quarterly departmental performance reports reviewed and approved.	4	4	4	4	4	-	-
Number of compliance and management reports submitted reports submitted	12 Monthly SCM	11 Monthly SCM	12 Monthly SCM	12 Monthly SCM	12 Monthly SCM	-	-
	14 IYM Reports	-	-	14 IYM Reports	14 IYM Reports	-	-
	-	11 Monthly Salary Report	12 Monthly Salary Report	12 Monthly Salary	12 Salary Reports	-	-
	-	12 Financial Compliant report.	12 Financial Compliant report.	12 Financial Compliant report	12 Financial Compliant report.	-	-

Reasons for all deviations

The ICT Framework (GCICT) could not be fully complied with due to delays in finalisation of transversal documents.

Strategy to overcome areas of under performance

The department will continue to engage with Office of the Premier and Department of Public Service in order to finalise the Information Technology Governance document.

Changes to planned targets

No changes were made to planned targets.

Sub-programme expenditure

Administration	2016/2017			2015/2016		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	12,392	11,979	413	9,485	9,485	-
Management Services	2,706	2,706	-	2,264	2,264	-
Corporate Services	21,703	21,611	92	22,447	22,187	260
Financial Management	21,910	21,590	401	21,500	21,487	13
Security and Records	30,860	28,333	2,527	26,428	26,428	-
Total	89,571	86,138	3,433	82,124	81,851	273

The underspending amounting to R3,433 million is mainly attributed to funds set aside for the relocation to new office premises. The department will only be relocating in the new financial year.

4.2 Programme 2: Sustainable Resource Management

Programme purpose:

The aim of this programme is to enhance the effective utilisation of available fiscal resources by informing financial resource allocation, managing the provincial budgets and monitoring the implementation of provincial, municipal and entities budget.

The programme consist of the following sub-programmes:

- Programme Support
- Economic Analysis
- Fiscal Policy
- Budget Management
- Municipal Finance

Strategic objectives:

Sustainable Resource Management					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Provincial economic and social research and analysis published	Annual Provincial Socio-economic review and outlook tabled and published.	Annual Provincial Socio-economic review and outlook tabled and published.	Annual Provincial Socio-economic review and outlook tabled and published.	-	-
Monitoring report on Provincial and Municipal revenue generation	-	2 Monitoring reports on Provincial and Municipal revenue generation	2 Monitoring reports on Provincial and Municipal revenue generation	-	-
Promote effective optimal financial resource allocation.	Tabled 3 Provincial budgets.	Two provincial Fiscal Frameworks produced.	Two provincial fiscal Frameworks produced.	-	-
Municipalities supported to promote sustainable budgets of the municipalities.	31 Municipalities assisted in achieving sustainable budgets.	31 Municipalities assisted in achieving sustainable budget.	31 Municipalities assisted in achieving sustainable budget.	-	-

Performance indicators

Sub-programme: Economic Analysis							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of MTBPS.	1	1	1	1	1	-	-
Number of provincial policy briefs published.	4	5	5	4	4	-	-
Number of municipal comparative reports.	-	-	1	1	1	-	-
Macro-Economic Outlook for the EPRE.	-	-	-	1	1	-	-

Sub-programme: Fiscal Policy							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of consolidated revenue performance reports produced.	4	4	4	4 Departmental reports.	4 Departmental Reports	-	-
				4 Municipal Reports	4 Municipal Reports	-	-
Number of consolidated Provincial own revenue budget reports produced.	1	1	1	1	1	-	-
Number of assessments reports on implementation of revenue enhancement strategies produced.	-	-	4	2 (1 Municipal and 1 departmental)	2	-	-
Number of consolidated municipal cash flow performance reports.	-	-	-	4	4	-	-
Number of support intervention implemented to address revenue generation and collection gaps identified during the FMCMM assessment.	-	-	-	2 (1 Departmental and 1 Municipal)	2 (1 Municipal and 1 Departmental)	-	-
Number of progress reports on the Municipal support strategy: Revenue Management	-	-	-	2	2	-	-

Sub-programme: Budget Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of budgets tabled.	5	3	3	2	2	-	-
Provincial In year monitoring reports.	14	14	14	14	14	-	-
Quarterly consolidated Performance Assessment reports.	4	4	4	4	4	-	-

Sub-programme: Municipal Finance							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of gazettes produced on transfers to municipalities.	1	1	2	1	2	1	Additional funding received during adjustment budget thus additional gazette.
Number of consolidated assessments reports on municipal budgets.	3	3	3	3	3	-	-
Number of consolidated IYM reports compiled.	12	12	12	12	12	-	-
Number of quarterly consolidated municipal performance reports produced.	4	4	4	4	4	-	-
Number of gazettes produced on quarterly outcome of municipal performance.	4	4	2	4	4	-	-
Number of mid-year budget and performance engagement conducted.	5	5	5	5	5	-	-
Number of progress reports on the implementation of MFMA.	-	-	-	4	4	-	-
Number of support intervention implemented to address municipal budget gaps identified during the FMCMM assessment.	-	-	-	1	1	-	-
Number of progress reports on the municipal support strategy.	-	-	-	2	2	-	-

Reasons for all deviations

No under-performance is recorded. The only deviation was as a result of an additional gazette published due additional funding allocated to municipalities.

Strategy to overcome areas of under performance

No underperformance is recorded.

Changes to planned targets

No changes were made to planned targets.

Sub-programme expenditure

	2016/2017			2015/2016		
Sustainable Resource	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	2,106	2,066	40	2,134	2,103	31
Economic Analysis	5,645	5,354	291	4,803	4,803	-
Fiscal Policy	10,854	6,466	4,388	4,889	4,889	-
Budget Management	11,802	8,835	2,967	10,659	8,111	2,548
Municipal Finance	28,657	25,233	3,424	17,008	16,933	75
Total	59,064	47,954	11,110	39,493	36,839	2,654

The above underspending is due projects that were initiated during the year and will be completed in the new financial year. These projects relate to Health Intervention Projects and Support provided to municipalities on revenue and financial management.

4.3 Programme 3: Assets and Liabilities Management

Programme purpose

This programme aim to provide policy direction, facilitating the effective and efficient management of physical assets, ensure sound supply chain management policies, procedures, maintain and manage all financial systems, Banking and Cash Flow Management and provide technical support on Immovable Asset Management to municipalities and provincial departments.

The programme consists of the following sub-programmes:

- Asset Management
- Supporting and Interlinked Financial Systems
- Public Private Partnership
- Banking and Cash Flow Management

Strategic objectives:

Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Level of financial maturity capability on Asset and Supply Chain Management	Depts 2.88 Mun. 2.55	Financial Capability to level 3 for: 12 Departments Financial Capability to level 2 for: 31 Municipalities	2.90 for 12 departments 2.64 for 30 municipalities	-0.10 -0.34	Lack of internal controls and capacity constraints in the department of Health and Municipalities.
Monitoring Reports on utilisation and compliance of transversal and support sub-systems	-	4 Consolidated reports.	4 Consolidated reports	-	-
Review the NCIDMS in strengthening the management of the Province's immovable assets through the utilisation of best practice methodology	-	NCIDMS to be reviewed to support Municipal Infrastructure Municipal infrastructure delivery framework developed	NCIDMS reviewed in support to Municipal Infrastructure Municipal infrastructure delivery framework developed	-	-
Audit outcome for the Provincial Revenue Fund reflecting the effectiveness and efficiency of banking services and cash flow management.	Clean Audit report on the Provincial Revenue Fund.	Clean Audit report on the Provincial Revenue Fund.	Clean Audit report on the Provincial Revenue Fund	-	-

Sub-programme: Asset Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Support provided to roll out and implement the National Central Suppliers Database in the province.	-	-	-	2 roadshows in the province	2 roadshows in the province	-	-
Price index report published	2	2	2	4	4	-	-
Number of support intervention implemented to address SCM and Asset Management gaps identified during FMCMM assessment.	-	-	-	2	2	-	-
Number of progress reports on the Municipal support strategy: supply chain management and asset management.	-	-	-	2	2	-	-
Capacity building initiatives within the departments and municipalities to enhance compliance and effectiveness of supply chain management	-	1	1 Accredited course (MFMA)	1 Accredited course (MFMA)	1	-	-

Sub-programme: Supporting and Interlinked Financial Systems							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Management and provision of Technical and functional support, calls solved after being logged and escalation of National calls to LOGIK where required. (Includes BAS, PERSAL, LOGIS and BACS)	100% of calls resolved within 24 working hours.	100% of calls resolved within 24 hours after being logged	98% of calls resolved within 24 hours after being logged.	100% of calls resolved within 24 hours after being logged	97.5%	2.5%	2.5% calls escalated to National Treasury, thus not resolved within 24 hours

Capacity building sessions for Provincial Departments to enhance effective utilisation of transversal systems and sub-systems	- - -	- - -	- - -	10 BAS 15 PERSAL 17 LOGIS	10 BAS 15 PERSAL 18 LOGIS	- - 1	- - More logis training conducted due to additional request
	4 Vulindlela	4 Vulindlela	5 Vulindlela	-	-	-	
	-	12 Forums	23 User Forums	16 User Forums	15 User Forum	1	One forum cancelled due to unavailability of members
Reports to enhance monitoring compliance and enforcement of prescribed legislation and policies.	-	12 Consolidated Reports	8 Reports Consolidated Reports	12 Reports Consolidated Reports	12 Reports Consolidated Reports	-	-
Assessment reports on Optimal utilisation of LOGIS.	-	-	-	Quarterly reports for 13 Departments (52 reports)	52 reports	-	-
Provide support and monitor the biometric headcount system to ensure PERSAL integrity.	-	13 Departments supported and monitored	Support and monitor 13 departments' head count system	100% of new appointment enrolled on the Headcount system within 6 months.	10% enrolled within 6 months	90%	Employees from departments were not presenting themselves timeously for verification. However, 42% of new appinments were enrolled as at 31 March 2017.
BAS System Controller services provided on behalf of Provincial Departments.	-	13 Departments	13 Departments	Quarterly reports for 13 Departments (52 reports)	52 reports	-	-

Sub-programme: Public Private Partnership							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Evaluate the feasibility of potential PPP projects and provide Project Advisory service to register PPP projects.	4 Research documents developed	4 Research documents developed.	1 Research documents developed.	2 PPP projects identification reports developed and registered in Project development.	4	2	Two new project identification reports on Operation Phakisa Marine Project and Waste Management PPP
	2 registered Projects NCISS & De Bos Resort	2 PPP Projects registered	2 PPP Projects registered				
Facilitate Capacity Building in accordance with the approved provincial IDMS in support of the institutionalisation of Communities of Practice.	2 workshops conducted	2 workshops conducted	2 workshops conducted	2 workshops	3 workshops	1	Additional workshop was conducted due to the compliance requirements for the SIPDM for Municipalities and Departments
Conduct assessments to determine maturity levels of Municipalities and Departments to manage Immovable Assets and identify remedial steps	10 Provincial Infrastructure (PIC) meeting held with 7 departments.	7 Departments assessed.	7 Departments	Quarterly assessments reports for 7 Departments. (28 reports)	28 reports	-	-
		-	-	Quarterly assessments' reports for 10 Municipalities (40 reports)	45 reports	5	Due to municipal engagements a need was identified to assist additional municipalities as requested by districts and municipalities. The additional assessment was also to align to the existing support being provided by Treasury
Financial analysis of capital expenditure trends and physical project verification on provincial immovable assets.	4 Quarterly expenditure outcomes report produced.	4 Quarterly expenditure outcomes report produced.	4 Quarterly expenditure outcomes report produced.	4 Quarterly expenditure outcomes reports produced	4	-	-
	5 site visit	5 site visit	4 site visits	5 site visits conducted.	4	-1	One site visit cancelled due the IPMTEC that were held

Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of Bank reconciliation for Exchequer Account	12	12	12	12	12	-	-
Banking services evaluation reports.	2	2	2	2	2	-	-
Audited Provincial Revenue (PRF) annual financial statements produced.	1	1	1	1	1	-	-
Number of Cash Flow reports produced.	6	6	6	6	6	-	-
Review and maintain cash management framework.	1	1	1	1	1	-	-
Review and maintain Investment Policy.	-	-	2	4	4	-	-

Reasons for all deviations

The programme could not reach its performance targets due to lack of corporation from third parties, especially with regards to personnel head count.

Strategy to overcome areas of under performance

Continue to engage departments to improve compliance rate of employee verification.

Sub-programme expenditure

Assets and Liabilities Management	2016/2017			2015/2016		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	1,645	1,255	390	1,697	1,490	207
Asset Management	38,971	22,275	16,696	18,220	18,140	80
Support and Interlinked Financial Systems	18,804	16,861	1,943	22,961	22,144	817
Public Private Partnership	6,556	6,208	348	6,023	6,023	-
Banking and Cash Flow Management	4,602	4,212	390	4,912	3,923	989
Total	70,578	50,811	19,767	53,813	51,720	2,093

The underspending is mainly attributed to transfer payment that were not transferred to municipalities due them not being able to comply with certain requirements of the service level agreements.

4.4 Programme 4: Financial Governance

Programme Purpose:

To promote accountability and good governance through substantive reflection of financial activities of the province as well as compliance with financial norms and standards.

The programme is made up of the following sub-programmes:

- Programme Support
- Accounting Services
- Norms and Standards
- Risk Management

Financial Governance					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Improved financial management capacity maturity (FMCM) to level 3 on financial reporting.	2.97	FMCM level 3	2.78	0.24	Lack of internal controls and capacity constraints in the department of Health and Municipalities.
Improved financial management capacity maturity to level 3 on compliance, institutionalised arrangements, accountability and transparency within the Province.	2.88	FMC level 3 by Departments	2.95	0.05	Two departments did not participate and it negatively the consolidation.
	2.48	FMC level 3 by Municipalities.	2.57	0.43	Lack of internal controls and capacity constraints in municipalities.
Improved financial management capacity maturity to level 3 on risk management practices by departments.	2.85	Improve risk management maturity level of 3 for 12 Departments.	2.89	0.11	<ul style="list-style-type: none"> • 2 Departments did not participate in the FMCMM and therefore reducing the scores • Inadequate capacity in some of the Departments to implement concepts such as BCM and IT risk
Improved financial management capacity maturity to level 3 on risk management practices by municipalities.	2.11	Improve risk management maturity level of 3 for 31 Municipalities	2.14	0.86	Lack of personnel (risk practitioners) in Municipalities

Sub-programme: Accounting Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of compliance reports on compliance certificates per departments	43 Quarterly assessment reports for departments	48 Quarterly assessment reports for departments	48 Quarterly assessment reports for departments	4	4 reports on compliance certificates	-	-
Number of compliance reports on monitoring tools per municipalities.	-	55 Quarterly assessment reports for	42 Quarterly assessment reports for	4	4 reports on monitoring reports	-	-
Number of capacity building programmes implemented.	3	4 Training sessions	13 Workshops	4 Workshops	7	3	GRAP Training for Public Entities & Municipalities as well as MCS/AMD Training for departments had to be arranged to prepare them for the compilation of AFS on the prescribed reporting framework.
	-	3 CFO Forums	7 CFO Forums	4 CFO Forums	6	2	There was a need for additional forums to deal with reforms and schedule to ensure timeous submission of AFS
Number of reports on audit action plans.	-	65 assessment reports on audit action plans	73 assessment reports on audit action plans	4	4 reports on audit action plans	-	-
Consolidated annual financial information tabled by 31 October.	2	1	1	1	1	-	-
Number of municipalities supported and monitored on implementation of MSCOA	-	-	-	30	30	-	-
Number of support intervention implemented to address financial reporting gaps identified the FMCMM assessment.	-	-	-	1	1	-	-
Number of progress reports on the Municipal support strategy: Financial reporting.	-	-	-	2	2	-	-

Sub-programme: Risk Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of support intervention implemented to address gaps identified during the FMCMM.	-	-	-	4	8	4	Additional support interventions were provided to entities, i.e business continuity, development of risk management framework, risk mitigation action plans.
Risk Management status of the province reported to relevant stakeholders.	-	3	5 reports	4 Reports	4 Reports	-	-
	-	-	1 consolidated risk register	1 consolidated risk register	1 consolidated risk register	-	-
Number of capacity building programmes implemented within the province.	10 Provincial Risk Management Forum	4 Provincial Risk Management Forum	5 RMC Forums	4 RM forums	5 RM forums	1	An additional forum was for Municipalities in two districts (Namakwa & ZFM) and was held in Upington
	-	3 Provincial Risk Management Forum	2 RMC Workshops	2 RMC Workshops	4 RMC Workshops	2	Workshops that were not planned for were arranged as per requests from Nama Khoi LM & JTG DM.
Number of progress reports on the Municipal support strategy: Risk Management	-	-	-	2 reports	2 reports	-	-

Reasons for all deviations

No underperformance has been recorded.

