NCPT

NORTHERN CAPE PROVINCIAL TREASURY

ANNUAL REPORT

For the financial year ended 2013/14

We serve with passion. We deliver on time

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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
BBBEE	Broad Based Black Economic Empowerment
CFO	Chief Financial Officer
BACS	Biometric Access Control System
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

3. FOREWORD BY THE MEC

Mr John Block
MEC Finance, Economic Development & Tourism

This annual report is tabled on the background of a new dawn for our country, whereby the electorate has once again confirmed its confidence in our leadership and proficiency to meet their socio-economic needs. The will of the people has once again confirmed that the current leadership is a step closer to the full attainment of the Freedom Charter and the Bill of Rights.

However we remain indomitable and alert in riding on that past glory of our achievements. There's more that needs to be done in fighting twin challenges of poverty and unemployment that the majority of our people are still faced with. The words of our late Tata Madiba resonate in us whereby he reminded us at the 1994 leadership meeting in the Free State that: "Freedom should not be understood to mean leadership positions or even appointments to top positions. It must be understood as the transformation of the lives of ordinary people in the hostels and the ghettos; in the squatter camps; on the farms and in the mine compounds. It means constant consultation between leaders and members of their organisations; it demands of us to be in constant touch with the people, to understand their needs, hopes and fears; and to work together with them to improve their conditions".

These words have been the inspiration of Provincial Treasury. As an organisation we have placed ourselves in the centre of service delivery in order to facilitate the achievement of government's 12 service delivery outcomes. At the beginning of the year we had promised that we will provide effective support in ensuring that all departments and municipalities achieve clean audits by 2014, promote fiscal discipline in order to attain the policy priorities of the province in a sustainable manner and implement systems and structures to enhance financial management within the province.

Provincial Treasury has a good story to tell about the promises made. We have implemented the Biometric Access Control System for all departments on all transversal financial systems. Since implementation, no fraudulent transactions occurred through collision of officials on the systems, thus providing assurance that the province spends its resources in a transparent manner. In addition to this system, we have seen that the internal audit function and audit committees has significantly contributed to the improvement of financial governance in the province as both structures have been rated by clients to be adding value to the respective organisations.

The assistance provided to municipalities and departments has improved the financial governance within the institutions. This has resulting in the improved financial capability maturity of departments, which increased from 2.64 to 2.82. We also need to mention that even though we had extensive engagements with municipalities, the improvement is not at the envisaged levels and more is required from all stakeholders. In order to strength the support provided to municipalities a new organisational structure is currently being finalised which will enable full coverage throughout the province. Improvement of financial governance in the local government sphere will remain a priority for the department.

Our endeavours to promote fiscal discipline have reaped good fruits as we have been able to reduce the provincial unauthorised expenditure from R932 million to R213 million. This has reduced the provincial debt, enabling funds to be directed to the fulfilment of the National Development Plan.

Taking cognisance of the above, Provincial Treasury will continue to be pivotal to the building of a financially sustainable province, improved governance in the public service and to the attainment of the National Development Plan, which serves as the blue print for our country's socio-economic development.

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

Let us continue to be the heart-beat of sound financial management that supports economic growth and development.

J Block MPL
Executive Authority (Provincial Treasury)

4. REPORT OF THE ACCOUNTING OFFICER

Mr SE Mokoko

Head of Department

This year marks a decade since my appointment as the Head Official and Accounting Officer of Provicial Treasury. It is my pleasure to have witnessed a transformation from a disclaimed department; with a lean structure; limited skills and a demoralised workforce into a strong organisation backed by competent and dynamic workforce who have hit the ground running, in order to ensure that Provincial Treasury fulfils its function and has a positive impact on the financial governance of the province.

In this department we believe that in everything we do, we should serve with passion and deliver on time. However, to be able to do so, significant investment needs to be made in the organisation, in stakeholder relations, processes and systems. Significant amount of work has been done in this regard which is outline hereafter.

The administrative operations of the department have been significantly stable. Due to the fact that Treasury is a human resource driven department it is essential that the vacancy rates are maintained at a very low level. We have able to appointment fifteen (15) more officials that originally planned, resulting in a sixteen percent (16%) vacancy rate. However it needs to be mentioned that these appointments include postions that have been vacated during the year. The human resource management unit has employed all efforts to ensure that we fill all vacancies with two months, thus being well within the time-frame set by DPSA. Our organisation truly believes in the empowerment of our staff members, clients and the broader community. It is in this spirit that we have awarded thirty one (31) bursaries to our officials, employed sixteen (16) interns and contributed to six (6) corporate social responsibility projects.

Furthermore in terms to contributing to the sustainability of the economy we have prioritised the payment of our suppliers within 30 days or less. We have drastically reduced late payments to less than ten percent (10%) of total payments. As a department our financial capability maturity level also has increased by 2.1% from 2.85 to 2.91.

With regards to our oversight role we have made great strides, however these we met with various challenges including inadequate cooperation from clients, i.e departments, municipalities and public entities and lack of capacity within organisations supported, thus resulting in the support being provided not being sustainable as there are limited resources to continue with processes and procedures. However the following are the major milestones that were achieved:

Sustainable Resource Management's Budget office tabled five (5) credible Provincial Appropriation Bills timeously, of which three (3) were subsequent to the adjustment estimate. These appropriation bills were informed by research contained in the Provincial, District and Local Socio-economic review, Provincial Medium Term Budget Policy Statement and other government's policy priorities. Due to the fiscal discipline we enforce, we were able to facilitate the funding of unauthorised expenditure amounting to R713 million. This has resulted in the reduction of provincial debt.

A key deliverable this year was the implementation of the Biometric Access Control System (BACS). All departments are currently accessing transversal financial systems through BACS, thus reducing fraudulent activities within the financial system. BACS was not fully functional on Logis at the end of the financial year due to design issues. These will be concluded in the new financial year. We also appointed the service provider to conduct the biometric aided head count for all departments, the project

will be completed in the new financial year.

With regards to support provided to municipalities, we have assisted municipalities in tabling credible budget evidenced by the five (5) benchmark exercises conducted and mid-term budget and performance engagements held with municipality. Provincial Treasury also noted the supply chain management issues currently prevailing at municipalities, thus we assisted six(6) to comply with supply chain management prescripts and four(4) are currently still in progress due to the lack of capacity at the municipalities. We have however seen a significant improvement in the buy-in from municipalities regarding risk management; their financial capability maturity level has increased from 2 to 2.70. Twenty-two organisations were supported to establish risk management structures and processes. Irrespective of the above we recognised that it is essential to increase support to municipalities. Thus we revisited our approach and opted to support municipalities in a consolidated manner with various other stakeholders, thus R20 million was allocated during the adjustment estimate to assist municipalities with disclaimer opinions, i.e six (6) municipalities. This project will be awarded and completed in the new financial year.

Improved financial governance has also been central in operations. Our efforts have resulted in an improved financial capability maturity level from 2.64 to 2.82 which is seven percent (7%) improvement. Significant improvement has been in the functions of Provincial Treasury, Internal Audit and Risk Management.

To ensure a comprehensive approach in improving financial governance of the province, we have significantly improved the capacity of the internal audit unit. All twelve departments have been serviced by both the unit and the external service providers. The reliance on the external service providers will be reduced as the current staff compliment will increased from 37 to 50 in the new financial year. The audit committee has also played a vital role in this regard. This will further enhance good governance within the province.

The above synopsis clearly indicates that as Provincial Treasury we have fulfilled our mandate and continue to raise the bar.

4.1 Departmental Receipts

Provincial Treasury is not a significant revenue generating department due to the nature of services provided. The revenue collected is primarily generated from interest on the consolidated bank account, parking fees, service commission and sale of capital assets.

Departmental Receipts	2013/14			2012/13		
	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
Sales of goods and services other than capital assets	108	96	12	51	110	(59)
Interest, dividends and rent on land	620	37,975	(37,355)	559	27,395	(26,836)
Sales of capital assets	150	2	148		175	(175)
Transactions in financial assets and liabilities	10	97	(87)	10	10	-
Total	**888**	**38,170**	**37,282**	**620**	**27,690**	**27,070**

4.2 Programme Expenditure

Programme Name	2013/14			2012/13		
	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	71,259	69,785	1,474	68,500	64,720	3,780
Sustainable Resource Man	36,668	30,766	5,902	32,677	26,993	5,684
Assets & Liabilities	52,823	44,393	8,430	40,925	24,137	16,788
Financial Governance	43,347	20,373	22,974	25,273	23,037	2,236
Provincial Internal Audit	20,347	14,972	5,375	13,278	12,709	569
Total	**224,444**	**180,289**	**44,155**	**180,653**	**151,597**	**29,056**

The above underspending of R44,155 million, relates mainly to projects that commenced during the financial year and will be completed in the new financial year as alluded in the above overview. Due to the fact the underspending relates to once-off projects it had no impact on the predetermined objectives, i.e performance of the department.

The summarised reasons for underspending are as follows:

1. Sustainable Resources Management earmarked funding amounting to R5 million is for the implementation of the district organization structure which has recently been approved. The restructuring and recruitment process has commenced and will be completed in the new financial year.

2. BACS was implemented during the financial year. As at the end of the financial year the project was at its final stages, i.e close out stage. However during the implementation there were some challenges regarding the finalization of the LOGIS activation on BACS. BACS will be fully implemented on LOGIS by the end of the new financial year. As indicated previously the appointment of the biometric aided headcount was finalised in February 2014 and the project will be finalised in the new financial year.

3. During the financial year R20 million was allocated during the adjustment estimate in order for the department to appoint consultants to assist 6 identified municipalities in completing their financial statements, asset registers and address audit issues. The bidding process commenced in December 2013 and the project will be finalised in the new financial year.

4. During the financial year service providers were appointed to assist in the servicing five departments, while capacity of the internal audit is being increased. The service providers were appointed in October 2013 for a one year contract. The remaining portion of the contract will be completed in the new financial year.

4.3 Virement and Rollovers

Due the underspending indicated above which relates to projects not yet completed, rollovers to the amount of R34,177 million have been requested.

With regards to Virements, within the Asset and Liabilities programme a saving of R2, 336 million realized at the end of the financial year. These funds may be utilized towards the over-expenditure due contractual obligations in Administration. A total amount of R755 000 was utilized from Assets and Liabilities to defray over-expenditure on Administration.

4.4 Unauthorised, Irregular and Wasteful Expenditure

During the financial year funding was approved to clear departmental unauthorised expenditure amounting to R4.996 million.

Prior year irregular expenditure amounting to R855 000 has been condoned. The supervisory function has been executed adequately as compared to the previous year, thus reducing occurrence of irregular expenditure. Financial management circulars has been approved and regular compliance checks are conducted by internal audit and financial accounting, this has further enhanced compliance to SCM processes. In view of the above remedial actions it is evident that the department is making progress in ensuring that the above does not reoccur.

However, during the fourth quarter of the financial, National Treasury issued an instruction note effective 1 January 2014 and received 31 January 2014. The purpose of this Treasury Instruction was to prescribe cost containment measures for accounting officers. This instruction emanated from Cabinet resolution taken on 23 October 2013, which indicated that all departments, constitutional institutions and public entities must implement measures to contain operational costs and eliminate all non-essential expenditure. The implementation of the instruction necessitated a revision of policies and procedures thus could not be implemented immediately and in many cases was impractical in implementation. Irregular expenditure for the year amounted of R560 000. Departmental processes have been amended to ensure full compliance with the instruction note and other SCM prescripts.

An amount of R51 000 in cancellation fees was paid and condoned. These resulted from the fact that travel arrangements were made and were cancelled. The nature of the work performed by Treasury involves attending meetings and special forums; however the following may occur once the necessary arrangements have been made:

- The meeting is cancelled while the official is en-route to the venue;
- The meeting is postponed to another date; and
- Other pressing issues arise which necessitate the rescheduling of meetings.

When these incidences occur the Department is liable for a portion of the cost and any service fee due to the travel agency.

4.5 Future plans of the department

The strategic direction of the department will still remain the same for the new financial year and may only change under the leadership of the new elected cabinet. Operationally the department has plans to relocate to one office accommodation. The move will further enhance the integration of the different programmes as currently we are occupying seven (7) different buildings. Furthermore the capacity in the district offices will be increased significantly in order to ensure that the municipalities are serviced adequately.

4.6 Public Private Partnerships

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

4.7 Discontinued/new proposed activities

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

4.8 Supply Chain Management

No significant challenges were experienced in the operations of supply chain management. However it needs to be noted that the finalisation of the projects was delayed due to the challenges experienced with the implementation of SCM prescripts regarding bidding process and responsiveness of the bidders. The technicalities around awarding the bid to the lowest price presented much concerns relating the sustainability of the projects. It was important for the department to ensure that the proposed service providers are able to render sustainable services that will ensure the achievement of the set project objectives. Full compliance to bidding process has been ensured.

4.9 Gifts and donations received from non-related parties

The AAT programme commenced during the year. The programme focuses on the facilitation of financial skills within the public sector. The financial implication for the implementation amounted to R2, 463 million including logistical costs. The Belgian Development Agency (BTC) South Africa funded the programme with an amount of R500 000 which was paid directly to the training institute.

4.10 Exemptions and deviations received from the National Treasury

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

4.11 Events after the reporting date

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

It is with gratitude that I wish to thank MEC of Finance, Economic Development and Tourism, Mr John Block for the strategic leadership that was provided during the financial year. The management and staff have been pivotal in achieving these outcomes and I believe they will continue to serve with passion and deliver on time and for that I thank them.

It is with pleasure that we submit our annual report for the financial year 2013/14 to the Provincial Legislature and the broader stakeholders.

SELLO MOKOKO
ACCOUNTING OFFICER
31 July 2014

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2014

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

All the 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 guidelines on the annual report as issued by National Treasury. The annual financial statements 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 performance information, the human resource information and the annual financial statements.

The external auditors are engaged to express and independent opinion on the financial statements

In my opinion, the annual report fairly reflects the operations, performance information, human resources information and the financial affairs of the department for the financial year ended 31 March 2014.

Yours faithfully,

SELLO MOKOKO
ACCOUNTING OFFICER
31 July 2014

6. STRATEGIC OVERVIEW

6.1 Vision

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

6.2 Mission

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

6.3 Values

- Batho Pele
- Integrity
- Excellence
- Professionalism

6.4 Strategic outcome orientated goals

Strategic Goal 1	Strategic leadership and administrative support
Goal statement	To render effective management and administrative support to all 4 programmes within the department.

Strategic Goal 2	Management and use of fiscal resources
Goal statement	To ensure effective and efficient management and utilization of fiscal resources at 32 municipalities and 13 provincial departments.

Strategic Goal 3	Management of assets and liabilities
Goal statement	To promote prudent management of assets and liabilities, within the 13 provincial departments and 32 municipalities.

Strategic Goal 4	Sound financial management and governance
Goal statement	To enforce sound financial management within the province

Strategic Goal 5	To render an independent, objective assurance and consulting activity designed to add value and improve the Northern Cape Provincial Government's operations.
Goal statement	Shared Internal Audit Unit provides an independent assurance and consulting services to help the Northern Cape Provincial Government accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

7. LEGISLATIVE AND OTHER MANDATES

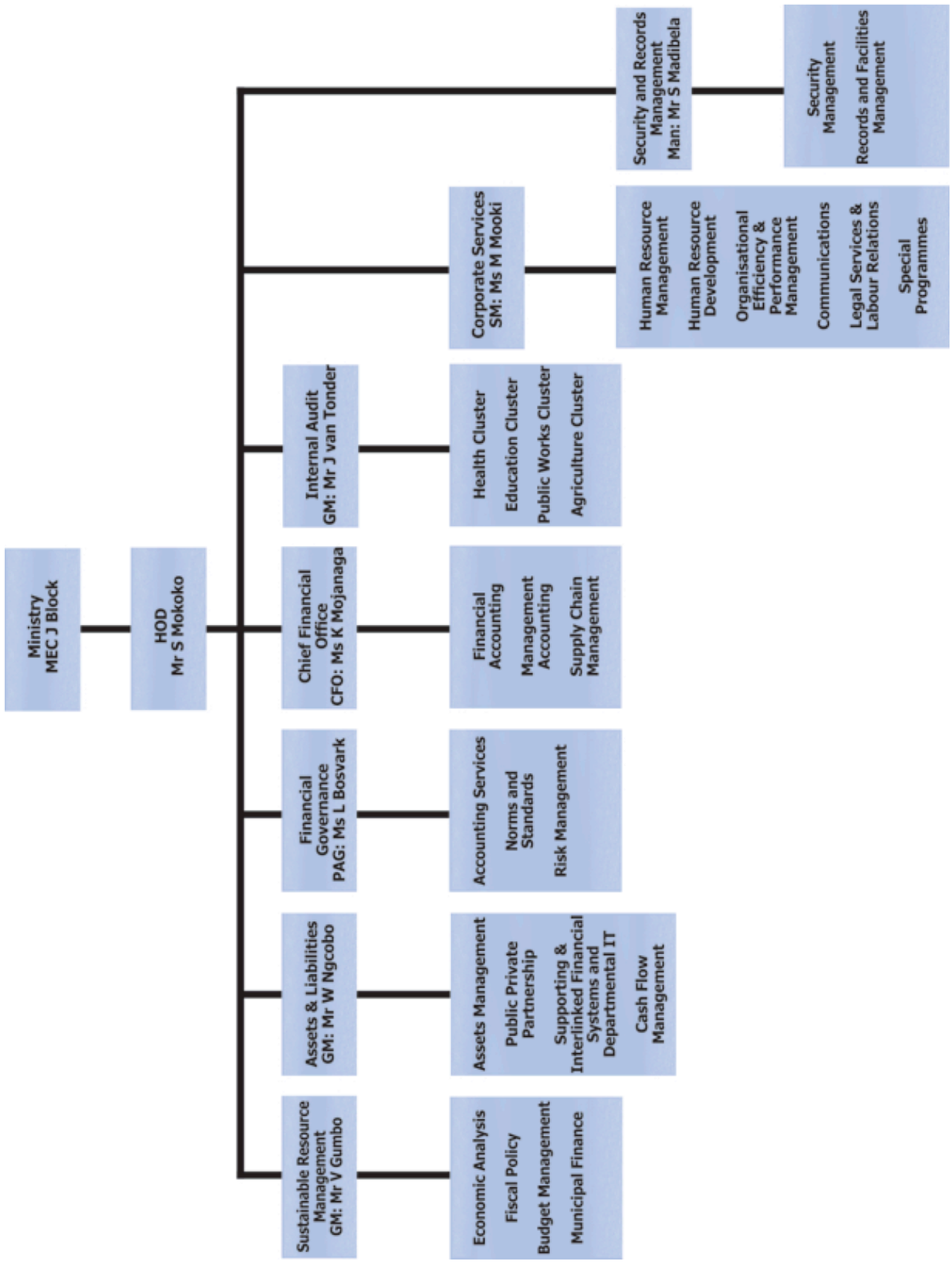
LEGISLATION	PURPOSE
Constitution of the Republic South Africa 1996	The supreme law of the Republic, law or conduct inconsistent with it is invalid and the obligations imposed by it must be fulfilled.
Public Finance Management Act (Act 1 of 1999) as amended (PFMA)	To regulate financial management in the 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.
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.

LEGISLATION	PURPOSE
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 learnership that lead to recognized occupational qualification; provide for matters connected therewith.

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;
- 2013 Medium Term Budget Policy Statement;
- Intergovernmental Fiscal review;
- Report of the Auditor-General on the accounts of Government;
- Budget review documents;
- Financial and Fiscal Commission's recommendations;
- Northern Cape Provincial Supply Chain Management Policy;
- Outcome-based Service Delivery Agreements.

8. ORGANISATIONAL STRUCTURE



PART B:

PERFORMANCE INFORMATION

9. OVERVIEW OF DEPARTMENTAL PERFORMANCE

Provincial Treasury's oversight function, as mandated in Public Finance Management Act, Municipal Finance Management Act and relevant Regulations involves the monitoring of compliance with various pieces of legislation; provision of support through a hands-on assistance and issuing of frameworks; capacity building initiatives and creation of a conducive environment to enable good financial governance. These four principles will assist departments and municipalities in rendering effective and efficient service delivery. However the successful implementation of the support plans/strategies significantly depends on the willingness of the departments, municipalities and public entities.

Previous audit outcomes and financial capability maturity levels of the Province brought about an increase in the scope of the Provincial Treasury's function. These outcomes are as a result of poor management, inadequate skills levels and disregard to the legislation and relevant prescripts. However, Provincial Treasury's implemented efforts have reaped the necessary fruits as the audit outcomes for provincial departments have significantly improved. The province in 2012/13 had no departments with disclaimers and there was one clean audit report. On the other hand non- compliance to laws and regulations remains to be a serious challenge at local government level.

During this current financial year, the Department has significantly embarked on strategies to ensure that the Province creates a responsible, accountable, effective and efficient local government system, especially within the financial management discipline. Provincial Treasury has been a pivotal stakeholder in the Operational Clean Audit Forum, and its participation has resulted in a new approach which will ensure that all municipalities show significant improvement by 2014. This new approach has and will continue to result in an increased demand from the current human resources, therefore, it is necessary to extend our capacity within the districts in view of the assistance provided to municipalities.

The department has pioneered the implementation of a biometric access control system in all financial transversal systems in the province. The system will assist in preventing fraudulent activities and increasing the conviction rates, thus improving financial management within the province.

Furthermore, Provincial Treasury has been successful in ensuring that departments maintain fiscal discipline, amidst the many contesting demands, particularly that of rising personnel expenditures and service delivery demands, resulting in the province clearing unauthorised expenditure amounting to R713 million from funding generated through fiscal discipline.

9.1 Service Delivery Improvement Plan

Main services	Beneficiaries	Current/Actual standard	Desired standard of service	Actual achievement against standards
Facilitate the listing of SMME on the Provincial SCM data base	SMME's	Most SMME's aware of SCM database.	Most SMME's aware of SCM database.	SMME'S are aware and still registering with SCM database.
		Ensure availability of forms in electronic format on departmental website. Ensure availability of bids information in electronic format on departmental website.	Ensure availability of forms in electronic format on departmental website. Ensure availability of bids information in electronic format on departmental website.	Hard copy forms provided to clients. (Logis and Provincial database forms).
		Handle complaints within 30 days	Handle complaints within 30 days	Complaints are attendant to on daily basis.