Strategy to overcome areas of under performance

No underperformance has been recorded.

Sub-programme expenditure

	2016/2017			2015/2016		
Financial Governance	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
Programme Support	1,677	1,677	-	1,860	1,609	251
Accounting Services	10,511	8,818	1,693	8,358	8,358	-
Norms and Standards	7,212	6,901	311	5,788	5,759	29
Risk Management	10,554	9,161	1,393	5,531	5,366	165
Total	29,954	26,557	3,397	21,537	20,994	543

The underspending indicated above is mainly attributed to the implementation of MSCOA project that will be finalised in the new financial year and the transfer payment to municipality which could not be transferred due to reporting issues.

4.5 Programme 5: Internal Audit

Programme Purpose

- To provide internal audit service to the Northern Cape Provincial Departments.
- To provide audit committee oversight services to the Northern Cape Provincial Departments.

The programme includes the following sub-programme:

- Programme Support
- Education Cluster
- Health Cluster
- Sector Departments
- DPW Cluster

Sub-programme: Programme Support (Audit Committee)					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Convene 260 Audit Committee meetings in adherence to the legislative requirements.	61	52	87	35	Significantly more Audit Committee meetings were held due to Audit Committee oversight that extended to 5 listed Public Entities in the province (McGregor Museum, Kalahari Kid Corporation, NCEDA, NC Gambling Board, NC Liquor Board).

Sub-programme: Programme Support (Audit Committee)							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of Compliance Assessments to the Audit Committee Charter	-	-	4 out of 5	1	1	-	-

Internal Audit					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Execution of the approved annual audit plans	200	200	257	57	Significantly more internal audit reports were issued due to the extension of service to the entities, ad-hoc requests that were fulfilled and quarterly assurance reviews conducted on audit action plans.

Sub-programme: Education Cluster							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of risk based plans approved by AC.	3	3	3	3	6	3	The increase in plans is due to the addition of Public Entities (NCEDA / NC Liquor Board / NC Gambling Board)
Number of audit reports issued.	31%	118%	152%	50	66	16	Additional audit assignments were conducted due to management requests from departments and risk assessment conducted by internal audit after the 2015-16 final external audit report was issued.
Number of assessments done by departments (1 per quarter for each of the 3 departments)	3 out of 5 as assessed by clients	3 out of 5 as assessed by clients	4 out of 5 as assessed by clients	12	14	2	Various assessments received from the department and 2 additional from NC Education department
Number of assessments of internal audit by the audit committee.(1 per year)	4 out of 5 as assessed by audit committee	4 out of 5 as assessed by audit committee	4 out of 5 as assessed by audit committee	1	1	-	-
Number of internal quality reviews conducted (1 per year)	PC	GC	GC	4	4	-	-

Sub-programme: Health Cluster							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of risk based plans approved by AC.	3	3	3	3	3	-	-
Number of audit reports issued	30%	106%	100%	50	52	2	Additional audits were completed as a result of ad hoc requests by departments.
Number of assessments of internal audit by departments.	3 out of 5	3 out of 5	4 out of 5	12	12	-	-
Number of assessments of internal audit by the audit committee.	3 out of 5	5 out of 5	4 out of 5	1	1	-	-
Number of internal and/ or external periodic reviews of compliance to IIA standards.	PC	PC	GC	4	4	-	-

Sub-programme: Sector Departments							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of risk based plans approved by AC.	3	3	3	3	5	2	Two (2) additional entities were added to the cluster responsibility during the financial year (McGregor Museum and Kalahari Kid).
Number of audit reports issued	34%	102%	126%	50	73	23	4 reports were carried over from the 3rd quarter. 1 report was an ad-hoc assignment as per management request. 8 reports were as a result of review of IA plan.
Number of assessments of internal audit by departments.	3 out 5	4 out 5	4 out 5	12	12	-	-
Number of assessments of internal audit by the audit committee.	3 out 5	4 out 5	4 out 5	1	1	-	-
Number of internal and/ or external periodic reviews of compliance to IIA standards.	PC	PC	GC	4	4	-	-

Sub-programme: DPW Cluster							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of risk based plans approved by AC.	3	4	4	3	3	-	-
Number of audit reports issued	29%	97%	114%	50	66	16	Additional audits were requested from departments.
Number of assessments of internal audit by departments.	3 out 5	3 out 5	4 out 5	12	13	1	Various assessments received from the 3 departments plus the NCFMTE.
Number of assessments of internal audit by the audit committee.	4 out 5	3 out 5	4 out 5	1	1	-	-
Number of internal and/ or external periodic reviews of compliance to IIA standards.	PC	GC	GC	4	4	-	-

Sub-programme expenditure

Internal Audit	2016/2017			2015/2016		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
Programme Support	8,901	7,769	1,132	4,755	4,537	217
Education	5,971	5,962	9	5,670	5,670	-
Health	6,022	5,945	77	6,051	6,028	23
Sector Departments	5,915	5,915	-	5,223	5,223	-
DPW	5,872	5,872	-	5,704	5,704	-
Total	32,681	31,463	1,218	27,403	27,162	241

The underspending is as a result of delay in filling of vacancies and the extension of shared internal audit services to public entities of which some payments rolled over into the next financial year.

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

The department does not have any public entities.

5.2. Transfer payments to all organisations other than public entities

Transfer payment effected was to municipalities, departmental agencies, households and non-profitable organisation.

Transfers to household relate significantly to payments for leave gratuity paid to officials who have resigned from the department and donations made from the MEC's discretionary fund.

Transfer payments to non-profitable were donations made in terms of the departmental corporate social responsibility.

Transfers to municipalities relate to transfers made in-line with the municipal financial management grant in supporting municipalities in ensuring that GRAP compliant financial statements and asset registers are compiled.

6. CONDITIONAL GRANTS

The department is not a recipient of conditional grants.

7. DONOR FUNDS

No donor assistance was received by the department.

8. CAPITAL INVESTMENT

The nature of the Department is such that there is no infrastructure related projects or significant capital investment projects. The only capital procurement being initiated is regarding office furniture and equipment and related capital equipment.

PART C:

GOVERNANCE

1. INTRODUCTION

The Department is committed to maintaining the highest standards of governance, as good governance is important for the management of public finances and resources. Good financial governance builds business confidence and assures business and community members that resources are utilized effectively and efficiently in achieving the objectives of the department.

During the year, the department has supported other entities in improving governance and has directed all efforts towards an improvement in the audit outcomes; transparent and fair supply chain management practices; efficient and effective spending by departments and sound cash management.

2. RISK MANAGEMENT

Risk Management has become an integral part of the department's processes. The Risk Management Committee is functional and convenes on a quarterly basis. The Chairperson issues a report to the Accounting Officer on a quarterly basis highlighting areas of concern. The Department is steadily working towards developing its effectiveness on risk management.

The Department has an approved risk management policy and strategy in place which are compiled in line with the National Treasury Risk Management Framework of 2010.

The risk register is reviewed on an annual basis with the strategic risk assessment being concluded during the departmental strategic session and the operational risk assessments finalised by the respective directorates. New and emerging risks are identified and reported on quarterly at the Risk Management Committee and the Audit Committee once they have been reported to the CRO.

The Audit Committee advises the department on risk management and monitors the system of risk management by analysing the Chairperson's report and the progress on the implementation and action plans.

3. FRAUD AND CORRUPTION

The fraud prevention plan is compiled based on the minimum anticorruption capacity model (MACC) that is reviewed on an annual basis. The respective key stakeholders, eg Finance, HR, Security Management and Risk Management give input into the document.

The Department has an approved Whistleblowing policy in place which details the strategies and reporting mechanisms that are adopted in the organisation.

Through detection controls, an incident of petty cash fraud was reported and investigated. The total loss to the department was R4,837 which will be recovered from the individual pension benefits. It must be noted that the official is no longer an employee of the department.

4. MINIMISING CONFLICT OF INTEREST

Senior Managers are required in terms of the Public Service Regulations to disclose annually their financial and other interest to ensure that where possible conflict of interest is minimized. Furthermore, all supply chain practitioners and bid committee members are required to declare their interest annually and per bid committee meeting to ensure transparency in the procurement processes. No conflict of interest incidence has been identified or reported for the year under review. Staff members who conduct business and receive additional remuneration are required to request permission from the accounting officer. Declaration of interest by bid specification, bid evaluation and bid adjudication committee members on any bid which is being considered. Recruitment and selection panel members are required to sign the declaration of interest during the process. Transparency and accountability is key within our department, thus we have ensured that vetting of all newly appointed officials occurs.

5. CODE OF CONDUCT

Newly appointed officials are inducted on their first day at work, and the Public Service Code of Conduct manual is handed to them on that day. Breach thereof is addressed through proper disciplinary procedures. NCPT officials are oriented on the code of conduct; this has improved the ethical behaviour of the officials as there were no cases reported during this financial year.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Health and Safety Committee was in operation to ensure compliance with the relevant legislation and to champion health and safety matters at the work place. Quarterly meetings were held and inspections were conducted in the buildings.

7. PORTFOLIO COMMITTEES

The Department provided feedback to the Portfolio Committee on the following:

- Annual Performance Plan 2016/17
- 1st, 2nd and 3rd Quarter Reports
- Annual Report for 2015/16.

The following were the resolution of the committee

Resolution No.	Subject	Response by the department	Resolved (Yes/No)
ANNUAL REPORT			
1	Engage in strategies in encouraging departments to pay municipal debt	<ul style="list-style-type: none"> • Established a debtors committee forum between departments; • Established a district debtors forum which is between departments and municipalities; • Currently assisting municipalities with data cleansing to improve the credibility of information, clearing and reconciling of government accounts, thus improving collection rate; • Government debt Instruction Note provided to municipalities to assist with inaccurate reporting 	YES
2	Assist Provincial Departments and municipalities in spending conditional grants	<ul style="list-style-type: none"> • Municipalities report to PT on a quarterly basis on the budget vs expenditure. Spending on each grant is assessed and municipalities are advised accordingly • Departments report to PT on a monthly & quarterly basis. An assessment is performed on actual expenditure vs grant output as indicated in the business plan/grant framework; • Reports are signed off by PT prior to department's submission to National Departments; • Continuous engagement with departments are undertaken to mitigate slow spending or underperformance. • Infrastructure Management PMTECs have been established in order to review the funding of projects, spending and performance 	YES
QUARTERLY PERFORMANCE REPORTS			
1.	Assist Provincial Departments and municipalities in spending conditional grants	<ul style="list-style-type: none"> • Continuous engagement have been facilitated with municipalities on the Municipal Infrastructure Grant(MIG) allocation, especially for sport facilities. • District Infrastructure Forums engagements in conjunction with COGHSTA were facilitated to provide technical support in terms of spending on MIG allocation and conducting site visits • Provincial Infrastructure Committee has been reviewing the funding of projects, spending and performance. • Moderation process conducted with National Sectors and National Treasury on the Performance Based Incentive Grant Processes (PBIS) • Infrastructure Adjustment Budget workshop conducted with National Treasury and Provincial stakeholders 	YES
2.	Engage in vigorous implementation strategies to ensure that municipalities use grants for intended purposes and apply punitive measures for non-compliance	<ul style="list-style-type: none"> • Grants allocated to municipalities are transferred by National Treasury, thus the province will not be in position to implement punitive measures; • A committee consisting of DCOG & COGHSTA reviews performance of conditional grants spending and make recommendation on how municipalities can improve their spending rates; • District Infrastructure Forums engagements in conjunction with COGHSTA were facilitated to provide technical support in terms of spending on MIG allocation and conducting site visits 	YES

Resolution No.	Subject	Response by the department	Resolved (Yes/No)
3.	Ensure that the implementation of the municipal support strategy across all municipalities is accelerated	Pilot Phase: <ul style="list-style-type: none"> Renosterberg, all asset management five issues were cleared and a new issue on valuation was raised which is currently being addressed. Dikgatlong the support provided resulted in an improvement of audit outcomes, i.e. from disclaimer to qualify for the audit opinion of 2015/16 financial year. Second Phase: Programme extended to the following municipalities <ul style="list-style-type: none"> Magareng Phokwane, Kammiesberg, NamaKhoi, and Richtersveld 	YES

ANNUAL REPORT

1.	Ensure that the ICT strategy is compatible with the departmental strategies	The ICT strategy has been updated to align to the departmental strategy.	YES
2	Provide support to departments with regard to supply chain management policies and regulations	Provincial Supply Chain Management unit conducted various workshops/training sessions with departments to provide advice on new pieces of legislations and frameworks. These were also consulted at various CFO forums. The unit also conducted individual compliance visits in order to determine areas that departments needed assistance with.	YES

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1.	Support to be provided to departments and municipalities	Provincial Treasury as the leading department in enforcing sound financial management within the province must maintain and sustain the audit outcome achieved. Also replicate the best practices implemented within the department to service delivery departments and municipalities	The internal controls have been maintained and departments and municipalities are continuously assisted in improving compliance	YES

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department obtained an unqualified audit opinion with no matters of emphasis in the prior year. Continuous efforts were implemented to ensure that the opinion is improved, thus the clean audit opinion for the current year

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Unqualified with no matters of emphasis	2013/14	Not Applicable
Matters of emphasis: Verification of qualifications was done subsequent to appointments	2014/15	Verification of qualifications is done prior to appointments.
Unqualified with no matters of emphasis	2015/16	Not Applicable

10. INTERNAL CONTROL UNIT

Internal control unit is located in Financial Management sub-programme. Currently the unit only has one official responsible for compliance checks on all relevant areas within financial management. The following is the work performed by the internal control:

Auditing of salary claims, S&T and fuel claims:

- Check fuel claims – ensure compliance to the Policy;
- Check Salary claims
- Check S&T claims – ensure compliance to the Policy.

Test controls within the Transport unit

- Check Trip authorizations
- Check Logbooks

11. INTERNAL AUDIT

The Internal Audit service has been performed by the Northern Cape Provincial Treasury's "Provincial Internal Audit Service". The function was setup under section 38(1)a)(i) and section 76(4)(e) of the PFMA as a shared function for the Northern Cape Provincial Administration, and in terms of paragraph 3.2.3. of the Treasury Regulations.

Internal Audit provides management with independent, objective assurance and consulting services designed to add value and to continuously improve the operations of the Department. It assisted the department to accomplish its objective by bringing a systematic disciplined approach to evaluate and improve effectiveness of Governance, Risk Management and Control processes. The following key activities are performed in this regard:

- Assess and make appropriate recommendations for improving the governance processes in achieving the department's objectives;
- Evaluate the adequacy and effectiveness and contribute to the improvements of risk management processes;
- Assist the Accounting Officer in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency and by developing recommendations for enhancement or improvement.

Using the risk assessment as a basis, audit reviews for the year included operations, compliance, performance and follow-up reviews. In terms of the approved Internal Audit Operational Plan 2016-17, the unit planned for thirteen audits and twenty-two audit assignments were conducted which included follow up audits and performance information's was reviewed on quarterly basis. The Biometric access control system was added due to the risk assessment conducted by internal audit.

The Auditor-General South Africa, Provincial Accountant General and Provincial Risk Management Unit were invited to the Audit Committee meetings.

Summary of audit work done

The Provincial Internal Audit Unit must evaluate and contribute to the improvement of governance, risk management and control processes using a systematic discipline approach:

- Governance: making appropriate recommendation by improving the governance processes
- Risk management : Evaluating risk exposures relating to the Department's governance, operations and information system
- Control: Evaluate the adequacy and effectiveness of control in responding to risk within the Department's governance, operations and information system

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2017.

Audit Committee Responsibility

The audit committee reports that it has complied with its responsibilities arising from section 38(1)(a), 76(4)(d) and 77 of the Public Finance Management Act and Treasury Regulations 3.1. It has adopted appropriate formal terms of reference as the Audit Committee Charter, has regulated its affairs and discharged its responsibilities in compliance thereof.

Audit Committee Members and Attendance

The audit committee consists of the members listed below. It meets as frequent as mandated by the approved audit committee charter and as often as it deems necessary.

During the financial year under review, 5 meetings were convened as per its charter.

Attendance of meetings was as follows:

Name	Qualifications	Internal or External	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Adv. DJ Block	B.Iuris,LLB, Higher Diploma In Taxation	External		01 December 2014	N/A	05
Mr. AL Kimmie	B.Compt(hons);RGA;SAIPA;MBA; Reg. Public Service Financial Officer	External		01 December 2014	N/A	04
Mr. V.A Makaleni	Master in Public Administration (UP) Bachelor of Commerce (Accounting) (UFS) Management Advancement Programme (WITS) Advanced Management Development Programme (UP) Certificate in Risk Management (UJ)	External		01 December 2014	N/A	04
Ms OJ Gill	B Com, B Com (hons) in Business Management, Cert. in Executive Development Program	Internal	Chief Director Department of Public Works	01 December 2014	31 October 2016	02
Ms. E Botes	ND: Police Administration, Bachelor's degree in Police Science, Certificate in Executive Development Program	Internal	Acting HOD Dept. of Environment and Nature Conservation	01 December 2014	31 October 2016	00

The Effectiveness of Internal Control

We have reviewed the reports of the internal auditors, the audit report on the annual Financial Statements and the management report of the Auditor-General of South Africa. Nothing has come to our attention that would indicate a material breakdown in Internal controls in this department.

The department has taken full responsibility and ownership for the implementation of risk management. The challenge remains to institutionalize risk management throughout the department. The Audit Committee noted a number of emerging risks and will be monitoring these on a regular basis.

We have fulfilled our mandate with regards to the annual financial statements as mentioned below. We have reviewed and concur with management's acceptance of the AGSA's management report. We can confirm that there are no unresolved issues. The Audit Committee is satisfied with the content and quality of quarterly reports in respect of in-year management and quarterly performance reports submitted in terms of the PFMA and the Treasury regulations as prepared by the Accounting Officer of the department during the year under review.

Evaluation of Annual Financial Statements

The audit committee has:

- Reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General and the Accounting Officer;
- Reviewed the Auditor-General's management report and management's response thereto;
- Reviewed changes to accounting policies and practices as reported in the annual financial statements
- Reviewed the department's processes for compliance with legal and regulatory provisions;
- Reviewed the information on predetermined objectives as reported in the annual report;
- Reviewed material adjustments resulting from the audit of the department; and
- Reviewed and where appropriate recommended changes to the interim financial statements as presented by the department for the six months ending 30 September 2016.

Internal Audit

In line with the PFMA and Treasury Regulations requirements, internal audit provides the audit committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by a risk based internal audit plan, internal audit assessing the adequacy of controls mitigating the risks and the audit committee monitoring implementation of corrective actions.

The following internal audits were approved of which all were completed during the year under review:

- Asset Management
- Biometrics Access Control System
- HRM Recruitment and Selection
- Human Resource Management: Employee health and Wellness
- Human Resource Management: Employee Personal Management Development
- ICT Governance
- Interim Financial Statements as at 30 September 2016
- Management Performance Assessment Tool 2016
- Management rectification plan on AGSA findings\
- Quarterly Follow up Audits
- Quarterly Performance Information
- Review of the Annual Financial Statements as at 31 March 2016
- Risk and Fraud Management
- Salary Management
- Supply Chain Management

The audit committee will encourage increased assurance over significant risk by overseeing the implementation of combined assurance principles.

In -Year Management and Monthly/ Quarterly Report

The Audit Committee through the Internal Audit Function was satisfied with the content and quality of quarterly reports prepared and issued by the Accounting Officer and the department during the year.

The reports were discussed with Department officials. Progress has been made in the development and quality of these management reports and the department has been reporting monthly and quarterly to the Office of the Premier and Provincial Treasury as required by the PFMA.

Risk Management

Progress on the departmental risk management was reported on a quarterly basis to the Audit Committee and is satisfied that the actual management of risk is receiving attention, although there are areas that still require improvement. Management should continue to support the Risk Officer to even further enhance the performance of the Department. The functioning of the Risk Management Committee will be monitored during the 2017/18 year.

One-on-One Meeting with the Accounting Officer

The Audit Committee has met with the Accounting Officer for the department to address unresolved issues.

Report to the Executive Authority

The Audit Committee has met with the Executive Authority to apprise the MEC on the performance of the department.

Auditor's General Report

We have reviewed the department's implementation plan for the audit issues raised in the prior year on a quarterly basis. The audit committee has met with the Auditor General to ensure that there are no unresolved issues that emanated from the regulatory audit. Corrective actions on detailed finding emanating from current regulatory audit will be monitored by the audit committee on regular basis.

Conclusion

The Audit Committee wishes to express its appreciation to the Management of the Department, AGSA and Provincial Internal Audit for the co-operation and information they have provided to fulfil our mandate and enable us to compile this report.

The Audit Committee concurs and accepts the Auditor-General's Report on the annual financial statements.



Advocate DJ Block
Chairperson of the Audit Committee
Northern Cape Provincial Treasury

PART D:

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The employer strives to create a conducive working environment for its employees and has enabled it to address the interest of employees. The department continues to run a successful and innovative health and wellness programme, effective bursary scheme, transparent and fair employee performance management and development system, recruitment and selection policy is also fully implemented.

2. OVERVIEW OF HUMAN RESOURCES

Priorities for Human Resource Management for this financial year was to ensure that there is progress in attaining 50/50 equity at SMS level, this is an ongoing priority as currently there is still the inequity within the sms structure. This is also addressed by the departmental approved EE plan. Currently there are only two (2) vacant funded posts at SMS level, recruitment will target women at SMS level who meet the minimum requirements when filling these posts. Current departmental resources will be utilized and this will be within six months of the post being vacant depending on the timeframe of the moratorium process.

Target is also on specific people with disabilities as the department has not reached the 2% target. User friendly facilities to accommodate officials with disabilities has also been given a priority in this financial year. This is also dealt with by ensuring that there is continuous representation of EE members in recruitment processes.

Emphasis has also been placed on the finalisation of the Departmental Organisational Structure in line with the approved generic structure for Provincial Treasuries. Meetings are held with appointed consultants for the speeding up of approval for the structure. Continuous clean-up of the PERSAL establishment is also given priority.

HRM has ensured that the vacancy rate is kept below 10% and by end of financial year was at 7%.

HRM policies are reviewed and approved. Final consultation is with the unions for finalization of the retention and succession planning policy to ensure that the department has got a strategy to attract and retain officials especially with scarce and critical skills.

In addition to the training that officials underwent, SMS members also attended the leadership programme and will still continue to attend other modules to ensure that there is continued empowerment and capacitation in an effort towards strengthening their leadership and governance skills and managerial capabilities.

Service provider for EAP has been appointed and the launched. There is continuation of engagements with GEMS and Department of Health for Health awareness and screenings of chronic disease including voluntary testing. Health and safety reps have been appointed and so as to ensure that the OHSA is fully implemented.

Targets that were partially achieved will be given priority in the new financial year as others were fully achieved.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1. Personnel related expenditure

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2016 and 31 March 2017

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	86,138	46,730	590	-	54.3	351
Sustainable Resource Management	47,953	39,027	3	-	81.4	650
Asset & Liability Management	50,812	33,651	163	-	66.2	961
Financial Governance	26,556	18,147	1,026	-	68.3	362
Internal Audit	31,464	26,646	1,654	-	84.7	392
Total	242, 923	164,201	2,478	-	67.6	475

Table 3.1.2 Personnel costs by salary band for the period 1 April 2016 and 31 March 2017

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	11	0.01	6	2
Skilled (level 3-5)	8,908	5.43	41	217
Highly skilled production (levels 6-8)	36,050	21.9	118	306
Highly skilled supervision (levels 9-12)	89,760	54.7	158	568
Senior and Top management (levels 13-16)	29,472	17.9	23	1,281
Total	164,201	100	346	475

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2016 and 31 March 2017

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	36,790	78.7	83	0.18	1,158	2.48	1,737	3.72
Sustainable Resource Management	31,357	80.4	-	-	738	1.89	1,183	3.03
Asset & Liability Management	27,563	81.9	29	0.09	522	1.55	926	2.75
Financial Governance	14,756	81.3	-	-	282	1.55	556	3.06
Internal Audit	21,203	79.6	-	-	590	2.21	853	3.20
Total	131,669	80.2	112	0.07	3,290	2.00	5,255	3.20

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2016 and 31 March 2017

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	24,735	83.9	-	-	-	-	2	-
Skilled (level 3-5)	71,788	79.9	-	-	504	0.31	617	0.38
Highly skilled production (levels 6-8)	28,068	77.9	-	-	1,334	0.81	1,975	1.20
Highly skilled supervision (levels 9-12)	6,968	78.2	112	0.07	1,340	0.81	2,353	1.43
Senior management (level 13-16)	110	10.0	-	-	112	0.07	308	0.19
Total	131,669	80.2	112	0.07	3,290	2.0	5,255	3.20

3.2. Employment and Vacancies

Table 3.2.1 Employment and vacancies by programme as on 31 March 2017

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	123	117	4.88	4
Sustainable Resource Management	73	68	6.85	-
Assets and Liabilities	70	60	14.3	1
Financial Governance	37	35	5.41	-
Internal Audit	59	54	8.47	-
Total	362	334	7.73	23

The above figure of number of post filled excludes audit committee members

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2017

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	6	6	-	-
Skilled(3-5)	42	41	2.38	2
Highly skilled production (6-8)	114	101	11.4	10
Highly skilled supervision (9-12)	171	158	7.60	9
Senior management (13-16)	29	28	3.45	2
Total	362	334	7.73	23

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2017

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related	55	49	10.9	6
Client Inform Clerks (Switchb. Receipt. Inform Clerks)	1	1	-	-
Communication and Information Related	3	3	-	-
Finance and Economics Related	63	58	7.93	-
Financial and Related Professionals	91	80	12.1	13
Financial Clerks and Credit Controllers	35	34	2.85	2
Food Services Aids and Waiters	9	8	11.1	-
Human Resources & Organisat. Developm. & Related Prof	2	1	50	-
Human Resources Clerks	3	3	-	-
Human Resources Related	20	19	5	-
Information Technology Related	9	8	11.1	-
Library Mail and Related Clerks	10	10	-	-
Light Vehicle Drivers	3	3	-	-
Messengers Porters and Deliverers	4	4	-	-
Other Information Technology Personnel	4	4	-	-
Other Occupations	1	1	-	-
Risk Management and Security Services	4	3	25	-
Secretaries & Other Keyboard Operating Clerks	25	25	-	-
Senior Managers	20	19	5	2
Total	362	334	7.73	23

3.3. Filling of SMS Posts

Table 3.3.1 SMS post information as on 31 March 2017

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	-	-	-	-	-
Salary Level 16	1	1	100	-	-
Salary Level 15	1	-	-	1	100
Salary Level 14	7	7	100	-	-
Salary Level 13	19	18	94.7	1	5.26
Total	28	26	92.9	2	7.14

Table 3.3.2 SMS post information as on 30 September 2016

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	-	-	-	-	-
Salary Level 16	1	1	100	-	-
Salary Level 15	1	-	-	1	100
Salary Level 14	7	7	100	-	-
Salary Level 13	19	19	100	-	-
Total	28	27	96.4	1	3.57

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2016 and 31 March 2017

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	-	-	-
Salary Level 16	-	-	-
Salary Level 15	-	-	-
Salary Level 14	-	-	1
Salary Level 13	-	-	-
Total	-	-	1

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2016 and 31 March 2017

Reasons for vacancies not advertised within six months
1. The post was advertised within six months of becoming vacant in 2015, it was then re-advertised in 2016 and filled within the same financial year (2016/17)
2. The HOD post is vacant for more than six months

Reasons for vacancies not filled within twelve months
1. N/A
2. Filling of the HOD post is the responsibility of the Office of the Premier

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2016 and 31 March 2017

Reasons for vacancies not advertised within six months
N/A

Reasons for vacancies not filled within six months
N/A

3.4. Job Evaluation

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2016 and 31 March 2017

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	6	-	-	-	-	-	-
Skilled (Levels 3-5)	42	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	114	-	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	171	-	-	-	-	-	-
Senior Management Service Band A	19	-	-	-	-	-	-
Senior Management Service Band B	7	-	-	-	-	-	-
Senior Management Service Band C	2	-	-	-	-	-	-
Senior Management Service Band D	1	-	-	-	-	-	-
Total	362	-	-	-	-	-	-

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2016 and 31 March 2017

Gender	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-

Employees with a disability	-
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Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2016 and 31 March 2017

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
	-	-	-	-
Total number of employees whose salaries exceeded the level determined by job evaluation				-
Percentage of total employed				-

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2016 and 31 March 2017

Gender	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-

Employees with a disability	-	-	-	-	-
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Notes

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
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3.5. Employment Changes