Main services	Beneficiaries	Current/Actual standard	Desired standard of service	Actual achievement against standards
Render financial management support services to the municipalities to assist them to meet their obligations as set out by the MFMA	Municipalities	Consistent Monthly and quarterly reports	Consistent Monthly and quarterly reports	Reports are produced monthly and some quarterly
		Continuous support by Regional Offices staff to municipalities Participate in all intergovernmental forums Convene CFO forum once per quarter.	Continuous support by Regional Offices staff to municipalities Participate in all intergovernmental forums Convene CFO forum once per quarter.	Regional Offices interact continuously with municipalities We participate in district and premier's intergovernmental forums when invited This is convened quarterly
		Second officials to municipalities with serious management problems to provide on-site support and advice.	Second officials to municipalities with serious management problems to provide on-site support and advice.	Due to capacity constraints we have been unable to second staff to assist, with the one that was second having been appointed by the municipality
		Workshops, seminars and attendance to forums with a view to make inputs and give open and transparent advice Municipalities to co-chair CFO's Forum	Workshops, seminars and attendance to forums with a view to make inputs and give open and transparent advice Municipalities to co-chair CFO's Forum	Participate in workshops when invited and share information This was implemented in the past and needs to be resuscitated
		Post information relevant to municipalities on the web-site Participate fully in relevant forums such as Municipal CFO's Forum with a view to share information and best practice	Post information relevant to municipalities on the web-site Participate fully in relevant forums such as Municipal CFO's Forum with a view to share information and best practices	We have been able to post some relevant information on the web-site We are arranging the Municipal CFO Forum quarterly to share information and encourage them to share best practices

9.2 Organisational environment

The organisational environment of the department has been significantly stable over the financial year. Most vacancies have been filled and the turnaround time on filling vacancies has significantly reduced. There has not been any labour disputes that caused instability in the department due to the fact that management maintains open communication channel and resolves issues timeously in fair and transparent manner.

In order to respond adequately to the challenges facing us, especially in relation to our support to the municipalities, the organisational structure was reviewed with the intention to strengthen those directorates that are operating in the coalface of service delivery. The amendments that were proposed will indeed allow us to be more effective in the manner in which we approach our mandate. The proposed organogram is based on a intergrated structure for municipal finance. The finalisation of the draft organogram will be in the new financial year, thereafter due processes will follow.

9.3 Key policy developments and legislative changes

In the year under review, there have not been any significant changes to policies or legislation that might severely affect the operations of the department except for the National Treasury Instruction note of 2013/14 on cost containment. The Draft Treasury Regulations have not been finalised yet, it envisaged that they will be finalised in the new financial year.

10. STRATEGIC OUTCOME ORIENTED GOALS

Goal statement 2:	To ensure effective and efficient management and utilization of fiscal resources at 32 municipalities and 13 provincial departments.
Progress Made:	The Province has implemented effective fiscal discipline over departments which have resulted in prudent management of resources. The utilisation of resources was based on improved credibility on budget tabled.

Goal statement 3	To promote prudent management of assets and liabilities, within the 13 provincial departments and 32 municipalities.
Progress Made	Hands on support and development of standards has contributed effective and efficient asset management within the province.

Goal statement 4	To enforce sound financial management within the province
Progress Made	Financial governance improved leading to improved financial administration at a provincial level. By 2013, we had no departments with disclaimers and one clean audit report.

Goal statement 5	Shared Internal Audit Unit provides an independent assurance and consulting services to help the Northern Cape Provincial Government accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.
Progress Made	Assurance was provided to all 12 provincial departments and Audit Committees on various fields as outlined by the approved audit plans. Transversal assignments were also undertaken, namely: - Verification of the Management Performance Assessment Tool - Review of the Interim and Annual Financial Statements - Recommendations on Information Technology controls, Transfer Payment controls and Car Rental controls - Recommendations on the Policy environment The programme overachieved with 32% during 2012-13 and 65% during 2013-14 on its core function of delivering internal audit reports due to additional capacity. The unit introduced Combined Assurance Plans to coordinate the efforts of all assurance providers. Audit committees were established and provided effective oversight through quarterly audit committee meetings and audit committee members attending ad-hoc departmental meetings. The audit committees operated in terms of an approved Audit Committee Charter and discharged all the requirements as outlined in the PFMA, Treasury Regulations and Charter.

11. PERFORMANCE INFORMATION BY PROGRAMME

11.1 Programme 1: Administration

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

The programme consists 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: Administration

	Administration					
	Performance Indicator	**Actual Achievement 2012/13**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
1.	Strategic and political leadership, in order to ensure effective and efficient utilization of provincial resources in line with all prescripts	New indicator	Effective and Sustainable utilisation of provincial resources	Credible budget tabled and implementation thereof monitored regularly	-	-
2.	Strategic leadership, in fulfilling Provincial Treasury's mandate as indicated in the PFMA , MFMA and other relevant prescripts	New indicator	Effective execution of PT functions as per legislature	All functions executed accordingly evidenced by the outputs in the annual report	-	-
3.	Human Resource Management and administrative support.	-	100% Compliance to HRM regulations and prescripts	100% Compliance to HRM regulations and prescripts	-	-
4.	To ensure sound financial management within the department.	95% matters of emphasis related to financial management	1 Clean Audit Report	1 Clean Audit Report	-	-
5.	Implementation and monitoring of NCPT Security Policy and Procedures	NCPT Security Policy and Procedures implemented	NCPT Security Policy and Procedures implemented	NCPT Security Policy and Procedures implemented	-	-

Programme Performance indicators:

1.	Sub-programme: Office of the MEC					
	Performance Indicator	**Actual Achievement 2012/13**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
1.1	Number of annual provincial appropriation bills tabled at Provincial Legislature	1	1	1	-	-
1.2	Number of adjustment provincial appropriation bills tabled	1	1	1	-	-
1.3	Number of Provincial Socio – Economic Review tabled	1	1	1	-	-
1.4	Number of reports on state of provincial finances presented to Executive council	4	4	4	-	-

2.	Sub-programme: Management Services					
	Performance Indicator	**Actual Achievement 2012/13**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
2.1	Exco Reports on the province's financial performance and compliance approved by the MEC and tabled per quarter	New indicator	4 quarterly budget performance report to Exco	4 quarterly budget performance report to Exco Submtted	-	-
2.2	Tabling of MTEF, Adjustment Budget, in terms of PFMA at the Legislature	2	2	2	-	-

3.	Sub-programme: Corporate Services					
	Performance Indicator	**Actual Achievement 2012/13**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
3.1	Number of funded vacant posts filled.	55	30	44	15	All vacant posts are filled immediately when vacated
3.2	Number of HR policy awareness workshops held	-	1	1	-	-
3.3	Implementation of Human Resource Development Strategic Framework	New indicator	Develop and implement the HRDSF Plan	1	-	-
3.4	Number of employees enrolled on skills development initiative	119	150	184	34	Number of planned training exceeded with 34
3.5	Number of bursaries awarded and paid	-	50	31	19	Official didn't register for courses
3.6	Number of interns enrolled	16	20	16	-4	Only 16 enrolled as per the departmental demand
3.7	Number of experiential learners enrolled	75	75	-	-	Focus was given to Interns
3.8	Number of induction and re-orientation workshops held	-	4 induction and re-orientation workshops held	3	1	CIP introduced and had to wait for PALAMA prior to implementation
3.9	Development and implement ion of the EEP (Employment Equity Plan	1	Review the functionality of the committee and the implementation of the EEP.	1	-	-
3.10	Number of performance agreements signed and monitored	157	250	144	106	Non -compliance from supervisors and staff.
3.11	Number of jobs evaluated	21	All new jobs evaluated	17 Job Analysis	17	Job analysis done. No JE conducted, still awaiting panel sitting by OTP, continuous follow-ups made
3.12	Number of health and safety inspections conducted per floor/ building	4	4	4	-	-

3.	Sub-programme: Corporate Services					
	Performance Indicator	**Actual Achievement 2012/13**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
3.13	Number of employees participating in the physical activity programmes	60	80 employees enrolled in the physical activity programme	113	33	Introduced sports activities in addition to the outsourced physical activity programme, which has been temporarily suspended.
3.14	Number of employees assisted through the employee assistance programme	40	60 employees assisted through the employee assistance programme	223	163	More officials attended health screenings and financial wellness workshops
3.15	Number of employees' children enrolled at our child care facilities	40	50 children enrolled	48	-2	Other officials promoted to other departments, and the facility has been temporarily suspended
3.16	Number of corporate social responsibility projects supported	4	5 CSI projects supported	6	1	Responded to the request from OTP and over-achieved
3.17	Capacity building for SHE reps	1	1 training of SHE reps on OHS Act.	2	1	More training was conducted to the reps
3.18	Number of times a newsletter issued	4	4	4	-	-
3.19	No. of customer care workshop held	-	2	2	-	-
3.20	Number of treasury updates posted	48	48	48	48	-
3.21	Updates posted on NCPT website	12	Website updated once per month (12)	12	-	-
3.22	Development and implementation of IT policy	-	IT policy developed and implemented	ICT policy developed and implemented	-	-

3.	Sub-programme: Corporate Services					
	Performance Indicator	**Actual Achievement 2012/13**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
3.24	IT awareness workshops held.	-	2	-	2	Lack of capacity within the unit
3.25	Number of labour law reviews issued.	4	4	4	-	-
3.26	Number of labour relations workshops held	-	4 workshops held	4	-	-
3.27	Misconduct cases managed	100%	100% cases internally finalised within 60 days	100% managed	100% managed	-

Strategy to overcome areas of under performance

No areas of under-performance indicated except for the number of performance agreements signed and monitored of which has significantly improved in the new financial year after the intervention of the head of department.

Changes to planned targets

No changes have been made on set targets.

4.	Sub–programme Financial Management (Office of the CFO)					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
4.1	Number of APP tabled in line with guidelines.	1 x APP Tabled	1 x APP Tabled	1 x APP Tabled	-	-
4.2	Number of annual and adjusted Estimate of Provincial Expenditure submitted	2	2	1	-	-
4.3	Number of monitoring and reporting system in place that tracks expenditure, revenue and service delivery.	12 x IYM & Cash Flows reports submitted 4th quarterly performance report 1x Annual report	14 x IYM and Cash Flows, 4th quarterly performance report 1 x Annual report	14 x IYM Reports & cash flow report submitted. 4th quarterly performance report 1 x Annual report	-	-
4.4	Preparation of Interim and Annual Financial Statements.	Interim and Annual Financial Statements submitted on time.	4 IFS 1 AFS	4 IFS	-	-
4.5	Number of instruction 34 Report indicating Compliance to 30 day payment schedule	95% of payments within 30 days	12 reports	12 reports	-	-
4.6	Number of reports indicating compliance to all financial prescripts	12 x monthly compliance certificates completed	12 x monthly compliance certificates completed	12 x Monthly compliance certificates submitted.	-	-
4.7	Number of Procurement Statistics, DAMP and Quarterly Reports submitted	12 x Procurement Stats reports and 4 x quarterly reports 12 x DAMP reports	12 x Procurement Stats reports and 4 x quarterly reports 12 x DAMP reports	12 x Procurement Stats reports and 4 x quarterly reports 12 x DAMP reports	-	-
4.8	Number of Proper and effective asset management system	Annual stock-taking and quaterly spot checks	Annual stock-taking and 3x spot checks	Bi-annual stock-taking	3 spot checks	Due to bi annual stock take it was not necessary to the have spots checks
4.9	Proper and effective management of salary related debts and PERSAL ledger accounts	10% of pending debt finalised	100% of pending debt finalised and ledger accounts cleared	66% of pending debt finalised cleared	34%	No feed-back received from debtors
4.10	Timeous payment of salary related claims, salaries and wages.	Transactions captured and updated before PERSAL cut off	All officials paid according to their spending pay groups and cliams paid within 5 working days	All officials paid according to their spending pay groups and cliams paid within 5 working days	-	-

Strategy to overcome areas of under performance

Continue engagements and negotiations with various departments in order to recover debt from ex-officials.

Changes to planned targets

No changes have been made on set targets.

5.	Sub-programme: Security and Record Management					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
5.1	Number of Security points (building) manned	3	3	3	-	-
5.2	Number of buildings serviced and maintained	7	7	7	-	-
5.3	Number of vehicles managed and maintained	12	12	12	-	-
5.4	Number of security awareness workshop conducted	18	4	4	-	-
5.5	% Vetting files finalized internally within 30 days of receipt and send to SSA for further investigations.		100%	100%	-	-
	Number of meetings held with private security on management of service level agreement (SLA) to ensure protection of NCPT facilities	12	4	12	-	-
5.7	Number of NCPT security committee meetings	-	4	1	3	Security Committee formed in 3rd quarter and one meeting was cancelled due unavailability of the members
5.8	Number of re-enforced steel cabinets safekeeping of departmental records	-	20	12	8	Budget constrains

Strategy to overcome areas of under performance

The security committee was established in the 3rd quarter. Thus in the new financial year quarterly meetings will be held.

Changes to planned targets

No changes have been made on set targets.

Programme Expenditure

2013/2014				2012/2013		
Sub- Programme Name	**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	9,126	8,537	784	9,318	9,031	287
Management Services	5,173	5,173	-	5,094	4,962	132
Corporate Services	18,111	17,443	652	21,039	18,040	2,999
Financial Management (Office of the CFO)	16,368	16,346	38	14,873	14,512	361
Security and Records Management	22,286	22,286	-	18,177	18,175	2
Total	**71,259**	**69,785**	**1,474**	**68,500**	**64,720**	**3,780**

11.2 Programme 2: Sustainable Resource Management

The aim of the programme is to provide professional advice and support to the head of department on provincial fiscal policy, public finance development and the management of the annual provincial budget process and to manage the provincial government's fiscal resources effectively.

The programme consists of the following sub-programmes:

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

Strategic objectives of Sustainable Resources Management:

	Sustainable Resource Management					
	Strategic objectives	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
1.	To provide for provincial economic & social research and analysis that informs fiscal policy development	Provincial , District and Local Socio-economic review document produced	Provincial , District and Local Socio-economic review document produced	Provincial , District and Local Socio-economic review document produced	-	-
		Provincial Medium Term Budget Policy Statement tabled	Provincial Medium Term Budget Policy Statement tabled	Provincial Medium Term Budget Policy Statement tabled	-	-
2.	To Monitor and Evaluate the impact of the fiscal policy on service delivery.	Provincial departments' strategic plans, APPs and 8 Municipalities` IDPs assessed	Provincial departments strategic plans, APPs and Municipalities` IDPs assessed	13 APP assessed	18 IDP	IDPs received at the end of the 4th quarter
3.	To ensure optimisation of provincial revenue.	Provincial revenue policy and strategy implemented	Devise mechanisms for optimisation of revenue collection in the Province.	Provincial Debt Management policy & Revenue enhancement strategy reviewed Cash office monitoring visits conducted Revenue budget analysed and consolidated	-	-

	Sustainable Resource Management					
	Strategic objectives	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
4.	Promote effective optimal financial resource allocation	Timeous and credible provincial budget relevant to government priorities	Timeous and credible provincial budget relevant to government priorities	Credible budget in line with government priorities tabled	-	-
		12 IYM	Monitor expenditure trends against budget allocations	Monitored provincial expenditure through the assessment of 12 IYM	-	-
5.	To promote sound and sustainable budgets of the municipalities.	Evaluate municipal budgets for sustain	Evaluate municipal budgets for sustainability	31 Municipalities budgets evaluated		

Programme Performance Indicators

1	Economic Analysis					
	Performance Indicators	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
1.1	Number of Socio-economic review publications	5 Districts 1 Provincial 27 Local	1	1	-	-
1.2	Number of MTBPS published and tabled.	1	1	1	-	-
1.3	Number of provincial policy briefs.	5	4	4	-	-
2.1	Number of provincial departments APP assessed in terms of policy alignments.	13	13	13	-	-
2.2	Number of municipalities IDPs assessed for socio-economic needs	20	18	-	18	The IDPs are normally submitted towards the end of the first quarter. Therefore, there was no assessment of IDPs in the fourth quarter.

Strategy to overcome areas of under performance

With regards to IDP assessment the APP will be adjusted so that it is recorded in the second quarter. It should also be noted that the number assessed depends on the IDPs assessed.

Changes to planned targets

No changes were made to targets of indicators

3	Sub-programme: Fiscal Policy					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
3.1	Number of Provincial revenue and debt management policy reviewed	Provincial revenue policy and strategy were approved and circulated for implementation	1	1	-	-
3.2	Number of own revenue database consolidated	-	1	1	-	-
3.3	Number of revenue forums	6 revenue forums were conducted.	4 Forums	4 revenue forums were conducted	-	-
3.4	Number of official visits at cash sites	6	2	3	1	More visits conducted
3.5	Number of monthly own revenue IYM consolidate reports analysed	12 monthly consolidated own revenue reports were analysed and feedback were provided	14 own revenue reports	14 monthly consolidated own revenue reports were analysed and feedback were provided	- -	- -
3.6	Number of fiscal framework updates	2 fiscal frameworks were updated	3	3	-	-
3.7	Number of EXCO memorandums produced	4 provincial reports on revenue were compile	4	4	-	-

Strategy to overcome areas of under performance

No under-performance is recorded for the year under review.

Changes to planned targets

No changes to targets or indicators

4	Sub-programme: Budget Management					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
4.1	No. of budgets tabled	2 budgets were completed and tabled	2	5 budgets were completed and tabled	3	The second adjustment for Sports, COGHSTA and Roads were done after the adjustment processes were completed
4.2	Number of Annual Budgets guidelines produced and issued	4 Annual Budgets guidelines produced and issued	4	4 Annual Budgets guidelines produced and issued	-	-
4.3	Consolidated Provincial Medium term Expenditure Committee (PMTEC) assessment reports	1 Consolidated PMTEC assessment reports	1	1 Consolidated PMTEC assessment reports	-	-
4.4	Number of consolidated in year monitoring (IYM) reports	14 consolidated IYM reports submitted	14	14 consolidated IYM reports submitted	-	-
4.5	No of expenditure memorandums produced	4 EXCO memorandums produced	4	4 EXCO memorandums produced	-	-
4.6	No of benchmark report produced	1 benchmark report produced	1	1 benchmark report produced	-	-
4.7	No of consolidated quarterly performance report	4 consolidated quarterly performance report submitted	4	4 consolidated quarterly performance report submitted	-	-
4.8	Annual Performance Plan assessment report	1	1	1 Report	-	-

Strategy to overcome areas of under performance

No areas of underperformance were recorded.

Changes to planned targets

No changes were made to targets or indicators.

5	Sub-programme: Municipal Finance					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
5.1	Number of consolidated reports on tabled budget schedules of key-deadlines.	-	1	1	-	-
5.2	No of gazettes produced on transfer to municipalities.	1 gazette produced on transfer to municipalities.	1	1	-	-
5.3	No of reports on municipal budgets assessed for credibility and sustainability	2 reports on municipal budgets assessed for credibility and sustainability	3	3	-	-
5.4	No. of benchmark exercises conducted.	6 benchmark exercises conducted.	5	5	-	-
5.5	No of consolidated IYM Report compiled.	12 consolidated IYM Reports compiled.	12	12 consolidated IYM reports	-	-
5.6	Number of quarterly consolidated municipal performance reports tabled	1	4	4	-	-
5.7	No of gazettes produced on quarterly outcomes of municipal performance.	5 gazettes produced outcomes of municipal performance	4	4	-	
5.8	Number of mid-year budget and performance engagement conducted	-	5	5	-	-
5.9	No of budget guidelines workshops held	2 workshops	1	1	-	-

Strategy to overcome areas of under performance

Finalise all reports and gazettes timeously.

Changes to planned targets

No changes made to targets or indicators

Programme expenditure

2013/14				2012/2013		
Sub-Programme Name	**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	1,738	1,649	89	1,385	1,348	37
Economic Analysis	4,841	4,706	135	4,733	4,547	186
Fiscal Policy	4,756	4,365	391	4,135	3,961	174
Budget Management	8,104	7,817	287	6,894	6,675	219
Municipal Finance	17,229	12,229	5,000	15,530	10,462	5,068
Total	**36,668**	**30,766**	**5,902**	**32,677**	**26,993**	**5,684**

11.3 Programme 3: Asset and Liabilities Management

This programme's purpose is to provide policy direction, facilitating the effective and efficient management of physical assets, ensure sound supply chain management policies and procedures, maintain and manage all financial systems and provide technical support on Public Private Partnership projects to municipalities and provincial departments in the province

The programme consists of the following sub-programmes

- Asset management
- Supporting and interlinked financial systems
- Banking and Cash Flow Management
- Public private partnership

Strategic objectives

	Asset and Liabilities					
	Strategic objectives	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
1.	Promote compliance with Supply Chain and Asset Management regulations/ guidelines	12 statically reports x 9 departments	12 departments, 5 listed public entities, 10 targeted municipalities per annum	12 departments 10 Municipalities	5 public entities,	NCTA, Liquor Board, Kalahari Kid, Government garage and NCEDA depend and report to departments of which compliance is conducted
2.	Oversight and management of supporting and interlinked Financials Systems	95 % availability	100 % of provincial calls resolved within 24hours after being logged	100 % of provincial calls resolved within 24hours after being logged	-	-
3.	Availability of BAS, Persal and Logis software and all other related software on the computers of all users of transversal systems	-	100% availability	100% availability	-	-
4.	Strengthening the effectiveness and improving the efficiency of sustainable infrastructure delivery in accordance with national and provincial strategies and priorities	Draft IDMS development for the Northern Cape PROMAN system aligned to facilitate institutionalisation	Functional Infrastructure Delivery Management System (IDMS)	Infrastructure Delivery Management System (IDMS) Is currently functional	-	-
5.	Facilitation framework that enables sustainable development by, harnessing national resources and looping best practices, to achieve a social purpose	1 Registered – NC Renal Replacement Therapy. 1 In process – Die Bos Resort	Register 2 projects	Register 2 projects	-	-

	Asset and Liabilities					
	Strategic objectives	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
6.	Promote effective and efficient banking services and cash flow management for the Provincial Revenue Fund	Effective management of Provincial Revenue Fund (PRF)	Effective management of Provincial Revenue Fund (PRF)	Unqualified Report on the revenue fund for 2012/13	-	-

Programme Performance Indicators

1.	Sub-programme: Asset Management					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
1.1	No of assessment reports on SCM contracts awarded above R100 000 inclusive.	12 statically reports x 9 departments	144 statically reports (12x12)	144 statically reports	-	-
1.2	Number of Asset management guidelines issued	3 guidelines issued. • Procedural manual for asset management. • Movement/ transfer of asset guideline. • Movable asset procedural manual	2	1	1	Approved in the new financial year
1.3	No. of demand research reports published	5 demand research reports published	2	2	-	-

1.	Sub-programme: Asset Management					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
1.4	Number of municipality's assisted to ensure full compliance with SCM minimum norms and standards with capacity constraints.	3 Municipality's' assisted to ensure full compliance with minimum norms and standards within capacity constraints Emthanjeni Thembehlihle Dikgatlong 2 Municipality's assisted but some requirements not met due to capacity constraints within the municipality: Magareng Phokwane 5 additional Municipality's assisted with compliance/ implementation: Joe Morolong Ga-Segonyana Kammiesberg Siyancuma Gamagara	5	6 Municipalities assisted to ensure full compliance with minimum norms and standards. Phokwane Magareng Gasegonyane Siyancuma Gmagara Khara heis 4 Municipality's assisted but some requirements not met due to capacity constraints within the municipality: Siyathemba Kheis Mier Khai – Ma	5	Additional municipality were assisted

Strategy to overcome areas of under performance

No underperformance is recorded except for the policy that was signed in the new financial year in April.