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2016 and 31 March 2017

Salary band	Number of employees at beginning of period- 1 April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled INTERNS (Levels 1-2)	6	6	-	-
Skilled (Levels3-5)	41	4	3	7.31
Highly skilled production (Levels 6-8)	101	16	8	7.92
Highly skilled supervision (Levels 9-12)	159	20	6	3.77
Senior Management Service Bands A (L 13)	18	1	3	16.7
Senior Management Service Bands B (L14)	7	1	-	-
Senior Management Service Bands C (L15)	-	1	-	-
Senior Management Service Bands D	1	-	-	-
Total	334	49	20	5.98

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2016 and 31 March 2017

Critical occupation	Number of employees at beginning of period-April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Senior Managers	20	-	2	10
TOTAL	20	-	2	10

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

Table 3.5.3 Reasons why staff left the department for the period 1 April 2016 and 31 March 2017

Termination Type	Number	% of Total Resignations
Death	1	2.38
Resignation	7	16.7
Expiry of contract	20	47.6
Dismissal – operational changes	-	-
Dismissal – misconduct	-	-
Dismissal – inefficiency	-	-
Discharged due to ill-health	1	2.4
Retirement	1	2.4
Transfer to other Public Service Departments	12	23.1
Other	-	-
Total	42	
Total number of employees who left as a % of total employment	12.6	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2016 and 31 March 2017

Occupation	Employees 1 April 2017	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Snr Managers	28	-	-	20	71.4
TOTAL	28	-	-	20	71.4

Table 3.5.5 Promotions by salary band for the period 1 April 2016 and 31 March 2017

Salary Band	Employees 1 April 2017	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	6	-	-	-	-
Skilled (Levels3-5)	41	-	-	24	58.5
Highly skilled production (Levels 6-8)	101	1	0.99	70	69.3
Highly skilled supervision (Levels 9-12)	158	2	1.27	94	59.5
Senior Management (Level 13-16)	28	-	-	20	71.4
Total	334	3	0.90	208	62.3

3.6. Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	10	3	-	4	9	1	-	1	28
Professionals	63	13	1	1	54	20	1	5	158
Technicians and associate professionals	21	9	-	-	46	22	-	3	101
Clerks	5	2	-	-	19	6	-	1	33
Service and sales workers	-	-	-	-	4	4	-	-	8
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Elementary occupations	1	-	-	-	5	-	-	-	6
Total	100	27	1	5	137	53	1	10	334
Employees with disabilities	1	1	-	-	3	-	-	-	5

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	-	-	-	-	-	-	-	2
Senior Management	8	3	-	4	9	1	-	1	26
Professionally qualified and experienced specialists and mid-management	63	13	1	1	54	20	1	5	158
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	21	9	-	-	46	22	-	3	101
Semi-skilled and discretionary decision making	5	2	-	-	19	6	-	1	33
Unskilled and defined decision making	-	-	-	-	4	4	-	-	8
Interns	1	-	-	-	5	-	-	-	6
Total	100	27	1	5	137	53	1	10	334

Table 3.6.3 Recruitment for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	1	-	-	-	-	-	-	1
Senior Management	1	-	-	-	1	1	-	-	2
Professionally qualified and experienced specialists and mid-management	6	-	-	-	10	2	-	-	18
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	5	1	-	-	9	3	-	-	18
Semi-skilled and discretionary decision making	1	-	-	-	2	1	-	-	4
Unskilled and defined decision making	1	-	-	-	5	-	-	-	6
Total	14	2	0	0	27	7	-	-	49
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.4 Promotions for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management	-	-	-	-	4	1	-	-	5
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	-	-	-	3	1	-	-	5
Semi-skilled and discretionary decision making	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	1	-	-	-	7	2	-	-	10
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.5 Terminations for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	2	1	-	-	-	-	-	-	3
Professionally qualified and experienced specialists and mid-management	6	3	-	-	1	0	-	-	10
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	6	1	-	-	8	1	-	-	16
Semi-skilled and discretionary decision making	3	-	-	-	10	-	-	-	13
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	17	5	-	-	19	1	-	-	42
Employees with Disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.6 Disciplinary action for the period 1 April 2016 to 31 March 2017

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Cases Finalised	5	-	-	-	-	-	-	-	5

Table 3.6.7 Skills development for the period 1 April 2016 to 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	5	1	-	4	7	1	-	-	18
Professionals	2	-	-	-	1	1	-	-	4
Technicians and associate professionals	21	5	1	-	26	12	-	-	65
Clerks	-	-	-	-	1	-	-	-	1
Service and sales workers	-	-	-	-	-	-	-	-	-
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Elementary occupations	-	-	-	-	-	-	-	-	-
Total	29	6	1	4	35	14	-	-	89
Employees with disabilities	-	-	-	-	1	-	-	-	1

3.7. Signing of Performance Agreements by SMS Members

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2016

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	-	-	-	-
Salary Level 16	1	1	-	-
Salary Level 15	2	1	-	-
Salary Level 14	6	6	6	85.7
Salary Level 13	19	17	17	94.4
Total	28	25	23	85.2

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2017

Reasons
Non submission by SMS members (Ministerial)

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2017

Reasons
None

3.8. Performance Rewards

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

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2016 to 31 March 2017

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	4	102	3.92	56	14
Female	16	136	11.8	286	18
Asian					
Male	-	1	-	-	-
Female	-	1	-	-	-
Coloured					
Male	3	27	11.1	53	18
Female	3	52	5.76	28	9
White					
Male	3	5	60	159	53
Female	-	10	-	-	-
Total	29	334	8.68	583	20

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2016 to 31 March 2017

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	-	6	-	-	-	-
Skilled (level 3-5)	3	41	7.32	20	7	0.01
Highly skilled production (level 6-8)	10	102	9.80	118	12	0.07
Highly skilled supervision (level 9-12)	11	158	6.96	195	18	0.12
Total	24	307	7.82	333	14	0.20

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2016 to 31 March 2017

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative Related	-	49	-	-	-
Client Inform Clerks (Switchb. Receipt. Inform Clerks)	-	1	-	-	-
Communication and Information Related	-	3	-	-	-
Finance and Economics Related	1	58	1.72	18	18
Financial and Related Professionals	19	80	23.8	278	15
Financial Clerks and Credit Controllers	-	34	-	-	-
Food Services Aids and Waiters	-	8	-	-	-
Human Resources & Organisat. Developm. & Related Prof	-	1	-	-	-
Human Resources Clerks	-	3	-	-	-
Human Resources Related	1	19	5.62	16	16
Information Technology Related	-	8	-	-	-
Library Mail and Related Clerks	-	10	-	-	-
Light Vehicle Drivers	-	3	-	-	-
Messengers Porters and Deliverers	-	4	-	-	-
Other Information Technology Personnel	-	4	-	-	-
Other Occupations	-	1	-	-	-
Risk Management and Security Services	-	3	-	-	-
Secretaries & Other Keyboard Operating Clerks	3	25	12	20	6
Senior Managers	5	19	26.3	249	50
Total	29	334	8.68	583	20

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2016 to 31 March 2017

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	4	18	22.2	191	48	0.12
Band B	1	7	14.3	58	58	0.04
Band C	-	1	-	-	-	-
Band D	-	1	-	-	-	-
Total	5	27	18.5	249	50	0.15

3.9. Foreign Workers

Table 3.9.1 Foreign workers by salary band for the period 1 April 2016 and 31 March 2017

Salary band	01 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	-	-	-	-	-	-
Highly skilled production (Lev. 6-8)	-	-	-	-	-	-
Highly skilled supervision (Lev. 9-12)	-	-	-	-	-	-
Contract (level 9-12)	-	-	-	-	-	-
Contract (level 13-16)	-	-	-	-	-	-
Total	-	-	-	-	-	-

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2016 and 31 March 2017

Major occupation	01 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% Change
N/A	-	-	-	-	-	-

3.10. Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2016 to 31 December 2016

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 Skills (Level 1-2)	5	40	3	0.96	1.67	1
Skilled (levels 3-5)	363	123.6	41	13.2	14.8	260
Highly skilled production (levels 6-8)	947	113.8	112	36.0	13.6	1,185
Highly skilled supervision (levels 9 -12)	1,072	93.9	137	44.1	11.9	2,360
Top and Senior management (levels 13-16)	144	84.4	18	5.78	12.9	513
Total	2,531	50.7	311	100	8.14	4,320

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2016 to 31 December 2016

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	46	100	2	66.7	23	70
Highly skilled supervision (Levels 9-12)	60	100	1	33.3	60	170
Senior management (Levels 13-16)	-	-	-	-	-	-
Total	106	100	3	100	35.33	240

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

Table 3.10.3 Annual Leave for the period 1 January 2016 to 31 December 2016

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2) INTERNS	26	5	5.2
Skilled Levels 3-5)	943	56	28.1
Highly skilled production (Levels 6-8)	2,484	135	29.3
Highly skilled supervision(Levels 9-12)	3,522	162	35.9
Senior management (Levels 13-16)	574	28	31.3
Total	7,549	386	19.5

Table 3.10.4 Capped leave for the period 1 January 2016 to 31 December 2016

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2017
Lower skilled (Levels 1-2)	-	-	-	-
Skilled Levels 3-5)	1	1	1	18.3
Highly skilled production (Levels 6-8)	1	1	1	16.2
Highly skilled supervision(Levels 9-12)	29	3	9.67	25.5
Senior management (Levels 13-16)	-	-	-	-
Total	31	5	6.2	20.0

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

Table 3.10.5 Leave payouts for the period 1 April 2016 and 31 March 2017

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2016/17 due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave payouts on termination of service for 2016/17	175	12	14, 598
Current leave payout on termination of service for 2016/17	137	7	19,545
Total	312	19	16, 421

3.11. HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	N/A

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.			Ms. M. L. Mooki
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.			2 employees designated R239 000
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.			EAP Service provider appointed HIV/AIDs Counselling and Testing PMTCT Pregnancy related , BP, Diabetes, STI's Importance of Safe sex Health screening : Blood Pressure, Blood Glucose, Cholesterol, BMI, Head & neck massage Information sessions on Hypertension, Diabetes, Stroke, Cardiovascular diseases, Stress and Depression Cancers: Cervical, Breast, Prostate: Self Breast Examination demonstrations and feedback Pap smear conducted Breast examination conducted Financial wellness, conducted by NCR Health promotion pamphlets disseminated, i.e How to deal with Stress Hepatitis A, B C, E Chronic Fatigue Syndrome Importance of hand washing Tuberculosis, Importance of taking Influenza vaccination
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.			Health and Safety Representative Committee Caroline January Mitchelle Cloete Priscilla Selloane Palesa Molelekwa Nthabiseng Khonkhobe Waldet Jones Boitumelo Seekoie Lebogang Mokae Linda Van Neel Louretta Stock Lolo Pharasi Patience Raadt Garth Corns
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.			HIV/AIDs, TB and STI's Policy Health and Productivity policy Employee Health and Wellness policy SHERQ policy Recruitment and Selection policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.			HIV/AIDs, TB and Policy Awareness programs Outsourced HCT
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.			A total of 50 employees underwent VCT for 16/17 Financial year
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.			EHW Monthly, Quarterly and Annual Reports. System monitoring tool

3.12. Labour Relations

Total number of Disciplinary hearings finalised	5
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Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2016 and 31 March 2017

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	-	-
Verbal warning	-	-
Written warning	2	40
Final written warning	-	-
Suspended without pay	1	20
Fine	-	-
Demotion	-	-
Dismissal	-	-
Not guilty	-	-
Case withdrawn	-	-
Resigned as agreement	2	40
Total	5	100

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2016 and 31 March 2017

Type of misconduct	Number	% of total
Misappropriation of funds	1	
Unauthorised use of state vehicle	1	
Damaging state vehicle	2	
Dereliction of duties	1	
Total	5	

Table 3.12.4 Grievances logged for the period 1 April 2016 and 31 March 2017

Grievances	Number	% of Total
Number of grievances resolved	2	100
Number of grievances not resolved	-	-
Total number of grievances lodged	2	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2016 and 31 March 2017

Disputes	Number	% of Total
Number of disputes upheld	-	
Number of disputes dismissed	1	
Total number of disputes lodged	6	

Table 3.12.6 Strike actions for the period 1 April 2016 and 31 March 2017

Total number of persons working days lost	-
Total costs working days lost	-
Amount recovered as a result of no work no pay (R'000)	-

Table 3.12.7 Precautionary suspensions for the period 1 April 2016 and 31 March 2017

Number of people suspended	2
Number of people who's suspension exceeded 30 days	1
Average number of days suspended	5 month
Cost of suspension(R'000)	97, 551

3.13. Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2016 and 31 March 2017

Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period			
			Learner ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	11		Leadership and Good Governance/ COBIT5/Disability Management		
	Male	13				
Professionals	Female	60		COBIT5/ITIL/Advanced Excel/Project Management/ CIP/Disability Management/ Demand Management/ Dashboard/ Government Media/CMDP/Annual Financial Statement/Demand Management/ Basic Principals of Risk Management		
	Male	38				
Technicians and associate professionals	Female	20		Persal/Advanced Excel/Project Management/CIP/ Disability Management/ Internal Audit Technician		
	Male	20				
Clerks	Female	4		CIP/Excellent Customer Service for Frontline Staff.		
	Male	4				
Sub Total	Female					
	Male					
Total		170				

Table 3.13.2 Training provided for the period 1 April 2016 and 31 March 2017

Occupational category	Gender	Number of employees as at 1 April 2016	Training provided within the reporting period			
			Learner ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	8		Leadership and Good Governance/ COBIT5/ Disability Management		18
	Male	11				
Professionals	Female	11		COBIT5/ITIL/Advanced Excel/Project Management/CIP/Disability Management/ Demand Management/ Dashboard/ Government Media/CMDP/Annual Financial Statement/ Demand Management/ Basic Principals of Risk Management		20
	Male	19				
Technicians and associate professionals	Female	12		Persal/Advanced Excel/Project Management/ CIP/Disability Management/ Internal Audit Technician		23
	Male	11				
Clerks	Female	7		CIP/Excellent Customer Service for Frontline Staff/ PERSAL		14
	Male	7				
Sub Total	Female					
	Male					
Total		86				86

3.14. Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2016 and 31 March 2017

Nature of injury on duty	Number	% of total
Required basic medical attention only	5	71.4
Temporary Total Disablement	1	14.3
Permanent Disablement	-	-
Fatal	1	14.3
Total	7	

PART E:

FINANCIAL INFORMATION

1. REPORT OF THE AUDITOR GENERAL

Opinion

1. I have audited the financial statements of the Provincial Treasury set out on page 79 to 140, which comprise the appropriation statement, the statement of financial position as at 31 March 2017, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Provincial Treasury as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

Bases for Opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.

4. I am independent of the department in accordance with the International Ethics

Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) together with the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Material underspending of the budget

7. As disclosed in the appropriation statement, the department has materially underspent the budget on administration, sustainable resources, asset and liability management, financial governance to the amount of R 37 707 000.

Other matter

8. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

9. The supplementary information set out on pages 132 to 140 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by National Treasury and the requirements of the PFMA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

11. preparing the financial statements, the accounting officer is responsible for assessing the Provincial Treasury's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless there is an intention either to liquidate the department or to cease operations, or there is no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

12. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

I Report on the audit of the annual performance report Introduction and scope

14. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

15. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2017:

- Programme 2 - Sustainable Resources Management
- Programme 3 - Assets and Liabilities Management
- Programme 4 - Financial Governance

17. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

18. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following programmes:

- Programme 2 - Sustainable Resources Management
- Programme 3 - Assets and Liabilities Management
- Programme 4 - Financial Governance

Other matters

19. I draw attention to the matters below. Achievement of planned targets

20. Refer to the annual performance report on pages 26 to 48; for information on the achievement of planned targets for the year and explanations provided for the under and overachievement of a significant number of targets.