Changes to planned targets

No changes were made to indicators or targets sets

2	Sub-programme: Support Interlinked Financial Systems					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
2.1	Availability of BAS, Persal and LOGIS software on the computers of all users of all the transversal systems.	95% availability	100% availability	95% availability	5%	Downtime on the network
2.2	Percentage of the number of provincial technical transversal calls solved within 24 hours after being logged and the escalation of national calls to LOGIK where required	-	100% of provincial calls resolved within 24 hours after being logged	100% of calls logged resolved within 24 working hours (809 calls logged)	-	-
2.3	Percentage of the number of departmental technical calls solved within 24 hours after being logged	-	100% of provincial calls resolved within 24 hours after being logged	100% of calls resolved within 24 working hours (2009 calls logged)	-	-
2.4	Percentage of the number of functional support calls solved within 24 hours after being logged and the escalation of national calls to National where required	95% of calls solved within 24 hours	100% of provincial calls resolved within 24 hours after being logged	100% of calls resolved within 24 working hours (BAS: 3143 PERSAL: 2505 LOGIS: 8478)	-	-
2.5	Number of users trained on BAS PERSAL, LOGIS and Vulindlela modules	104 x BAS 184 x PERSAL 419 x LOGIS 8 x Vulindlela Sessions were held	100 x BAS 120 x PERSAL 120 x LOGIS 8 x Sessions, Vulindlela	BAS: 57 PERSAL: 216 LOGIS: 454 Vulindlela: 4	BAS: -43 Vulindlela: -4	BAS: Due to segment changes to SCOA, BAS training material had to be changed which caused deviation from the training programme Intake for training for other systems were increased. Vulindlela: Not enough training nominations were received
2.6	Number of sites prepared for readiness in implementing of LOGIS	13 sites were prepared for implementation.	3 sites prepared to be ready to implement LOGIS	8 sites prepared to be ready to implement LOGIS	5	Identified hospitals that were targeted for implementation

2	Sub-programme: Support Interlinked Financial Systems					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
2.7	Number of sites ready to be activated on LOGIS	14 sites were activated.	12 qualifying sites activated on LOGIS	6 qualifying sites activated on LOGIS	6	Identified hospitals that were targeted for implementation did not have sufficient capacity
2.8	Number of monthly transversal system forum meetings	PERSAL: 3 BAS: 5 LOGIS: 11 Forums were held	14 Forum	20 Forums (BAS: 3 PERSAL: 4 LOGIS: 13)	7	More logis forums were held
2.9	Implementation of a Biometric Access Control BAS, Persal and Logis in 13 provincial departments in the province	-	Implementation of Biometric Systm	The BACS was implemented in all 13 provincial government departments	-	-
2.10	Implementation of a Biometric system to facilitate a headcount of government officials in vulnerable government	-	Report on Head Count conducted	Service provider appointed and kick off meetings were held	1 Report	Project commenced in February 2014

Strategy to overcome areas of under performance

No areas of underperformance are recorded

Changes to planned targets

No changes were made to targets or indicators

3.	Sub-programme: Public Private Partnership					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
3.1	Conducting research and identification of potential PPP projects.	1 Registered – NC Renal Replacement Therapy. 1 In process – Die Bos Resort	4 Research documents developed.	4 Research Documents developed 2 Registered Projects NCISS & Die Bos Resort	-	-
3.2	Number of municipalities and provincial departments assessed, evaluated and support in terms of PPP	3 Municipalities were visited	5 District Municipalities & 4 Provincial Departments	4 District Municipalities & 4 Provincial Departments	1 District	All District Municipalities were not supported due to availability of stakeholders
3.3	Progress and monitoring reports for PPP projects.	3 monitoring reports were submitted	4 Reports developed	4	-	
3.4	No of infrastructure management workshops held to facilitate skills development.	-	2	2	-	-
3.5	No of departments assessed and evaluated and supported in terms of infrastructure delivery	-	10 Provincial Infrastructure (PIC) meetings held with 7 departments	10 Provincial Infrastructure (PIC) meetings held with 7 departments	-	-
3.6	Number of infrastructure departments assessed in terms of expenditure trends against the budget allocated.	-	4 Quarterly expenditure outcomes reports produced and 5 site visits conducted	4 Quarterly expenditure outcomes report produced and 5 site visits conducted	-	-

Strategy to overcome areas of under performance

Plans developed to ensure support in terms of PPP and to review functionality of output.

Changes to planned targets

No changes were made to targets or indicators

4	Cashflow Management					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
4.1	No of compliance certificates for Exchequer Account	12 compliance certificates (bank reconciliations) for Exchequer Account	12	12	-	-
4.2	Review banking contract and service level agreement(SLA)- Number of reviews of banking contract and service level agreement – banking services evaluation reports	2 Reviewed banking contract and service level agreement(SLA) – banking services evaluation reports	2	2	-	-
4.3	Audited Provincial Revenue (PRF) annual financial statements produced	Audited Annual Financial Statements for PRF	1	1	-	-
4.4	Review and maintain cash management framework	1 cash management framework were reviewed and maintained	1	1	-	-
4.5	Number of cashflow reports produced		6	6	-	-

Strategy to overcome areas of under performance

No underperformance is recorded

Changes to planned targets

No changes were made to indicators or targets

Programme expenditure

2013/2014				2012/2013		
Sub- Programme Name	**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	1,634	1,445	189	1,324	535	789
Asset management	6,949	6,160	789	6,159	5,746	413
Supporting and interlinked financial systems	36,501	29,652	6,849	26,822	11,622	15,199
Public private partnership	4,900	4,441	459	3,693	3,637	56
Banking and Cash Flow Management	2,839	2,695	144	2,927	2,597	330
Total	**52,823**	**44,393**	**8,430**	**40,925**	**24,137**	**16,787**

11.4 Programme 4: Financial Governance

To promote accountability through substantive reflection of financial activities of the province as well as compliance with financial norms and standards.1

The programme consists of the following sub-programmes:

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

Strategic objectives

	Financial Governance					
	Strategic objectives	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
1.	To provide support on accounting practices that will promote credible financial reporting.	13 Departments, 5 listed public entities, 31 municipalities	Credible financial reporting.	Credible financial reporting.	-	-
2.	To develop and promote the implementation of norms and standards that will **ensure improvement** of financial management capability maturity level within the province	10 department improved their financial capacity maturity	FMC level 3	FMC level 2.82	FMC level 0.18	Major institutional arrangement and capacity challenges at Health, Education, Sport, and Arts & Culture overshadow significant improvement achieved in other 9 departments. Currently, there is no buy-in from relevant stakeholders to adopt and implement a joint strategic support plan that aims as improving the current status. The tool to measure maturity levels in municipalities will be piloted in 2014/15 financial year.

	Financial Governance					
	Strategic objectives	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
3.	Monitor, oversee and evaluate implementation of risk management practices within the province.	13 Departments, 3 listed public entities, 26 municipalities implemented risk management	Improved risk management maturity level of 3+ for 12 Departments Improved risk management maturity level of 2+ for 31 Municipalities	Provincial average maturity level is **2.84** for department Provincial average maturity level is **2.70** for municipality	0.12 None	The provincial maturity level is almost 3 The provincial maturity level of 2+ has been achieved

Programme Performance Indicators

1.	Accounting Services					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
1.1	Roll out the latest accounting frameworks and policies	13 Departments 5 public entities 3 municipalities	2	5	3	More frameworks were issued than anticipated
1.2	Develop and roll out a monitoring tool for municipalities to asses accuracy and completeness of financial reporting	-	1	1	-	-
1.3	Build capacity within the province on accounting reforms	-	2 Training sessions	3	1	An additional need for training of municipal officials were identified
1.4	Number of assessment reports on IFS and compliance certificate	-	24 Assessment reports	12	12	Due to IFS's being assessed by both Accounting services and Internal Audit previously it was decided to rather evaluate Audit Action Plans and 16 Reports were issued (11 for departments and 5 for public entities)
		96 monthly reports	48 Quarterly reports	43	5	Late or non-submission of the certificates by departments

1.	Accounting Services					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comment on deviations**
1.5	Consolidated Annual Financial Information tabled by 31 October	1	1	2	1	The prior year audit of the CAFS for 2011/12 was delayed by the AG therefore the tabling could only take place during the current financial year

Strategy to overcome areas of under performance

We will encourage stakeholders to commit and implement strategies to improve compliance.

Changes to planned targets

No changes were made to the targets set at the beginning of the financial year.

2.	Norms and Standards					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
2.1	Financial management capability maturity monitored on institutional arrangements and corporate governance areas.	31 Municipalities assessed	86 assessment and feedback reports	42 assessment and 56 feedback reports	44 assessment and 30 feedback reports	Non-submission of information by departments and municipalities led to the under-achievement in assessment and feedback reports.
2.2	Number of support programmes initiated to improve compliance with MFMA by municipalities and PFMA by departments.	3	3	3	-	-
2.3	Number of accredited training programmes initiated for departments, public entities and municipalities	3	2	3	1	More training needs identified

2.	Norms and Standards					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
2.4	Number of officials trained on financial management reforms through workshop, outreach programmes and Inter Governmental Relations Forum(IGRF)	325	340	311	29	MFMIP workshop was cancelled in the 3rd quarter as municipal official did not confirm availability

Strategy to overcome areas of under performance

The directorate will embark on vigorous awareness and enforcement programmes, that will ensure the adoption and implementations of recommendations issued to municipalities and departments. The accountability framework should be strengthened to ensure that recommendations that aim at improving compliance are implemented by departments and municipalities.

Changes to planned targets

There were no changes in targets during the financial year as all new performance indicators and targets

3.	Risk Management					
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
3.1	Assessment and feedback reports compiled to monitor risk management implementation within the province	-	101 assessment and feedback reports	80	21	Poor cooperation from departments/ municipalities
3.2	Support on the development of Risk assessment reports, policies/ strategies and Fraud prevention plans within the province	-	14 Risk assessment reports, policies/ strategies, Fraud prevention plans	22	8	Additional institutions were as a result of municipalities showing interest in risk management support provided by Provincial Treasury
3.3	Risk management status of the province reported to EXCO, AC and other relevant stakeholders	New indicator	4RM reports	3	1	This new PI was piloted mainly to municipal forums and yet explored to EXCO, this will be done in the new year
3.4	Number of capacity building programmes implemented within the province	4	4 RM forums	10	4	Over achievement as a result of requests received and not planned for

Strategy to overcome areas of under performance

The underperformance in this sub programme relates to Performance Indicator number 1 and it is attributed mainly to cooperation and availability of our clients/stakeholders as our processes and services dependent on them. Moving forward we commit to persuade stakeholders to understand Provincial Treasury's monitoring and oversight role in order to secure their buy in and at the same time implement strategies aimed at improving compliance.