Adjustment of material misstatements

21. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of Programme 3 - Assets and Liabilities Management. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on audit of compliance with legislation Introduction and scope

22. In accordance with the PAA and the general notice issued in terms thereof I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

23. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

I Other information

24. The Provincial Treasury accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report thereon and those selected programmes presented in the annual performance report that have been specifically reported on in the auditor's report.

25. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

26. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

27. I have not yet received the final annual report. When I do receive this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected I may have to re-issue my auditor's report amended as appropriate.

Internal control deficiencies

28. I considered internal control relevant to my audit of the statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. I did not identify any significant deficiencies in internal control.

Auditor General

Kimberley 31 July 2017



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNUAL FINANCIAL STATEMENTS FOR NORTHERN CAPE PROVINCIAL TREASURY

FOR THE YEAR ENDED

31 March 2017

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
APPROPRIATION STATEMENT
for the year ended 31 March 2017

Appropriation per programme									
	2016/17							2015/16	
	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
Voted funds and Direct charges									
Programme									
1. ADMINISTRATION SUSTAINABLE	89,571	-	-	89,571	86,138	3,433	96.2%	82,124	81,851
2. RESOURCE ASSETS AND LIABILITIES	59,064	-	-	59,064	47,954	11,110	81.2%	39,493	36,839
3. MANAGEMENT FINANCIAL	70,578	-	-	70,578	50,811	19,767	72.0%	53,813	51,720
4. GOVERNANCE PROVINCIAL	29,954	-	-	29,954	26,557	3,397	88.7%	21,537	20,994
5. INTERNAL AUDIT	32,681	-	-	32,681	31,463	1,218	96.3%	27,403	27,162
Programme sub total	281,848	-	-	281,848	242,923	38,925	86.2%	224,370	218,566
TOTAL	281,848	-	-	281,848	242,923	38,925	86.2%	224,370	218,566
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				38,391				46,173	
Actual amounts per Statement of Financial Performance (Total Revenue)				320,239				270,543	
Add:									
Aid assistance					-				-
Prior year unauthorised expenditure approved without funding					-				-
Actual amounts per Statement of Financial Performance Expenditure					242,923				218,566

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
APPROPRIATION STATEMENT
for the year ended 31 March 2017

Appropriation per economic classification									
	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	241,800	(1,444)	-	240,356	219,474	20,882	91.3%	210,971	206,364
Compensation of employees	171,674	(4,730)	-	166,944	164,259	2,685	98.4%	150,090	147,582
Salaries and wages	148,711	(2,627)	-	146,084	144,036	2,048	98.6%	131,360	129,069
Social contributions	22,963	(2,103)	-	20,860	20,223	637	96.9%	18,730	18,513
Goods and services	70,060	3,286	-	73,346	55,198	18,148	75.3%	60,866	58,775
Administrative fees	704	153	-	857	839	18	97.9%	690	685
Advertising	850	(350)	-	500	351	149	70.2%	1,467	1,378
Minor assets	1,460	(198)	-	1,262	756	506	59.9%	1,051	863
Audit costs: External	3,127	(63)	-	3,064	2,750	314	89.8%	3,061	3,061
Bursaries: Employees	299	(48)	-	251	251	-	100.0%	400	400
Catering: Departmental activities	1,450	(175)	-	1,275	994	281	78.0%	883	696
Communication (G&S)	2,071	1,780	-	3,851	3,666	185	95.2%	2,887	2,853
Computer services	2,403	122	-	2,525	2,525	-	100.0%	3,034	2,980
Consultants: Business and advisory services	11,538	1,448	-	12,986	3,756	9,230	28.8%	8,323	8,323
Legal services	132	(15)	-	117	117	-	100.0%	124	124
Contractors	52	112	-	164	151	13	92.1%	165	165
Entertainment	117	(71)	-	46	4	42	8.7%	39	16
Fleet services (including government motor transport)	1,084	287	-	1,371	1,366	5	99.6%	839	839
Consumable supplies	1,349	110	-	1,459	1,184	275	81.2%	1,737	1,390
Consumable: Stationery, printing and office supplies	1,753	(245)	-	1,508	911	597	60.4%	1,552	1,297

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
APPROPRIATION STATEMENT
for the year ended 31 March 2017

Appropriation per economic classification									
	2016/17							2015/16	
	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
Operating leases	12,011	3,176	-	15,187	12,717	2,470	83.7%	11,625	11,610
Property payments	6,308	425	-	6,733	6,733	-	100.0%	5,388	5,388
Travel and subsistence	17,148	(3,448)	-	13,700	10,363	3,337	75.6%	11,516	10,976
Training and development	1,956	1,534	-	3,490	3,436	54	98.5%	2,094	2,054
Operating payments	2,907	(956)	-	1,951	1,436	515	73.6%	3,151	2,920
Venues and facilities	1,341	(331)	-	1,010	853	157	84.5%	840	757
Rental and hiring	-	39	-	39	39	-	100.0%	-	-
Interest and rent on land	66	-	-	66	17	49	25.8%	15	7
Interest (incl. interest on unitary payments (PPP))	66	-	-	66	17	49	25.8%	15	7
Transfers and subsidies	33,052	145	-	33,197	17,065	16,132	51.4%	6,164	6,022
Provinces and municipalities	32,659	-	-	32,659	16,528	16,131	50.6%	4,789	4,709
Municipalities	32,659	-	-	32,659	16,528	16,131	50.6%	4,789	4,709
Municipal agencies and funds	32,659	-	-	32,659	16,528	16,131	50.6%	4,789	4,709
Departmental agencies and accounts	22	(14)	-	8	8	-	100.0%	8	8
Departmental agencies (non-business entities)	22	(14)	-	8	8	-	100.0%	8	8
Higher education institutions	-	-	-	-	-	-	-	62	-
Non-profit institutions	74	(8)	-	66	66	-	100.0%	-	-
Households	297	167	-	464	463	1	100.0%	1,305	1,305
Social benefits	35	163	-	198	198	-	100.0%	1,104	1,104
Other transfers to households	262	4	-	266	265	1	100.0%	201	201

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
APPROPRIATION STATEMENT
for the year ended 31 March 2017

Appropriation per economic classification									
	2016/17							2015/16	
	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
Payments for capital assets	6,996	1,299	-	8,295	6,384	1,911	77.0%	7,231	6,176
Machinery and equipment	6,796	1,302	-	8,098	6,214	1,884	76.7%	6,785	5,787
Transport equipment	987	16	-	1,003	1,003	-	-	-	-
Other machinery and equipment	5,809	1,286	-	7,095	5,211	1,884	73.4%	6,785	5,787
Software and other Intangible assets	200	(3)	-	197	170	27	86.3%	446	389
Payment for financial assets	-	-	-	-	-	-	-	4	4
	281,848	-	-	281,848	242,923	38,925	86.2%	224,370	218,566

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
APPROPRIATION STATEMENT
for the year ended 31 March 2017

Programme 1: ADMINISTRATION									
	2016/17							2015/16	
	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
Sub programme									
1. OFFICE OF THE MEC	12,392	-	-	12,392	11,979	413	96.7%	9,485	9,485
2. MANAGEMENT SERVICES	3,657	(951)	-	2,706	2,706	-	100.0%	2,264	2,264
3. CORPORATE SERVICES	25,266	(3,562)	-	21,703	21,611	92	99.6%	22,447	22,187
4. FINANCIAL MANAGEMENT	22,514	(804)	-	21,710	21,509	401	99.2%	21,500	21,487
5. SECURITY AND RECORDS MANAGEMENT	25,733	5,127	-	30,860	28,333	2,527	91.8%	26,428	26,428
	89,571	-	-	89,571	86,138	3,433	96.2%	82,124	81,851

Programme 1: ADMINISTRATION									
	2016/17							2015/16	
	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
Economic classification									
Current payments	86,524	(525)	-	86,000	82,783	3,217	96.2%	78,182	78,080
Compensation of employees	49,543	(2,013)	-	46,730	46,730	-	100.0%	43,014	43,001
Salaries and wages	41,784	(1,266)	-	40,518	40,518	-	100.0%	37,315	37,302

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
APPROPRIATION STATEMENT
for the year ended 31 March 2017

Programme 1: ADMINISTRATION									
	2016/17							2015/16	Actual Expenditure
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	
	RMB	RMB	RMB	RMB	RMB	RMB	%	RMB	
Social contributions	7,759	(1,547)	-	6,212	6,212	-	100.0%	5,689	5,689
Goods and services	37,051	2,208	-	39,359	36,058	3,280	91.7%	35,088	35,079
Administrative fees	280	47	-	267	267	-	100.0%	174	174
Advertising	643	(356)	-	287	252	35	87.8%	1,305	1,305
Minor assets	387	(212)	-	175	110	65	62.9%	486	457
Audit costs: External	2,236	54	-	2,290	2,290	-	100.0%	2,577	2,577
Bursaries: Employees	289	(48)	-	251	251	-	100.0%	400	400
Catering: Departmental activities	443	(64)	-	379	260	119	68.6%	258	258
Communication (SAS)	1,835	1,768	-	3,603	3,501	102	97.2%	2,688	2,688
Computer services	2,129	100	-	2,229	2,229	-	100.0%	2,404	2,404
Consultants: Business and advisory services	313	115	-	428	428	-	100.0%	261	261
Legal services	132	(15)	-	117	117	-	100.0%	124	124
Contracts	52	110	-	162	149	13	92.0%	156	156
Entertainment	70	(62)	-	8	2	6	25.0%	5	5
Fleet services (including government motor transport)	1,079	257	-	1,336	1,336	-	100.0%	655	655
Consumable supplies	389	359	-	758	744	14	98.2%	909	909
Consumable: Stationery, printing and office supplies	583	(169)	-	424	276	148	65.1%	493	493
Operating leases	12,011	3,176	-	15,187	12,717	2,470	83.7%	11,610	11,610
Property payments	5,308	425	-	6,733	6,733	-	100.0%	5,388	5,388
Travel and subsistence	5,208	(2,218)	-	2,990	2,798	192	93.6%	2,640	2,640

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
APPROPRIATION STATEMENT
for the year ended 31 March 2017

Programme 1: ADMINISTRATION									
	2016/17							2015/16	Actual Expenditure
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	
	RMB	RMB	RMB	RMB	RMB	RMB	%	RMB	
Training and development	733	(121)	-	612	590	22	96.4%	567	567
Operating payments	1,569	(743)	-	826	756	70	91.5%	1,701	1,701
Venues and facilities	392	(152)	-	240	216	24	90.0%	227	227
Rental and hiring	-	37	-	37	37	-	100.0%	-	-
Transfers and collection	358	113	-	471	478	1	99.8%	1,018	966
Departmental agencies and accounts	22	(14)	-	8	8	-	100.0%	8	8
Departmental agencies (non-business entities)	22	(14)	-	8	8	-	100.0%	8	8
Non-profit institutions	74	(8)	-	66	66	-	100.0%	-	-
Households	262	135	-	397	396	1	99.7%	948	948
Social benefits	-	131	-	131	131	-	100.0%	747	747
Other transfers to households	262	4	-	266	265	1	99.6%	201	201
Payments for capital assets	2,619	412	-	3,031	2,873	152	95.0%	3,080	2,811
Machinery and equipment	2,443	414	-	2,857	2,732	125	95.6%	2,943	2,811
Transport equipment	967	16	-	1,003	1,003	-	100%	-	-
Other machinery and equipment	1,456	398	-	1,854	1,729	125	93.3%	2,943	2,811
Software and other intangible assets	176	(2)	-	174	147	27	84.5%	57	-
Payment for financial assets	-	-	-	-	-	-	-	4	4
	89,571	-	-	89,571	86,138	3,433	96.1%	82,124	81,851

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
APPROPRIATION STATEMENT
for the year ended 31 March 2017

Programme 2: Sustainable Resources									
	2016/17					2015/16			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	RMB	RMB	RMB	RMB	RMB	RMB	%	RMB	RMB
Sub-programme									
1. PROGRAMME SUPPORT	1,986	120	-	2,106	2,066	40	98.1%	2,134	2,103
2. ECONOMIC ANALYSIS	5,765	(120)	-	5,645	5,354	291	94.8%	4,803	4,803
3. FISCAL POLICY	10,854	-	-	10,854	6,466	4,388	59.6%	4,889	4,889
4. BUDGET MANAGEMENT	11,802	-	-	11,802	8,635	2,967	74.9%	10,659	8,111
5. MUNICIPAL FINANCE	28,657	-	-	28,657	25,233	3,424	88.1%	17,008	16,933
	59,064	-	-	59,064	47,954	11,110	81.2%	39,493	36,839
Economic classification									
Current payments	52,780	(347)	-	52,432	42,837	10,225	80.5%	37,947	35,876
Compensation of employees	40,115	-	-	40,115	39,027	1,088	97.3%	33,630	32,847
Salaries and wages	34,781	467	-	35,248	34,214	1,034	97.1%	29,291	28,677
Social contributions	5,334	(467)	-	4,867	4,813	54	98.9%	4,339	4,170
Goods and services	12,594	(347)	-	12,247	3,110	9,137	25.4%	4,317	3,031
Administrative fees	73	71	-	144	131	13	91.0%	105	100
Advertising	103	6	-	109	53	56	48.6%	80	-
Minor assets	169	118	-	287	147	140	51.2%	244	107
Catering: Departmental activities	147	(2)	-	145	52	93	35.9%	109	41
Communication (GMS)	-	10	-	10	10	-	100.0%	158	158
Computer services	138	16	-	154	154	-	100.0%	147	147

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
APPROPRIATION STATEMENT
for the year ended 31 March 2017

Programme 2: SUSTAINABLE RESOURCES									
	2016/17					2015/16			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	RMB	RMB	RMB	RMB	RMB	RMB	%	RMB	RMB
Consultants: Business and advisory services	7,400	(43)	-	7,357	-	7,357	-	-	-
Contractors	-	-	-	-	-	-	-	4	4
Entertainment	9	(3)	-	6	2	4	33.3%	10	10
Consumable supplies	349	(228)	-	121	62	59	51.2%	392	54
Consumables: Stationery, printing and office supplies	284	(29)	-	255	103	152	40.4%	241	93
Travel and subsistence	3,089	(192)	-	2,907	1,956	951	67.3%	1,943	1,656
Training and development	25	(17)	-	8	3	5	37.5%	-	-
Operating payments	638	(39)	-	599	327	272	54.6%	711	517
Venues and facilities	160	(15)	-	145	110	35	75.9%	173	134
Transfers and subsidies	5,000	-	-	5,000	5,000	-	100.0%	10	10
Provinces and municipalities	5,000	-	-	5,000	5,000	-	100.0%	-	-
Municipalities	5,000	-	-	5,000	5,000	-	100.0%	-	-
Municipal agencies and funds	5,000	-	-	5,000	5,000	-	100.0%	-	-
Households	-	-	-	-	-	-	-	10	10
Social benefits	-	-	-	-	-	-	-	10	10
Payments for capital assets	1,355	347	-	1,702	817	885	48.0%	1,536	951
Machinery and equipment	1,355	347	-	1,702	817	885	48.0%	1,536	951
Other machinery and equipment	1,355	347	-	1,702	817	885	48.0%	1,536	951
	59,064	-	-	59,064	47,954	11,110	81.2%	39,493	36,839