Changes to planned targets

There were no changes in targets during the financial year as all new performance indicators and targets were redefined at the beginning of the financial year.

Programme expenditure

	2013/2014			2012/2013		
Sub-Programme Name	**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	1,870	1,729	141	1,591	1,509	82
Accounting Services	30,031	8,752	21,279	15,927	14,143	1,784
Norms and Standards	6,148	5,077	1,071	3,928	3,819	109
Risk Management	5,298	4,815	483	3,827	3,566	261
Total	**42,347**	**20,373**	**22,974**	**25,273**	**23,037**	**2,236**

11.5 Programme 5: Provincial Internal Audit

The aim of the programme is to render value adding independent, objective assurance and consulting activity to improve the departmental operations

The programme consists of the following sub-programmes:

- Programme Support
- Internal Audit (Education)
- Internal Audit (Health)
- Internal Audit (Sector Departments)

The internal audit unit serviced all 12 departments in four clusters:

- Education, Treasury, Economic Development
- Health, Premier, Social Development
- Agriculture, Coghsta, Sports
- Public Works, Transport, Environment

Strategic objectives

Internal Audit					
Strategic Objective	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
To render an independent, objective assurance and consulting activity designed to add value and improve the N Cape Provincial Government's operations.	53 reports	100 reports	124 reports	24	More reports were issued due to the utilisation of service providers and some roll-over reports of 12-13 finalised during 13-14

Programme Performance Indicators

Internal Audit						
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
1.1	Risk based plan to be approved by AC before commencement of financial year.	The audit plans were approved during the 12-13 year. All 13-14 audit plans were approved by March 2013	8 of 12	12 IA Plans	4	All IA Plan approved in April 2013
1.2	% risk based audit coverage (number of audits completed v/s number of risk based audits identified/ approved plan)	132% (53/40)	75% 75/100	124% 124/100	59%	More reports were issued due to the utilisation of service providers, appointment of senior managers and some roll-over reports of 12-13 finalised during 13-14
1.3	Rating as assessed by clients on a scale of 1 to 5	3	3	3	-	-
1.4	Rating as assessed by the audit committee on a scale of 1 to 5	3	3	4	1	Increased confidence in the audit committee
1.5	Number of training sessions	4	4	13 training sessions were conducted	9 more training session held	Additional training were held to address specific developmental needs
1.6	Internal periodic reviews of compliance to IIA standards two per cluster (DNC = Do not comply, PC = Partially compliance, GC =General compliance)	Partial Compliance of Institute of Audit standards	GC	PC	PC	Peer reviews highlighted some areas for improvement in order to fully comply with all IIA standards
1.7	External review of compliance to IIA standards (Do not Comply, PC=Partial Compliance, GC=General Compliance)	Partial Compliance of Institute of Audit standards	PC	PC External Review not done	-	-
1.8	Service level agreements with all departments	-	12	12	-	-

Internal Audit						
	Performance Indicator	**Actual Achievement 2012/2013**	**Planned Target 2013/2014**	**Actual Achievement 2013/2014**	**Deviation from planned target**	**Comments on deviations**
1.9	Number of awareness sessions	12	4 HOD/CFO forums	4	-	Only 4 invitations received
		-	Attend 12 Management meeting (1 per dept)	19	7	IA was successful in awareness campaigns which resulted in increased invitation of IA to management meetings

Strategy to overcome areas of under performance

The outcome of internal peer reviews were planned to be at General Compliance level but actual results came to Partial Compliance. Internal reviews highlighted some areas that could be improved from a quality of documentation perspective.

Changes to planned targets

No changes were made to targets or indicators

Programme expenditure

	2013/2014			2012/2013		
Sub-Programme Name	**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	1,898	1,826	72	1,030	1,029	-
Internal Audit (Education)	4,914	3,601	1,313	3,716	3,494	222
Internal Audit (Health)	5,187	4,834	353	4,317	4,012	305
Internal Audit (Agriculture)	3,871	2,099	1,772	4,216	4,174	42
Internal Audit (DPW)	4,477	2,612	1,865	-	-	-
Total	**20,347**	**14,972**	**5,375**	**13,278**	**12,709**	**569**

11.6 Transfer payments, excluding public entities

No transfers payments were transferred to provinces and municipalities. The only transfer payment effected was to departmental agencies, households and non-profitable organisation.

11.7 Public Entities

The Department does not have any public entities reporting to executing authority.

11.8 Conditional grants

The Department is not a recipient of conditional grant.

11.9 Donor Funds

No donor assistance was received by the Department.

11.10 Capital investment, maintenance and asset management plan

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 items. The Department will develop a comprehensive acquisition plan for the new financial year that will be utilised as a framework for procurement.

PART C:

GOVERNANCE

12. INTRODUCTION TO GOVERNANCE

As Provincial Treasury we endeavor to be the heartbeat of sound financial management. We employ all efforts to maintain high standards of governance in order to provide assurance on the effective, efficient and economical utilization of resources allocated. Various structures indicated below have been implemented to ensure the achievement of the above statement.

12.1 RISK MANAGEMENT

During the financial year the appointed risk officer resigned and the function has been care-taken by the office of the CFO. During this period the risk management charter was reviewed and the departmental risk committee was also re-established with additional members. A risk assessment was conducted, whereby risks facing the department were identified, rated accordingly and mitigation plans were developed to ensure that the identified risks are reduced or eliminated. The identification of risks has been incorporated in the planning process, i.e during the strategic planning sessions. Feedback is provided to the audit committee on a quarterly basis on the implementation of the mitigating strategies. The following were top strategic risks identified:

Risk No.	Strategic Risks Description	Cause	Inherent Risk				Existing controls	Residual risk rating				Treat Threat	Controls Action to be taken
			IL	II	IR	Priority		RL	RI	RR	Priority		
1	Non-compliance to Budget Guidelines and provincial budget process	lack of appropriate skills and capacity	4	4	16	High	Regular workshops and feedback	3	4	12	Medium		Regular engagements with stakeholders to ensure compliance to the guidelines
2	Under/over spending by departments	Non alignment of expenditure with activities and disregard to the budget	5	5	25	High	Timeous monitoring of expenditure and intervention	4	4	16	High	X	Engage with relevant stakeholders including the Treasury Committee and EXCO
3	Inability of the provincial departments to collect and maximize own revenue	Unavailabilty of revenue strategy and debt management policy Non adherence to Treasury regulation and other prescripts;.	5	5	25	High	Development of revenue strategy and debt management policy for the province	5	5	25	High	X	Adoption and implementation of revenue strategy and debt management policy
4	Inability of the Department to enforce compliance with relevant pre-scripts to Provincial Departments/ Municipalities/ Public entities	Lack of enforcement tools.	5	4	20	High	EXCO support. Provincial Treasury's HOD support. Capacity building. Multiskilling in Municipalities. Provincial circulars/ practice notes	2	3	6	Low	X	Preparation and issuing of asset management guidelines.
5	Inability to enforce compliance to legislation and applicable prescripts	Lack of enforcement tools	5	4	20	High	Instruction notes PAG circulars	5	4	20	High	X	Develop accountability framework
6	Non-compliance to IIA standards and AC charter	Insufficient resources	4	5	20	High	Appointment of service providers Appointment of AC members Appointment of senior management staff and auditors	3	4	12	Medium	X	Submission to grow IA unit to do have sufficient staff and resources to service all 12 departments

12.2 FRAUD AND CORRUPTION

The Department's Fraud Prevention Strategy is in place. According to the strategy it is the responsibility of all employees to report all incidents of corruption, fraud and theft. The following may be used for reporting such incidents:

- Supervisors
- Security Manager
- Internal Audit
- National Anti-Corruption hotline number 0800 701 701
- Presidential hotline number 17737

12.3 MINIMISING CONFLICT OF INTEREST

Senior Managers are required in terms of the Public Service Regulations to report 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.

Transparency and accountability is key within our department, thus we have managed to establish a vetting unit. The unit is effectively functioning and it liaises with intelligence services on matters related to security clearances of officials dealing with sensitive information. The unit is producing positive results with regard to pre-employment screening.

12.4 CODE OF CONDUCT

Public Service Code of Conduct manual is handed to officials and breach thereof is addressed through proper disciplinary procedures. Workshops for all NCPT officials for a better understanding of the Code of Conduct were conducted in the 2013/2014 financial year. This has improved the ethical behaviour of the officials.

12.5 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. New committee members were appointed and trained.

12.6 PORTFOLIO COMMITTEES

The department presented it annual performance plan and annual report to the portfolio committee of finance during the 2013/14 financial year. The committee recommend the adoption of the annual performance plan which was supported by a credible budget. Furthermore it commended the department on the progress made on the efforts made for attainment of a clean audit.

12.7 SCOPA RESOLUTIONS

The Standing Committee on Public Accounts met the department on the 24th of October 2013 and recommended the following:

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
	Review of documentation within SCM unit	The accounting officer should ensure that officials in the supply chain management unit adequately review all documentation to ensure compliance with supply chain management policies	The level of supervision over transactions and records has improved due to the filling of vacancies and skills development. All documents	Yes

12.8 PRIOR MODIFICATIONS TO AUDIT REPORTS

The department has maintained an unqualified audit opinion for the past three years.

Year	Opinion	No. Matters of Emphasis & Non compliance	Nature	Progress in clearing the matters
2011	Unqualified	4	Irregular expenditure on transversal contracts, AFS presentation,audit committee, internal audit	Audit committee and Internal audit functional and effective, Irregular expenditure condoned and prescripts are complied with
2012	Unqualified	6	Irregular expenditure transversal issues, material underspending of the budget, achievement of planned targets, audit committee, internal audit,human resource management.	Audit committee and Internal audit functional and effective, Irregular expenditure condoned, prescripts are complied with and vacancies filled within prescribed time-frames
2013	Unqualified	2	Irregular expenditure on transversal issues and vetting of interns	Bidding process have commenced on buiding leases and all employees are screened and vetted prior to appointment

12.9 INTERNAL CONTROL UNIT

The Department has created an internal control unit within the office of the CFO which will be filled in due course. During the financial year internal control measures were implemented to ensure the achievement of clean audit, which included amongst others, policies and procedures that were developed and communicated to all staff member, increased supervision on all financial transactions and the internal audit unit has provided reasonable assurance on all high risk areas such as Supply Chain Management, Human Resource Management and Performance Information.

12.10 INTERNAL AUDIT AND AUDIT COMMITEE

12.10.1 Internal Audit

The Department's internal audit function is performed by the Shared Provincial Internal Audit Unit which fulfils an independent assurance function. The internal audit unit follows a risk-based audit approach in providing management and the audit committee with assurance on the adequacy and effectiveness of governance, risk management and internal control processes. The internal audit unit is guided by an Internal Audit Charter approved by the Audit Committee and performs its functions as provided in the Public Finance Management Act (PFMA),Treasury Regulations and the internal audit charter.

The internal audit unit compiles a rolling three year risk-based plan and prepares an annual plan after taking into consideration the risks facing the department, strategic objectives, the department's mandate, audit issues and inputs by management. The capacity of the Internal Audit was built over the financial year, with a full complement of staff by the end of the year. The audit committee approves the Internal Audit Plan for implementation.

The internal audit reviews performed for the financial year under year, were all in line with the annual audit plan. The reviews performed were:

- Review of the Annual Financial Statements as at 31 March 2012/13
- Recruitment and Selection Follow up
- Supply Chain Management
- Performance Information
- Risk Management
- Asset Management
- MPAT
- Interim Financial Statements
- IT Governance

Internal audit findings were communicated timely and management implemented measures to mitigate the risks. Significant matters identified during the audit were reported to the Audit Committee.

12.10.2 Audit Committee

Throughout the year under review, the Audit Committee operated in terms of an approved Audit Committee Charter, which was the committee's approved terms of reference. The committee comprised of two external members and two internal audit committee member, all of whom are not employed by the department. The chairperson resigned during the year and the remaining external member is acting as chairperson. Other cluster Audit Committee's members are utilised to ensure quorum.

The Audit Committee has, as part of its oversight responsibility on a quarterly basis, followed up on audit findings to ensure that issues raised were addressed timely.

Further information relating to the Audit Committee, as required by the PFMA and Treasury Regulations is included in the Audit Committee's Report, which is incorporated in the annual report of the department.

13. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2014.

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, 4 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.Juris,LLB, Higher Diploma In Taxation	External		01 October 2011		04
Mr. J Besnaar	CA.(SA)	External		01 December 2011	30 November 2013	03
Mr. Z Fihlani	M.Com(Tax),CA(SA)	External		01 October 2011		01
Ms OJ Gill	B Com, B Com (hons) in Business Management, Cert. in Executive Development Program	Internal	Department of Public Works	01 October 2011		03
Ms. E Botes	ND: Police Administration, Bachelor's degree in Police Science, Certificate in Executive Development Program	Internal	Department of Social Development	01 October 2011		03

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 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 Division of Revenue Act prepared and issued by the Accounting Officer of the department during the year under review.

Evaluation of 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 2013.

Internal Audit

In line with the PFMA and the King III Report on Corporate Governance 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:

- Review of the Annual Financial Statements as at 31 March 2012/13
- Recruitment and Selection Follow up
- Supply Chain Management
- Performance Information
- Risk Management
- Asset Management
- MPAT
- Interim Financial Statements
- IT Governance

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

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 concurs and accepts the Auditor-General's opinion regarding the
Annual financial statements, and proposes that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

Advocate DJ Block

Acting Chairperson of the Audit Committee

Northern Cape Provincial Treasury

PART D:

HUMAN RESOURCE MANAGEMENT

14. HUMAN RESOURCE MANAGEMENT OVERSIGHT REPORT

The information provided in this part is prescribed by the Public Service Regulations (Chapter 1, Part III J.3 and J.4).

14.1 INTRODUCTION

14.1.1 Overview of HR matters at the department

The department has made strides in its endeavour to be an employer of choice. Conducive working environment for its employees 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. It has also implemented a strategy to accelerate recruitment resulting in a reduced vacancy rate. The Annual Staff Indaba is used as a platform where all employees take part, strengthens the efforts of the department to remain an employer of choice and improve its overall performance.

14.1.2 HR priorities for the year under review

- Accelerate the filling of all funded vacant posts.
- Achieve 50/50 gender equity at SMS level.
- PERSAL clean-up.
- Review organisational structure.
- Evaluate all new and vacant posts on the organisational structure.
- Review the implementation of the childcare facility and physical activity programmes
- Promotion of the EAP services.

14.1.3 Workforce planning framework and key strategies to attract and recruit a skilled and capable workforce

The department strengthen the policy on recruitment and retention of skilled and capable workforce

14.1.4 Employee Performance Management Framework

The Employee Performance Management Framework is national directive to all departments/ provinces. The department has fully implemented the Provincial EPMDS policy. The different committees mentioned in the policy, namely the Intermediate Review Committee (IRC), Moderation Committee and the Assessment Appeals Panel were established in the department and are all functional.

14.1.5 Employee wellness programmes

The Employee Health and Wellness Strategic Framework, a policy directive for all departments, provides guidance on the implementation of Part Six of the Public Service Regulations, 2001, amongst other legislative pieces.

The EH&W Strategic Framework has four functional pillars, namely:

- HIV&AIDS and TB Management
- Health and Productivity
- Safety, Health, Risk and Quality management (SHRQ)
- Wellness Management.

The Northern Cape Provincial Treasury in compliance with the EH&W Strategic Framework, but also in the department's endeavour to establish best practices, has responded very well and is on track in the implementation of programmes, like the Child Care Facility, the Physical activity Programme, Health screenings and referrals in partnership with GEMS, EAP services, Health Education and Promotion activities. All these programmes are undertaken to achieve the vision of the framework, **"A. healthy, dedicated, responsive and productive public service".**

14.1.6 Policy development

Highlight achievements:

- All HR policies are approved and implemented.
- Appointment of EAP service provider.
- Improved turnaround time for filling of posts.
- Fully functional departmental website.

Challenges faced by the department

- Retention of staff.
- Unfunded vacant posts on the establishment
- Inability to attract and retain persons with disability
- Achieving 50/50 gender equity at SMS level, because of no vacancies on that level.
- Non-achievement of 100% compliance of the EPMDS policy.

Future HR plans /goals

- Strengthen the recruitment and retention strategy.
- Prioritise appointment of women at SMS level, when there is a vacancy
- Finalise the review of the organisational structure
- Continue to accelerate the recruitment process.

14.2 HUMAN RESOURCE OVERSIGHT STATISTICS

14.2.1 Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- amount spent on personnel
- amount spent on salaries, overtime, homeowner's allowances and medical aid.

Table 14.2.1.1 Personnel expenditure by programme

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	69,786	36,622	1,020	825	52.48	378
Sustainable Resources	30,765	26,690	14	-	86.75	460
Assets & Liabilities	44,393	25,081	-	8,038	56.50	418
Financial Governance	20,373	13,391	-	1,686	65.73	478
Internal Audit	14,971	11,434	15	-	76.37	318
TOTAL	**180,288**	**113,218**	**1,049**	**10,549**	**62.80**	**180,288**

Table 14.2.1.2 Personnel cost by salary band

Salary Band	Personnel Expenditure (R '000)	% of total personnel cost	Number of employees	Average personnel cost per employee (R'000)
Lower skilled (1-2)	-	-	-	-
Skilled(3-5)	5814	5.18	35	166.11
Highly skilled production (6-8)	24,500	21.10	95	257.89
Highly skilled supervision (9-12)	58,851	50.70	127	463.39
Senior management (13-16)	23,017	19.80	23	1,000.74
TOTAL	**112,182**	**96.60**	**280**	**400.65**

Table 14.2.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme

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	27,653	74.72	-	-	883	2.39	1,433	3.87
Sustainable Resources	21,409	77.31	-	-	385	1.39	924	3.34
Assets & Liabilities	19,591	77.08	-	-	451	1.77	911	3.58
Financial Governance	10,765	74.31	-	-	203	1.40	503	3.47
Internal Audit	9,310	80.24	-	-	202	1.74	399	3.44
TOTAL	**88,728**	**76.35**	**-**	**-**	**2,124**	**1.83**	**4,170**	**3.59**

Table 14.2.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band

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
Lower skilled (1-2)	-	-	-	-	-		-	-
Skilled(3-5)	4238	73.00	-	-	314	5.4	441	7.59
Highly skilled production (6-8)	18,270	75.00	-	-	899	3.70	1,432	5.81
Highly skilled supervision (9-12)	46,651	79.00	-	-	808	1.37	1,924	3.27
Senior management (13-16)	19,569	85.0	-	-	118	0.60	374	1.6
TOTAL	**19,569**	**79.00**	**-**	**-**	**2139**	**1.91**	**4171**	**3.72**

14.2.2 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

Table 14.2.2.1 Employment and vacancies by programme

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
1. Administration	111	97	12.6%	1
2. Sustainable Resource	72	58	19.4%	-
3. Assets and Liabilities	81	60	25.9%	-
4. Financial Governance	32	28	12.5%	-
5. Internal Audit	37	36	2.7%	-
Total	**333**	**279**	**16.2%**	**1**

Table 14.2.2.2 Employment and vacancies by salary band

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)	-	-	-	-
Skilled(3-5)	36	35	2.7%	-
Highly skilled production (6-8)	132	95	28%	1
Highly skilled supervision (9-12)	141	127	9.9%	-
Senior management (13-16)	24	23	4.2%	-
Total	**333**	**279**	**16.2%**	**1**

Table 14.2.2.3 Employment and vacancies by critical occupations

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, Permanent	57	41	28.1%	-
Client inform clerks (switchboard, reception inform clerks)	1	0	100%	-
Cleaners in offices workshops hospitals etc., Permanent	-	-	-	-
Communication and information related, Permanent	3	3	0	-
Finance and economics related, Permanent	53	47	11.3%	-
Financial and related professionals, Permanent	80	63	21.3%	-
Financial clerks and credit controllers, Permanent	29	23	20.7%	-
Food services aids and waiters, Permanent	8	8	12.5%	-
Head of department/chief executive officer,	1	1	0	-
Human resources & organisational development & relate professionals, Permanent	2	2	0	-
Human resources clerks, Permanent	4	4	0	-
Human resources related, Permanent	18	17	5.6%	-
Information technology related, Permanent	9	8	11%	-
Library mail and related clerks, Permanent	12	11	8.3%	-
Light vehicle drivers, Permanent	3	3	0	-
Material-recording and transport clerks, Permanent	-	-	-	-
Messengers porters and deliverers, Permanent	3	3	0	-
Other administration & related clerks and organisers, Permanent	1	1	0	1
Other information technology personnel., Permanent	4	4	0	-
Other occupations, Permanent	2	1	50%	-
Risk management and security services, Permanent	6	3	50%	-
Secretaries & other keyboard operating clerks, Permanent	19	19	0	-
Senior managers, Permanent	18	16	11.11	-
TOTAL	**333**	**279**	**16.2%**	**1**

14.2.3 Filling of SMS Post

Table 14.3.3.1 SMS post information as on 31 March 2014

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	1	1	100	-	-
Salary level 16	-	-	-	-	-
Salary level 15	-	-	-	-	-
Salary level 14	6	6	100	-	-
Salary level 13	16	17	106.25	-	-
Interns	-	-	-	-	-
Total	**23**	**24**	**104.34**	**-**	**-**

Table 14.3.3.2 SMS post information as on 30 September 2013

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	1	1	100	-	-
Salary level 16	-	-	-	-	-
Salary level 15	-	-	-	-	-
Salary level 14	6	6	100	-	-
Salary level 13	16	17	106.25	-	-
Interns	-	-	-	-	-
Total	**23**	**24**	**104.34**	-	-

Table 14.2.3.3 SMS post information as on 31 March 2014

	Advertising	Filling of Posts	
SMS Level	**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	-	-	-
Salary level 13	2	2	-
Total	**2**	**2**	

14.2.4 Job Evaluation

Awaiting job evaluation panel sitting from Office of the Premier, for 21 posts.