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
APPROPRIATION STATEMENT
for the year ended 31 March 2017

Programme 3: ASSETS AND LIABILITIES MANAGEMENT									
	2016/17					2015/16			
	Adjusted Appropriation	Spending of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	RMB	RMB	RMB	RMB	RMB	RMB	%	RMB	RMB
Sub programme									
1. PROGRAMME SUPPORT	1,645	-	-	1,645	1,255	390	76.3%	1,687	1,490
2. ASSET MANAGEMENT	38,971	-	-	38,971	22,275	16,696	57.2%	18,280	18,140
3. SUPPORT AND INTERLINKED FINANCIAL SYSTEMS	18,804	-	-	18,804	16,861	1,943	89.7%	22,961	22,144
4. PUBLIC PRIVATE PARTNERSHIP	6,556	-	-	6,556	6,208	348	94.7%	6,023	6,023
5. BANKING AND CASHFLOW MANAGEMENT	4,602	-	-	4,602	4,212	390	91.5%	4,912	3,923
	70,578	-	-	70,578	50,811	19,767	72.0%	53,813	51,720
Economic classification									
Current payments	45,420	(182)	-	45,318	40,335	4,983	90.3%	47,083	45,068
Compensation of employees	34,264	(33)	-	34,231	33,651	580	98.3%	32,861	31,370
Salaries and wages	30,570	(218)	-	30,352	29,865	487	98.4%	29,217	27,774
Social contributions	3,694	185	-	3,879	3,786	93	97.6%	3,644	3,596
Goods and services	11,080	(68)	-	11,021	7,267	3,754	65.9%	14,127	13,681
Administrative fees	193	90	-	283	278	5	98.2%	236	236
Advertising	104	-	-	104	46	58	44.2%	82	73
Minor assets	629	(200)	-	429	265	164	61.8%	167	147
Catering: Departmental activities	109	54	-	163	103	60	63.2%	108	48
Communication (GAS)	194	(1)	-	193	152	41	78.8%	28	6
Computer services	-	-	-	-	-	-	-	376	345
Consultants: Business and advisory services	3,825	(14)	-	3,811	3,003	808	78.8%	8,082	8,082

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
APPROPRIATION STATEMENT
for the year ended 31 March 2017

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NORTHERN CAPE PROVINCIAL TREASURY

VOTE 8

APPROPRIATION STATEMENT

for the year ended 31 March 2017

Particulars: ASSETS AND LIABILITIES MANAGEMENT									
	2016/17					2015/16			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	RMBD	RMBD	RMBD	RMBD	RMBD	RMBD	%	RMBD	RMBD
Other machinery and equipment	1,904	71	-	1,975	1,558	417	78.9%	1,317	1,239
Software and other intangible assets	24	(1)	-	23	23	-	100.0%	370	370
Payment for financial assets	-	-	-	-	-	-	-	-	-
	70,578	-	-	70,578	50,811	19,767	72.0%	53,813	51,720

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
APPROPRIATION STATEMENT
for the year ended 31 March 2017

Programme 4: FINANCIAL GOVERNANCE									
	2016/17					2015/16			
	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
Sub programme									
1. PROGRAMME SUPPORT	1,644	33	-	1,677	1,677	-	100.0%	1,860	1,629
2. ACCOUNTING SERVICES	10,511	-	-	10,511	8,818	1,693	83.9%	8,358	8,358
3. NORMS AND STANDARDS	7,245	(33)	-	7,212	6,901	311	95.7%	5,788	5,759
4. RISK MANAGEMENT	10,554	-	-	10,554	9,161	1,393	86.8%	5,531	5,268
	29,954	-	-	29,954	26,557	3,397	88.7%	21,537	20,994
Economic classification									
Current payments	25,085	(411)	-	24,674	22,745	1,929	92.2%	20,936	20,397
Compensation of employees	19,419	(255)	-	19,164	18,147	1,017	94.7%	16,431	16,210
Salaries and wages	16,669	(215)	-	16,454	15,927	527	96.8%	14,320	14,089
Social contributions	2,750	(40)	-	2,710	2,220	490	81.9%	2,111	2,111
Goods and services	5,666	(156)	-	5,510	4,598	912	83.4%	4,505	4,187
Administrative fees	39	48	-	87	87	-	100.0%	82	82
Minor assets	155	4	-	159	22	137	13.8%	76	54
Audit costs: External	891	(117)	-	774	460	314	59.4%	484	484
Catering: Departmental activities	390	(15)	-	375	366	9	97.6%	249	190
Communication (G&S)	42	-	-	42	-	42	-	12	-
Contractors	-	2	-	2	2	-	100.0%	-	-
Entertainment	5	-	-	5	-	5	-	5	-
Consumable supplies	56	(9)	-	47	13	34	27.7%	53	53

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
APPROPRIATION STATEMENT
for the year ended 31 March 2017

Programme 4: FINANCIAL GOVERNANCE									
	2016/17					2015/16			
	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
Consumables: Stationery, printing and office supplies	244	(6)	-	238	224	14	94.1%	269	227
Travel and subsistence	2,484	(412)	-	2,072	1,811	261	87.4%	1,778	1,604
Training and development	573	453	-	1,026	1,026	-	100.0%	1,076	1,041
Operating payments	166	12	-	178	126	52	70.8%	86	86
Venues and facilities	621	(118)	-	503	459	44	91.3%	320	286
Rental and hiring	-	2	-	2	2	-	100.0%	-	-
Transfers and subsidies	4,464	-	-	4,464	3,300	1,164	73.9%	6	6
Provinces and municipalities	4,464	-	-	4,464	3,300	1,164	73.9%	-	-
Municipalities	4,464	-	-	4,464	3,300	1,164	73.9%	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	4,464	-	-	4,464	3,300	1,164	73.9%	-	-
Households	-	-	-	-	-	-	-	6	6
Social benefits	-	-	-	-	-	-	-	6	6
Payments for capital assets	406	411	-	816	512	304	62.7%	595	591
Machinery and equipment	406	411	-	816	512	304	62.7%	595	591
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	406	411	-	816	512	304	62.7%	595	591
	29,954	-	-	29,954	26,557	3,397	88.7%	21,537	20,994

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
APPROPRIATION STATEMENT
for the year ended 31 March 2017

Programme 5: PROVINCIAL INTERNAL AUDIT									
	2016/17					2015/16			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	RMB	RMB	RMB	RMB	RMB	RMB	%	RMB	RMB
Sub programme									
1. PROGRAMME SUPPORT	7,206	1,695	-	8,901	7,769	1,132	87.3%	4,756	4,537
2. INTERNAL AUDIT (EDUCATION)	5,395	(424)	-	5,971	5,962	9	99.8%	5,670	5,670
3. INTERNAL AUDIT (HEALTH)	5,508	(486)	-	6,022	5,945	77	98.7%	5,051	6,026
4. INTERNAL AUDIT (SECTOR DEPARTMENTS)	5,251	(346)	-	5,915	5,915	-	100.0%	5,223	5,223
5. INTERNAL AUDIT (DPWP)	5,311	(439)	-	5,872	5,872	-	100.0%	5,704	5,704
	32,681	-	-	32,681	31,463	1,218	96.3%	27,403	27,162
Economic classification									
Current payments	31,532	(524)	-	31,533	30,858	1,065	96.7%	25,983	26,341
Compensation of employees	28,333	(1,629)	-	26,704	26,704	-	100.0%	24,154	24,154
Salaries and wages	24,907	(1,395)	-	23,512	23,512	-	100.0%	21,217	21,217
Social contributions	3,426	(234)	-	3,192	3,192	-	100.0%	2,937	2,937
Goods and services	3,659	1,570	-	5,229	4,164	1,065	79.6%	2,829	2,787
Administrative fees	179	(103)	-	76	76	-	100.0%	93	93
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	120	92	-	212	212	-	100.0%	98	98
Catering, Departmental activities	361	(148)	-	213	213	-	100.0%	159	159
Communication (GAS)	-	3	-	3	3	-	100.0%	1	1
Computer services	136	5	-	142	142	-	100.0%	107	84
Consultants, Business and advisory services	-	1,390	-	1,390	325	1,065	23.4%	-	-

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
APPROPRIATION STATEMENT
for the year ended 31 March 2017

Programme 5: PROVINCIAL INTERNAL AUDIT									
	2016/17					2015/16			
	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
Entertainment	5	(5)	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	4	-	4	4	-	100.0%	-	-
Consumable supplies	91	(18)	-	73	73	-	100.0%	78	78
Consumable: Stationery, printing and office supplies	202	(41)	-	161	161	-	100.0%	180	161
Travel and subsistence	1,670	(488)	-	1,182	1,182	-	100.0%	1,462	1,462
Training and development	510	1,144	-	1,654	1,654	-	100.0%	302	302
Operating payments	295	(192)	-	103	103	-	100.0%	288	288
Venues and facilities	90	(74)	-	16	16	-	100.0%	61	61
Transfers and collection	-	-	-	-	-	-	-	7	7
Households	-	-	-	-	-	-	-	7	7
Social benefits	-	-	-	-	-	-	-	7	7
Payments for capital assets	600	59	-	748	595	153	79.5%	403	214
Machinery and equipment	609	59	-	748	595	153	79.5%	394	195
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	609	59	-	748	595	153	79.5%	394	195
Heritage assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	19	19
Payment for financial assets	-	-	-	-	-	-	-	-	-
	32,681	-	-	32,681	31,463	1,218	96.3%	27,403	27,162

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2017

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

Detail of these transactions can be viewed in the note on Transfers and Subsidies and Annexure 1 (A-H) to the Annual Financial Statements.

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

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

3 Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note to Payments for financial assets to the Annual Financial Statements.

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

4.1 Per programme:	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Administration	89 571	86 138	3 433	4%

Explanation of variance: Delays in filling of vacancies and the department was due to relocate to new office premises, the relocation will be finalised in the new financial year.

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Sustainable Resource Management	59 084	47 954	11 110	19%

Explanation of variance: Delays in the implementation of Health Intervention Project, Municipal Data Cleansing Project and Ubuntu Municipality Intervention Project.

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Asset and Liability Management	70 578	50 811	19 767	28%

Explanation of variance: Transfers to municipalities were not fully effected and will be transferred in the new financial year.

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Financial Governance	28 954	26 557	3 397	11%

Explanation of variance: Delays in the implementation of MSCOA and Transfers to municipalities were not fully effected and will be transferred in the new financial year.

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2017

Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
R'000	R'000	R'000	%

Internal Audit	32 681	31 463	1 218	4%
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Explanation of variance: Due to delays in filling of vacant funded posts and equipment procured not yet delivered at year-end. Funds were also committed towards the Shared Internal Audit Service to Public Entities.

Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
R'000	R'000	R'000	%

4.2 Per economic classification:

Current expenditure				
Compensation of employees	168 944	164 259	2 685	2%
Goods and services	73 346	55 198	18 148	25%
Interest and rent on land	86	17	49	74%
Transfers and subsidies				
Provinces and municipalities	32 659	18 528	18 131	48%
Departmental agencies and accounts	8	8	-	0%
Higher education institutions	-	-	-	-
Non-profit institutions	86	86	-	0%
Households	484	483	1	0%
Payments for capital assets				
Machinery and equipment	8 088	8 214	1 884	23%
Software and other intangible assets	187	170	27	14%
Payments for financial assets	-	-	-	-

Explanation of variance: Funds that were underspent from implementation of Certain projects will be requested for roll over as the projects are continuing.

**PROVINCIAL TREASURY
VOTE 8**

**STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2017**

	<i>Note</i>	2016/17 R'000	2015/16 R'000
REVENUE			
Annual appropriation	<u>1</u>	281,048	224,370
Departmental revenue	<u>2</u>	38,381	48,173
TOTAL REVENUE		320,239	270,543
EXPENDITURE			
Current expenditure			
Compensation of employees	<u>3</u>	184,259	147,582
Goods and services	<u>4</u>	55,188	58,775
Interest and rent on land	<u>5</u>	17	7
Total current expenditure		219,474	206,364
Transfers and subsidies			
Transfers and subsidies	<u>7</u>	17,065	8,022
Total transfers and subsidies		17,065	8,022
Expenditure for capital assets			
Tangible assets	<u>8</u>	6,214	5,787
Intangible assets	<u>8</u>	170	389
Total expenditure for capital assets		6,384	6,176
Payments for financial assets	<u>6</u>	-	4
TOTAL EXPENDITURE		242,923	218,566
SURPLUS/(DEFICIT) FOR THE YEAR		77,316	51,977
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		38,025	5,804
Annual appropriation		38,025	5,804
Departmental revenue and NRF Receipts	<u>12</u>	38,381	48,173
SURPLUS/(DEFICIT) FOR THE YEAR		77,316	51,977

**PROVINCIAL TREASURY
VOTE 8**

**STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2017**

	<i>Note</i>	2016/17 R'000	2015/16 R'000
ASSETS			
Current Assets		41,438	10,010
Cash and cash equivalents	<u>9</u>	41,381	9,011
Prepayments and advances	<u>10</u>	-	7
Receivables	<u>11</u>	127	892
Non-Current Assets		866	392
Receivables	<u>11</u>	866	392
TOTAL ASSETS		42,354	10,402
LIABILITIES			
Current Liabilities		42,354	10,400
Voted funds to be surrendered to the Revenue Fund	<u>12</u>	38,925	5,804
Receipts to be surrendered to the Revenue Fund	<u>13</u>	3,413	4,583
Payables	<u>14</u>	16	3
Non-Current Liabilities			
Payables	<u>15</u>	-	2
TOTAL LIABILITIES		42,354	10,402
NET ASSETS		-	-
TOTAL		-	-

**PROVINCIAL TREASURY
VOTE 8**

Cash Flow Statement For the year ended 31 March 2017

	<i>Note</i>	2016/17 R'000	2015/16 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		321,191	271,284
Annual appropriated funds received	<u>1.1</u>	281,848	224,370
Statutory appropriated funds received	<u>1.1</u>	-	-
Departmental revenue received	<u>2</u>	121	573
Interest received	<u>2.3</u>	39,222	46,341
NRF Receipts		-	-
Net (increase)/ decrease in working capital		411	(747)
Surrendered to Revenue Fund		(48,327)	(58,448)
Current payments		(218,457)	(208,357)
Interest paid	<u>5</u>	(17)	(7)
Payments for financial assets		-	(4)
Transfers and subsidies paid		(17,085)	(8,022)
Net cash flow available from operating activities	<u>18</u>	<u>39,736</u>	<u>(1,302)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	<u>8</u>	(8,384)	(8,178)
Proceeds from sale of capital assets	<u>2.4</u>	-	154
Net cash flows from investing activities		<u>(8,384)</u>	<u>(8,022)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in non-current payables		<u>(2)</u>	<u>2</u>
Net cash flows from financing activities		<u>(2)</u>	<u>2</u>
Net increase/ (decrease) in cash and cash equivalents		32,350	(7,322)
Cash and cash equivalents at beginning of period		<u>9,011</u>	<u>16,333</u>
Cash and cash equivalents at end of period	<u>9</u>	<u>41,361</u>	<u>9,011</u>

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ACCOUNTING POLICIES for the year ended 31 March 2017	
Summary of significant accounting policies <p>The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.</p> <p>The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.</p> <p>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 (PFMA), Act 1 of 1990 (as amended by Act 20 of 1990), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.</p>	
1	Basis of preparation <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
2	Going concern <p>The financial statements have been prepared on a going concern basis.</p>
3	Presentation currency <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
4	Rounding <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R1000).</p>
5	Foreign currency translation <p>Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.</p>
6	Comparative information
6.1	Prior period comparative information <p>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.</p>
6.2	Current year comparison with budget <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
7	Revenue
7.1	Appropriated funds <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p>

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ACCOUNTING POLICIES for the year ended 31 March 2017	
	<p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
7.2	<p>Departmental revenue</p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
7.3	<p>Accrued departmental revenue</p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> ▪ it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and ▪ the amount of revenue can be measured reliably. <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy</p>
8	Expenditure
8.1	Compensation of employees
8.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
8.1.2	<p>Social contributions</p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
8.2	<p>Other expenditure</p> <p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p>
8.3	<p>Accruals and payables not recognised</p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department or in the case of transfers and subsidies when they are due and payable.</p> <p>Accruals and payables not recognised are measured at cost.</p>
8.4	Leases
8.4.1	<p>Operating leases</p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.</p>

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ACCOUNTING POLICIES for the year ended 31 March 2017	
	The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	<p>Finance leases</p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> ▪ cost, being the fair value of the asset; or ▪ the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9	Aid Assistance
9.1	<p>Aid assistance received</p> <p>Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.</p> <p>Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.</p>
9.2	<p>Aid assistance paid</p> <p>Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.</p>
10	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>
11	<p>Prepayments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p><Indicate when prepayments are expensed and under what circumstances.></p>
12	<p>Loans and receivables</p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.</p>

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ACCOUNTING POLICIES for the year ended 31 March 2017	
13	Investments Investments are recognised in the statement of financial position at cost.
14	Financial assets
14.1	Financial assets (not covered elsewhere) A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
14.2	Impairment of financial assets Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
15	Payables Loans and payables are recognised in the statement of financial position at cost.
16	Capital Assets
16.1	Immovable capital assets Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Where the cost of immovable capital assets cannot be determined reliably, the immovable capital assets are measured at fair value for recording in the asset register. Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.
16.2	Movable capital assets Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2012 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

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ACCOUNTING POLICIES for the year ended 31 March 2017	
16.3	Intangible assets <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2012 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
17	Provisions and Contingents
17.1	Provisions <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
17.2	Contingent liabilities <p>Contingent liabilities are recorded in the notes to the financial statements when there 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 within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
17.3	Contingent assets <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>
17.4	Commitments <p>Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>
18	Unauthorised expenditure <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> ▪ approved by Parliament or the Provincial Legislature with funding and the related funds are received; or ▪ approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or

NORTHERN CAPE PROVINCIAL TREASURY
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ACCOUNTING POLICIES for the year ended 31 March 2017	
	<p>• transferred to receivables for recovery.</p> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
19	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
20	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
21	<p>Changes in accounting policies, accounting estimates and errors</p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
22	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
23	<p>Principal-Agent arrangements</p> <p>The department is not party to a principal-agent arrangement. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
24	<p>Departures from the MCS requirements</p> <p>Management concluded that the financial statements present fairly the department's primary and</p>

NORTHERN CAPE PROVINCIAL TREASURY
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ACCOUNTING POLICIES for the year ended 31 March 2017	
	secondary information. The department complied with the Standards in all applicable respects in order to achieve fair presentation.
25	Capitalisation reserve The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
26	Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
27	Related party transactions A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.
28	Inventories (Effective from date determined in a Treasury Instruction) The department does not maintain inventory, however where applicable inventories will be recorded at cost price in the notes to the financial statements.
29	Public-Private Partnerships Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies. A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.
30	Employee benefits The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

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NOTES TO ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

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1.1 Annual Appropriation	2016/17			2015/16	
			Funds not		
	Final	Actual Funds	requested/	Final	Appropriation
	Appropriation	Received	not received	Appropriation	Received
Programmes	R'000	R'000	R'000	R'000	R'000
Administration	88 571	88 571	-	78 982	78 982
Sustainable Resource Assets And Liabilities Management	58 084	58 084	-	42 082	42 082
Financial Governance	70 578	70 578	-	55 040	55 040
Provincial Internal Audit	28 954	28 954	-	21 537	21 537
	32 681	32 681	-	26 719	26 719
Total	281 848	281 848	-	224 378	224 378

	Note	2016/17	2015/16
		R'000	R'000
2 Departmental Revenue			
Sales of goods and services other than capital assets	2.1	119	163
Interest, dividends and rent on land	2.2	38 222	48 341
Sales of capital assets	2.3	-	154
Transactions in financial assets and liabilities	2.4	2	410
Total revenue collected		39 343	47 068
Less: Own revenue included in appropriation	1.1	952	885
Departmental revenue collected		38 391	46 173

	Note	2016/17	2015/2016
		R'000	R'000
2.1 Sales of goods and services other than capital assets	2	119	115
Sales of goods and services produced by the department		22	27
Other sales		97	88
Sales of scrap, waste and other used current goods		-	48
Total		119	163

NORTHERN CAPE PROVINCIAL TREASURY
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

		2016/17	2015/16
		R'000	R'000
2.2 Interest, dividends and rent on land	Note		
	<u>2</u>		
Interest		39 222	46 341
Total		39 222	46 341
		2016/17	2015/16
		R'000	R'000
2.3 Sales of capital assets	Note		
	<u>2</u>		
Tangible assets		-	154
Machinery and equipment	<u>20</u>	-	154
Total		-	154
		2016/17	2015/16
		R'000	R'000
2.4 Transaction in financial assets and liabilities	<u>2</u>		
Other receipts including recoverable Revenue	<u>2</u>	2	410
Total		2	410
		2016/17	2015/16
		R'000	R'000
3 Compensation of Employees	Note		
3.1 Salaries and wages			
Basic salary		117 588	105 588
Performance award		588	105
Service Based		129	82
Compensative/circumstantial		1 240	1 046
Periodic payments		1 581	1 881
Other non-pensionable allowances		22 913	20 386
Total		144 035	129 068



NORTHERN CAPE PROVINCIAL TREASURY
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
3.2 Social Contributions			
Employer contributions			
Pension		14 944	13 335
Medical		5 255	5 156
Bargaining council		25	23
Total		20 224	18 514
Total compensation of employees		164 259	147 582
Average number of employees		348	344
	Note	2016/17 R'000	2015/16 R'000
4 Goods and services			
Administrative fees		830	685
Advertising		351	1 379
Minor assets	<u>4.1</u>	757	884
Bursaries (employees)		251	400
Catering		984	685
Communication		3 688	2 852
Computer services	<u>4.2</u>	2 524	2 980
Consultants: Business and advisory services		3 758	8 323
Legal services		117	124
Contractors		151	185
Entertainment		4	17
Audit cost – external	<u>4.3</u>	2 750	3 080
Fleet services		1 368	837
Consumables	<u>4.4</u>	2 087	2 686
Operating leases		12 718	11 611
Property payments	<u>4.5</u>	6 732	5 387
Rental and hiring		30	-
Travel and subsistence	<u>4.6</u>	10 363	10 979
Venues and facilities		853	756
Training and development		3 438	2 053
Other operating expenditure	<u>4.7</u>	1 438	2 922
Total		55 198	58 775

NORTHERN CAPE PROVINCIAL TREASURY
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

		2016/17	2015/16
	Note	R'000	R'000
4.1 Minor assets	<u>4</u>		
Tangible assets		735	864
Machinery and equipment		735	864
Intangible assets		22	-
Software		22	-
Total		757	864
		2016/17	2015/16
	Note	R'000	R'000
4.2 Computer services	<u>4</u>		
SITA computer services		2 228	2 404
External computer service providers		296	578
Total		2 524	2 980
		2016/17	2015/16
	Note	R'000	R'000
4.3 Audit cost – external	<u>4</u>		
Regularly audits		2 750	3 060
Total		2 750	3 060
		2016/17	2015/16
	Note	R'000	R'000
4.4 Consumables	<u>4</u>		
Consumable supplies		1 185	1 388
Uniform and clothing		134	-
Household supplies		405	294
Communication accessories		3	-
IT consumables		200	888
Other consumables		443	208
Stationery, printing and office supplies		812	1 297
Total		2 097	2 686
		2016/17	2015/16
	Note	R'000	R'000
4.5 Property payments	<u>4</u>		
Municipal services		3 225	2 814
Other		3 507	2 573
Total		6 732	5 387

NORTHERN CAPE PROVINCIAL TREASURY
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

		2016/17	2015/16
	Note	R'000	R'000
4.6	Travel and subsistence		
Local	4	10 383	10 878
Total		10 383	10 878

		2016/17	2015/16
	Note	R'000	R'000
4.7	Other operating expenditure		
Professional bodies, membership and subscription fees	4	8	88
Resettlement costs		281	1 348
Other		1 148	1 487
Total		1 436	2 922

		2016/17	2015/16
	Note	R'000	R'000
5	Interest and Rent on Land		
Interest paid		17	7
Total		17	7

		2016/17	2015/16
	Note	R'000	R'000
6	Payments for financial assets		
Material losses through criminal conduct		-	4
Other material losses	6.1	-	4
Total		-	4

		2016/17	2015/16
	Note	R'000	R'000
6.1	Other material losses		
Camera Theft	6	-	4
Total		-	4

NORTHERN CAPE PROVINCIAL TREASURY
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**NOTES FOR THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017**

	Note	2016/17 R'000	2015/16 R'000
7 Transfers and Subsidies			
Provinces and municipalities	<u>ANNEXURE</u>	16 528	4 709
Departmental agencies and accounts	<u>ANNEXURE</u>		
	<u>1B</u>	8	8
Non-profit institutions	<u>ANNEXURE</u>		
	<u>1F</u>	68	-
Households	<u>ANNEXURE</u>		
	<u>1G</u>	464	1 305
Total		17 066	6 022

	Note	2016/17 R'000	2015/16 R'000
8 Expenditure for capital assets			
Tangible assets		6 214	5 787
Machinery and equipment	<u>29</u>	6 214	5 787
Intangible assets	<u>31</u>	170	389
Software		170	389
Total		6 384	6 176

8.1 Analysis of funds utilised to acquire capital assets - 2016/17

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible assets	6 214	-	6 214
Machinery and equipment	6 214	-	6 214
Intangible assets	170	-	170
Software	170	-	170
Total	6 384	-	6 384

8.2 Analysis of funds utilised to acquire capital assets - 2015/16

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible assets	5 787	-	5 787
Machinery and equipment	5 787	-	5 787
Intangible assets	389	-	389
Software	389	-	389
Total	6 176	-	6 176

NORTHERN CAPE PROVINCIAL TREASURY
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

	2016/17	2015/16
11.3 Finance lease expenditure included in Expenditure for capital assets	R'000	R'000
Tangible assets		
Machinery and equipment	2 341	1 747
Total	2 341	1 747

	2016/17	2015/16
Note	R'000	R'000
9 Cash and Cash Equivalents		
Consolidated Paymaster General Account Disbursements	41 360	9 004
	(2)	4
Cash on hand	3	3
Total	41 361	9 011

	2016/17	2015/16
Note	R'000	R'000
10 Prepayments and Advances		
Travel and subsistence	-	7
Total	-	7

		2016/17			2015/16		
	Notes	Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
11 Receivables							
Claims recoverable	11.1	-	432	432	81	201	282
Staff debt	11.2	114	56	170	58	55	111
Fruitless and wasteful expenditure	11.4	1	2	3	3	-	3
Other debtors	11.3	12	376	388	852	138	988
Total		127	866	993	992	392	1 384

NORTHERN CAPE PROVINCIAL TREASURY
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

		2016/17	2015/16
	Note	R'000	R'000
11.1			
Claims recoverable	<u>11</u>		
Provincial departments		432	282
Total		<u>432</u>	<u>282</u>
		2016/17	2015/16
	Note	R'000	R'000
11.2			
Staff debt	<u>11</u>		
(Group major categories, but list material items)			
Salary over-payment		88	58
Salt Tax Debt		37	11
Salt Income Tax		47	44
Total		<u>170</u>	<u>111</u>
		2016/17	2015/16
	Note	R'000	R'000
11.3			
Other debtors	<u>11</u>		
Lefatshe		138	138
Petty Cash fraud		5	-
Pension Recoverable Acc		8	-
Eris Property Group		-	810
Bidvest Facilities Management		241	241
Conversion		-	1
Total		<u>388</u>	<u>989</u>

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2017

		2016/17 R'000	2015/16 R'000
11.4	Fruitless and wasteful expenditure		
	Note		
	11		
	Opening balance	3	-
	Less amounts recovered	(1)	-
	Less amounts written off	-	-
	Transfers from note 32 Fruitless and Wasteful expenditure	1	3
	Total	3	3
		2016/17 R'000	2015/16 R'000
	Note		
12	Voted Funds to be Surrendered to the Revenue Fund		
	Opening balance	5 804	16 963
	Prior period error	-	-
	As restated	5 804	16 963
	Transfer from statement of financial performance (as restated)	38 925	5 804
	Paid during the year	(5 804)	(16 963)
	Closing balance	38 925	5 804
		2016/17 R'000	2015/16 R'000
	Note		
13	Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund		
	Opening balance	4 583	11
	Prior period error	-	-
	As restated	4 583	11
	Transfer from Statement of Financial Performance (as restated)	38 381	46 173
	Own revenue included in appropriation	952	885
	Paid during the year	(40 523)	(42 488)
	Closing balance	3 413	4 583
		2016/17 R'000	2015/16 R'000
	Note		
14	Payables - current		
	Other payables	16	3
	Total	16	3

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
14.1 Other payables	14		
ACB Credit		7	-
Santam		8	-
S&T Advances		1	3
Total		16	3

	Note	2016/17				2015/16
		One to two years R'000	Two to three years R'000	More than three years R'000	Total R'000	Total R'000
15. Payables – non-current						
Advances received		-	-	-	-	-
Other payables	15.1	-	-	-	-	2
Total		-	-	-	-	2

	Note	2016/17 R'000	2015/16 R'000
15.1 Other payables	15		
Sasowu		-	2
Total		-	2

	Note	2016/17 R'000	2015/16 R'000
16 Net cash flow available from operating activities			
Net surplus/(deficit) as per Statement of Financial Performance		77 316	51 877
Add back non cash/cash movements not deemed operating activities		(38 580)	(53 278)
(Increase)/decrease in receivables		301	(511)
(Increase)/decrease in prepayments and advances		7	2
Increase/(decrease) in payables – current		13	(238)
Proceeds from sale of capital assets		-	(154)
Expenditure on capital assets		8 384	8 178
Surrenders to Revenue Fund		(48 327)	(59 448)
Own revenue included in appropriation		852	885
Other non-cash items		-	-
Net cash flow generated by operating activities		38 736	(1 382)

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
17 Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		41 380	9 004
Disbursements		(2)	4
Cash on hand		3	3
Total		41 361	9 011

		2016/17 R'000	2015/16 R'000
18 Contingent liabilities and contingent assets			
18.1			
Liable to			
Claims against the department	Annex 3B	756	872
Intergovernmental payables (unconfirmed balances)	Annex 5	183	78
Total		949	748

Increase in Contingent liabilities is as a result of escalation fees.

		2016/17 R'000	2015/16 R'000
Contingent assets			
Nature of contingent asset	Note		
Legal fees and other related costs: Karoo Hoog Land		379	272
Total		379	272

	Note	2016/17 R'000	2015/16 R'000
19 Commitments			
Current expenditure			
Approved and contracted		18 671	21 568
Approved but not yet contracted		117 150	2 430
		135 830	23 996
Capital Expenditure			
Approved and contracted		986	829
Approved but not yet contracted		-	-
		986	829
Total Commitments		136 816	24 825

Commitments include contract that are longer than one year and these include the SITA, Security and Cleaning contracts that were finalised in the current year.

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

			2016/17 R'000	2015/16 R'000
20 Accruals and payables not recognised				
20.1 Accruals				
Listed by economic classification	30 Days	30+ days	Total	Total
Goods and services	1 968	1	1 970	2 195
Capital assets	95		95	171
Total	2 064	1	2 065	2 366

		2016/17 R'000	2015/16 R'000
Listed by programme level	Note		
Administration	20	1 459	1 423
Sustainable Resource Management		188	75
Assets and Liabilities Management		315	845
Financial Governance		111	112
Provincial Internal Audit		14	111
Total		2 065	2 366

20.2 Payables not recognised				
Listed by economic classification	30 Days	30+ days	Total	Total
Goods and services	95	-	95	128
Capital assets	1	-	1	32
Total	96	-	96	160

		2016/17 R'000	2015/16 R'000
Listed by programme level	Note		
Administration		10	112
Sustainable Resource Management		-	9
Assets and Liabilities Management		-	33
Financial Governance		85	1
Provincial Internal Audit		-	5
Total		96	160

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

NOTES FOR THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

		2016/17	2015/16
	Note	R'000	R'000
<i>Included in the above totals are the following:</i>			
Confirmed balances with departments	Annex 5	-	219
Confirmed balances with other government entities	Annex 5	-	-
Total		-	219

		2016/17	2015/16
	Note	R'000	R'000
21 Employee benefits			
Leave entitlement		5 741	3 823
Service bonus (Thirteenth cheque)		4 848	4 001
Performance awards		702	1 718
Capped leave commitments		1 929	1 761
Other		389	102
Total		13 409	11 405

22 Lease commitments

22.1 Operating leases expenditure

	Buildings and other fixed structures	Machinery and equipment	Total
2016/17	R'000	R'000	R'000
Not later than 1 year	8 133	15	8 148
Later than 1 year and not later than 5 years	4 107	-	4 107
Later than five years	-	-	-
Total lease commitments	12 240	15	12 255

	Buildings and other fixed structures	Machinery and equipment	Total
2015/16	R'000	R'000	R'000
Not later than 1 year	7 308	8	7 314
Later than 1 year and not later than 5 years	-	-	-
Later than five years	12 008	-	12 008
Total lease commitments	19 312	8	19 320

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

22.2 Finance leases expenditure **

	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2016/17			
Not later than 1 year	-	1 887	1 887
Later than 1 year and not later than 5 years	-	1 564	1 564
Later than five years	-	-	-
Total lease commitments	-	3 451	3 451

	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2015/16			
Not later than 1 year	-	1 308	1 308
Later than 1 year and not later than 5 years	-	-	-
Later than five years	-	1 069	1 069
Total lease commitments	-	2 375	2 375

	Note	2016/17 R'000	2015/16 R'000
23 Accrued departmental revenue			
Interest, dividends and rent on land		2 971	4 078
Total		2 971	4 078

	Note	2016/17 R'000	2015/16 R'000
23.1 Analysis of accrued departmental revenue			
Opening balance		4 078	3 373
Less: Amounts received		4 078	3 373
Add: Amounts recognised		2 971	4 078
Less: Amounts written-off/reversed as irrecoverable		-	-
Closing balance		2 971	4 078

NORTHERN CAPE PROVINCIAL TREASURY
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

	<i>Note</i>	2016/17 R'000	2015/16 R'000
24 Irregular expenditure			
24.1 Reconciliation of irregular expenditure			
Opening balance		448	881
Prior period error		-	(4)
		<hr/>	<hr/>
As restated		448	887
Add: Irregular expenditure - relating to prior year		-	-
Add: Irregular expenditure - relating to current year		-	31
Less: Prior year amounts condoned		-	(470)
Less: Current year amounts condoned		-	-
Irregular expenditure awaiting condonation		<hr/> 448	<hr/> 448
 Analysis of awaiting condonation per age classification			
Current year		-	31
Prior years		<hr/> 448	<hr/> 417
Total		<hr/> 448	<hr/> 448
 24.2 Prior period error	Note		2015/16 R'000
Nature of prior period error			
Relating to 2015/16(affecting the opening balance)			(4)
			<hr/> (4)
Relating to 2015/16			-
			<hr/>
Total			<hr/> (4)
 25 Fruitless and wasteful expenditure		2016/17 R'000	2015/16 R'000
25.1 Reconciliation of fruitless and wasteful expenditure			
Opening balance		130	40
Prior period error		-	(5)
		<hr/>	<hr/>
As restated		130	35
Fruitless and wasteful expenditure – relating to current year		81	131
Less: Amounts resolved		(76)	(33)
Less: Amounts transferred to receivables for recovery	15.6	<hr/> (2)	<hr/> (3)
Closing balance		<hr/> 143	<hr/> 130

NORTHERN CAPE PROVINCIAL TREASURY
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

		2016/17 R'000	2015/16 R'000
25.2	Analysis of awaiting resolution per economic classification		
	Current	143	130
	Capital	-	-
	Transfers and subsidies	-	-
	Total	143	130
25.3	Analysis of Current Year's Fruitless and wasteful expenditure	2016/17 R'000	
	Incident		
	No show Accommodation	31	
	No show Flights	38	
	No show Car Rental	22	
	Total	91	
25.4	Prior period error	Note	2015/16 R'000
	Nature of prior period error		
	Relating to 2015/16 (affecting the opening balance)		(5)
			(5)
	Relating to 2015/16		-
			-
	Total		(5)
		2016/17 R'000	2015/16 R'000
	Note		
26.	Related party transactions		
	Revenue received	-	-
	Total	-	-
	Payments made		
	Goods and services	-	-
	Total	-	-

The Department of Economic Development and Tourism with its public entities are related parties with the Department as they report to same Executive Council Member. In the prior year the Department disclosed Fleet Entity as a related party with the payments made to the entity. Thus prior year figures had to be restated due requirements of MFS.

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

	No. of Individuals	2016/17 R'000	2015/16 R'000
27 Key management personnel			
Political office bearers (provide detail below)	1	1 902	1 310
Officials:		-	-
Level 15 to 16	1	102	-
Level 14 (incl CFO if at a lower level)	8	8 388	9 252
Family members of key management personnel		-	-
Total		11 402	10 562

	Note	2016/17 R'000	2015/16 R'000
28 Provisions			
MicroSoft		339	339
Total		339	339

28.1 Reconciliation of movement in provisions - 2016/17

	Provision 1 R'000	Provision 2 R'000	Total provisions R'000
Opening balance	339	-	339
Closing balance	339	-	339

Reconciliation of movement in provisions - 2015/16

	Provision 1 R'000	Provision 2 R'000	Total provisions R'000
Opening balance	339	-	339
Closing balance	339	-	339

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

29 Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening	Value Adjustments	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	22 314		3 874	121	26 067
Transport assets	2 083		1 003	-	3 086
Computer equipment	12 874		2 033	101	14 806
Furniture and office equipment	8 445		883	12	7 118
Other machinery and equipment	812		155	8	859
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	22 314		3 874	121	26 067

Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Cash	Non Cash	(Capital work-in- progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	8 214	-	(2 340)	-	3 874
Transport assets	1 003	-	-	-	1 003
Computer equipment	2 033	-	-	-	2 033
Furniture and office equipment	883	-	-	-	883
Other machinery and equipment	2 495	-	(2 340)	-	155
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	8 214	-	(2 340)	-	3 874

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Sold for Cash	Non- Cash	Total disposals	Cash received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	-	121	121	-
Computer equipment	-	101	101	-
Furniture and office equipment	-	12	12	-
Other machinery and equipment	-	8	8	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	-	121	121	-

29 Movement for 2015/16

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance	Prior Year Error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	20 136	40	4 040	1 982	22 314
Transport assets	2 871	22	-	810	2 083
Computer equipment	11 214	-	2 514	754	12 874
Furniture and office equipment	5 290	77	1 198	121	6 445
Other machinery and equipment	781	(58)	327	217	812
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	20 136	40	4 040	1 982	22 314

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

29.3.1 Prior period error	Note	2015/16 R'000
Nature of prior period error		
Relating to 2016 (affecting the opening balance)		40
Correction of values		40
Relating to 2015/16		-
Correction of values		-
Total		40

30 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Intangible Assets R'000	Machinery and equipment R'000	Biolog ical assets R'000	Total R'000
Opening balance	68	7 240	-	7 308
Value adjustments	-	38	-	39
Additions	22	734	-	756
Disposals	-	48	-	49
TOTAL MINOR ASSETS	89	7 964	-	8 052

	Intangible Assets	Machinery and equipment	Biolog ical assets	Total
Number of R1 minor assets	-	1 358	-	1 358
Number of minor assets at cost	33	5 842	-	5 875
TOTAL NUMBER OF MINOR ASSETS	33	7 200	-	7 233

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Intangible Assets	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	66	6 703	-	6 769
Prior period error	-	-	-	-
Additions	-	864	-	864
Disposals	-	327	-	327
TOTAL MINOR ASSETS	66	7 240	-	7 306

	Intangible Assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	1 360	-	1 360
Number of minor assets at cost	-	7 305	-	7 305
TOTAL NUMBER OF MINOR ASSETS	-	8 695	-	8 695

31 Intangible Capital Assets

31.1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening Balance	Value Adjustment	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	4 304	-	170	-	4 474
TOTAL INTANGIBLE CAPITAL ASSETS	4 304	-	170	-	4 474

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Cash	Non Cash	(Development work-in-progress current costs)	Received current, not paid (Paid current year, received prior year	Total
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	170	-	-	-	170
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	170	-	-	-	170

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening Balance	Prior Period Error	Additions R'000	Disposals R'000	Closing balance R'000
SOFTWARE	3 815	-	389	-	4 304
TOTAL INTANGIBLE CAPITAL ASSETS	3 815	-	389	-	4 304

32 Prior period errors

32.1 Correction of prior period errors

**2015/16
R'000**

Other: Related Parties

NC Fleet Entity	2 333
Net effect	2 333

In the prior year the Department disclosed Fleet Entity as a related party with the payments made to the entity. Thus prior year figures had to be restated due requirements of MFS.

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

Annexure 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT			2015/16
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocation s by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Renosterberg	3,841	-	-	3,841	-	-	-	3,841	3,841	100%	2,718
Dikgathong	1,944	-	-	1,944	-	-	-	1,944	1,944	100%	1,991
Pixley Ka Seme	4,464	-	-	4,464	-	-	-	3,300	3,300	100%	-
Magareng	5,000	-	-	5,000	-	-	-	1,500	1,500	100%	-
Kamiesberg	3,703	-	-	3,703	-	-	-	-	-	-	-
Richtersvelt	3,715	-	-	3,715	-	-	-	-	-	-	-
Phokwane	1,243	-	-	1,243	-	-	-	943	943	100%	-
Nama Khoi	3,750	-	-	3,750	-	-	-	-	-	-	-
ZF Mgcawu	5,000	-	-	5,000	-	-	-	5,000	5,000	100%	-
Total	32,660	-	-	32,660	-	-	-	16,528	16, 528		4,709

NORTHERN CAPE: PROVINCIAL TREASURY
Annexures to the Annual Financial Statements

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2015/16
	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
License TV	22		(14)	8	8	100%	8
Total	22	-	{14}	8	8	100%	8

NORTHERN CAPE: PROVINCIAL TREASURY

Annexures to the Annual Financial Statements

ANNEXURE 1C

STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

DEPARTMENT/AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2015/16
	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Higher Education Institutions	-	-	-	-	-		62
Total	-	-	-	-	-		62

NORTHERN CAPE: PROVINCIAL TREASURY

Annexures to the Annual Financial Statements

ANNEXURE 1F STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS							
NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2015/16
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Donations	74		(8)	66	66	100%	-
Total	74	-	(8)	66	66	-	-

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

ANNEXURE 1G STATEMENT OF TRANSFERS TO HOUSEHOLDS							
	TRANSFER ALLOCATION				EXPENDITURE		2015/16
	<i>Adjusted appropriation Act</i>	<i>Roll Overs</i>	<i>Adjustments</i>	<i>Total Available</i>	<i>Actual Transfer</i>	<i>% of Available funds transferred</i>	<i>Appro- priation Act</i>
HOUSEHOLDS							
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Employee Social Benefit	-	-	198	198	198	100%	1,104
Discretionary Fund Donations	297	-	(80)	217	217	100%	201
Claim Against the State	-	-	49	49	49	100%	-
Total	297	-	167	464	464	100%	1,305

NORTHERN CAPE: PROVINCIAL TREASURY
Annexures to the Annual Financial Statements

ANNEXURE 1J

**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS
MADE AS AN ACT OF GRACE**

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2016/17	2015/16
	R'000	R'000
Made in kind		
Departmental Gifts: consumables	11	66
Cash donations: Discretionary Funds	217	201
TOTAL	228	267

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2017

NATURE OF LIABILITY	Opening balance 1 April 2016	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable {Provide details hereunder}	Closing balance 31 March 2017
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Legal cases against the Department by previous employees	384	-	-	-	384
Fleet contingent: Premierley	112	-	-	-	112
Fleet contingent: NC Fleet Entity	178	82	-	-	260
Subtotal	674	82	-	-	756
TOTAL	674	82	-	-	756

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

NORTHERN CAPE: PROVINCIAL TREASURY

Annexures to the Annual Financial Statements

ANNEXURE 4

CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2016/17*	
							Receipt date up to six (6) working days after year end	Amount
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016		
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Health	-	-	17	21	17	21		-
Roads & Public Works	-	-	154	154	154	154		-
Legislature	-	-	3	92	3	92		-
Correctional Service	-	2	-	-	-	2		-
NC Department of Sports, Arts and Culture	-	-	265	-	265	-		-
NC Department of Transport, Safety and Liason	-	-	83	-	83	-		-
NC Department of Environmental and Nature	-	-	30	-	30	-		-
Total	-	2	552	267	552	269		-

NORTHERN CAPE PROVINCIAL TREASURY
VOTE 8

NORTHERN CAPE: PROVINCIAL TREASURY

Annexures to the Annual Financial Statements

**ANNEXURE 5
INTER-GOVERNMENT
PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2016/17*	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Transport, Safety and Liaison	-	-	76	76	76	76		-
Office of the Premier	-	-	117	-	117	-		-
Total	-	-	193	76	193	76		-