14.2.5 Employment Changes

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

Table 14.2.5.1 Annual turnover rates by salary band

Salary Band	Number of employees at beginning of period-April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	13	-	13	100
Skilled (Levels3-5)	33	7	4	12.1
Highly skilled production (Levels 6-8)	94	19	10	10.6
Highly skilled supervision (Levels 9-12)	127	18	11	8.7
Senior Management Service Bands A	16	0	2	12.5
Senior Management Service Bands B	6	0	0	0
Senior Management Service Bands C	1	0	0	0
Senior Management Service Bands D	1	0	0	0
Contracts (Levels 1-2)				
Contracts (Levels 3-5)	1	0	0	0
Contracts (Level 6-8)	-	-	-	-
Contracts (Level 9-12)	1	0	0	0
Contracts Band A	1	0	0	0
Total	**294**	**44**	**27**	**9.2**

Table 14.2.5.2 Annual turnover rates by critical occupation

Critical Occupation	Number of employees at beginning of period-April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related, Permanent	41	4	3	7.3
Client inform clerks (switchboard, reception inform clerks)	1	-	1	100
Cleaners in offices workshops hospitals etc., Permanent	-	-	-	-
Communication and information related, Permanent	3	1	-	-

Critical Occupation	Number of employees at beginning of period-April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Finance and economics related, Permanent	51	4	2	3.9
Financial and related professionals, Permanent	57	22	14	24.5
Financial clerks and credit controllers, Permanent	29	1	2	6.8
Food services aids and waiters, Permanent	7	-	-	-
Head of department/chief executive officer,	1	-	-	-
Human resources & organisation development & relate professional, Permanent	2	1	1	50
Human resources clerks, Permanent	18	-	-	-
Human resources related, Permanent	16	1	-	-
Information technology related, Permanent	9	-	-	-
Inspectors of apprentices works and vehicles	-	-	-	-
Library mail and related clerks, Permanent	8	-	-	-
Light vehicle drivers, Permanent	3	-	-	-
Material-recording and transport clerks, Permanent	-	-	-	-
Messengers porters and deliverers, Permanent	3	-	-	-
Other administration & related clerks and organisers, Permanent	2	3	1	50
Other administrative policy and related officers	1	-	-	-
Other information technology personnel., Permanent	4	-	-	-
Other occupations, Permanent	2	-	-	-
Risk management and security services, Permanent	3	2	-	-
Secretaries & other keyboard operating clerks, Permanent	16	5	1	6.2
Senior managers, Permanent	17	-	2	11.8
TOTAL	**294**	**44**	**27**	**9.2**

Table 14.2.5.3 Reasons why staff left the department

Termination Type	Number	% of Total Resignations
Death	1	3.7
Resignation	8	29.6
Expiry of contract	-	-
Dismissal – operational changes	-	-
Dismissal – misconduct	-	-
Dismissal – inefficiency	-	-
Discharged due to ill-health	1	3.7
Retirement	-	-
Transfer to other Public Service Departments	17	63.0
Other	-	-
Total	27	-
Total number of employees who left as a % of total employment		**9.2**

Table 14.2.5.4 Promotions by critical occupation

Occupation	Employees 1 April 2013	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
Administrative related, Permanent	41	1	2.4	25	60.9
Client inform clerks (switchboard, reception inform clerks)	1	-	-	-	-
Cleaners in offices workshops hospitals etc., Permanent	1	-	-	-	-
Communication and information related, Permanent	3	-	-	3	100
Finance and economics related, Permanent	51	-	-	17	33.3
Financial and related professionals, Permanent	57	7	12.2	34	59.6
Financial clerks and credit controllers, Permanent	29	-	-	12	41.4
Food services aids and waiters, Permanent	7	-	-	8	114.28
Head of department/ chief executive officer,	1	-	-	-	-

Occupation	Employees 1 April 2013	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
Human resources & organisation development & relate prof, Permanent	2	-	-	4	200
Human resources clerks, Permanent	18	-	-	-	-
Human resources related, Permanent	16	-	-	11	68.75
Inspectors of apprentices and vehicle	-	-	-	-	-
Information technology related, Permanent	9	-	-	6	66.6
Library mail and related clerks, Permanent	8	-	-	4	50
Light vehicle drivers, Permanent	3	-	-	2	66.6
Material-recording and transport clerks, Permanent	-	-	-	-	-
Messengers porters and deliverers, Permanent	3	-	-	2	66.6
Other administration & related clerks and organisers, Permanent	2	-	-	-	-
Other information technology personnel., Permanent	4	-	-	4	100
Other occupations, Permanent	2	-	-	-	-
Risk management and security services, Permanent	3	-	-	1	33.3
Secretaries & other keyboard operating clerks, Permanent	16	1	6.3	9	56.3
Senior managers, Permanent	17	-	-	9	52.9
TOTAL	**294**	**9**	**3.7**	**151**	**51.4**

Table 14.2.5.5 Promotions by salary band

Salary Band	Employees 1 April 2013	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)	13	-	-	-	-
Skilled (Levels3-5)	34	1	2.9	23	67.6
Highly skilled production (Levels 6-8)	94	6	6.3	69	73.4
Highly skilled supervision (Levels 9-12)	128	2	1.5	50	39.1
Senior Management (Level 13-16)	25	-	-	9	36
Total	**294**	**9**	**3.7**	**151**	**51.4**

14.2.6 Employment Equity

Table 14.2.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2014

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	8	2	0	4	7	1	0	0	22
Professionals	26	3	0	1	12	7	0	3	52
Technicians and associate professionals	22	9	3	1	30	9	0	1	75
Clerks	20	12	0	0	52	31	0	4	120
Elementary occupations	2	0	0	0	5	3	0	0	10
Total	78	26	3	6	107	51	0	8	279
Employees with disabilities	-	1	-	-	2	-	-	-	3

Table 14.2.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands on 31 March 2014

Occupational Band	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Top Management(L15-L16)	1	-	-	-	-	-	-	-	1
Senior Management(L13-L14)	7	2	-	4	7	1	-	-	21
Professionally qualified and experienced specialists and mid-management	26	3	-	1	12	7	-	3	52
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	22	9	3	1	30	9	-	1	75
Semi-skilled and discretionary decision making	20	12	-	-	53	31	-	4	120
Unskilled and defined decision making	2	-	-	-	5	3	-	-	10
Total	**78**	**26**	**3**	**6**	**107**	**51**	**0**	**8**	**279**

Table 14.2.6.3 Recruitment

Occupational Band	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management	5	-	-	-	1	-	-	1	7
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	12	2	-	-	12	4	-	1	31
Semi-skilled and discretionary decision making	-	-	-	-	5	-	-	1	6
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	**17**	**2**	**-**	**-**	**18**	**4**	**-**	**3**	**44**
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 14.2.6.4 Promotions

Occupational Band	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management	2	-	-	-	-	-	-	-	2
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	-	-	-	2	2	-	1	7
Semi-skilled and discretionary decision making	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	**4**	**-**	**-**	**-**	**2**	**2**	**-**	**1**	**9**
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 14.2.6.5 Terminations

Occupational Band	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	1	-	-	-	-	-	-	1	2
Professionally qualified and experienced specialists and mid-management	2	-	-	-	2	2	-	-	6
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	5	2	-	-	5	2	-	1	15
Semi-skilled and discretionary decision making	1	-	-	-	3	-	-	-	4
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	**9**	**2**	**-**	**-**	**10**	**4**	**-**	**2**	**27**
Employees with Disabilities	-	-	-	-	1	-	-	-	1

Table 14.2.6.6 Disciplinary action

Disciplinary action	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Suspension without pay	1	-	-	-	-	-	-	-	-
Demotion	1	-	-	-	-	-	-	-	-
Final Written Warning	1	1	-	-	-	-	-	-	-
Written Warning	1	-	-	-	-	-	-	-	-

Table 14.2.6.7 Skills development

Occupational category	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Legislators, senior officials and managers	-	-	-	-	-	-	-	-	-
Professionals	13	3	-	-	5	3	-	-	24
Technicians and associate professionals	9	3	-	-	27	1	-	-	40
Clerks	5	4	-	-	53	13	-	2	77
Elementary Occupations	6	0	0	0	12	0	0	0	18
Total	**33**	**10**	**0**	**0**	**98**	**17**	**0**	**2**	**159**
Employees with disabilities	-	-	-	-	1	-	-	-	1

14.2.7 Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 14.2.7.1 Signing of Performance Agreements by SMS members as on 31 May 2013.

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	1	1	-	-
Salary Level 16	-	-	-	-
Salary Level 15	-	-	-	-
Salary Level 14	6	6	6	100
Salary Level 13	16	17	16	94.1
Total	**23**	**24**	**22**	**91.67**

Table 14.2.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2014

Reason
The Performance Agreement was signed late by the official and his supervisor.

Table14.2.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2014

Reason
The matter was referred to the responsible supervisor.

14.2.8 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 14.2.8.1 Performance Rewards by race, gender and disability for the period 1 April 2013 to 31 March 2014

Race & Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	8	78	10	119	14 910
Female	5	107	4.6	77	15 484
Asian					
Male	1	3	33.3	11	11 387
Female	-	0	0	-	-
Coloured					
Male	-	26	0	-	-
Female	5	51		62	12 379
White					
Male	-	6	0	-	-
Female	2	8	25	62	30 808
Total	**21**	**279**	**7.5**	**331**	**15 791**

Table 14.2.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2013 to 31 March 2014

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	Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	2	34	5.9	16	8 214	-
Highly Skilled Production (Levels 6-8)	4	94	4.3	32	7 855	-
Highly Skilled supervision (Levels 9-12)	15	128	11.7	284	18 917	-
Total	**21**	**256**	**8.2**	**331**	**15 791**	**-**

Table 14.2.8.3 Performance Rewards by critical occupation for the period 1 April 2013 to 31 March 2014

Critical Occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Cost (R'000)	Average cost per employee
Administrative related, Permanent	5	41	12.2	86	17 168
Communication and information related, Permanent	1	3	33.3	12	12 366
Finance and economics related, Permanent	9	51	17.7	179	19 930
Financial and related professionals, Permanent	4	57	7	37	9 399
Secretaries & other keyboard operating clerks, Permanent	2	16	12.5	16	8 214
Total	**21**	**168**	**12.5**	**331**	**15 791**

No cash bonus for SMS members were paid out during this reporting period.

14.2.9 Foreign Workers

The Department has not employed any foreign workers.

14.2.10 Leave utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables p

rovide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 14.2.10.1 Sick leave

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)	43	58.1	8	3.1	5	7
Skilled (levels 3-5)	308	183.1	34	13.1	15	121
Highly skilled production (levels 6-8)	883	82.8	89	34.2	10	640
Highly skilled supervision (levels 9 -12)	981.5	180.5	113	43.5	19	1356
Top and Senior management (levels 13-16)	97	87.6	16	6.2	6	303
Total	**2312.5**	**82.5**	**260**	**100**	**9**	**2427**

Table 14.2.10.2 Disability leave (temporary and permanent)

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)	101	100	1	50	101	86
Highly skilled supervision (Levels 9-12)	31	100	1	50	31	32
Senior management (Levels 13-16)	-	-	-	-	-	-
Total	**132**	**100**	**2**	**100**	**66**	**118**

Table 14.2.10.3 Annual Leave

Salary Band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	128	11	12
Skilled Levels 3-5)	797	40	38
Highly skilled production (Levels 6-8)	2214	22	100
Highly skilled supervision(Levels 9-12)	3171.92	45	138
Senior management (Levels 13-16)	569.84	42	24
Total	**6880.76**	**22**	**313**

Table 14.2.10.4 Capped leave

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 at 31 March
Lower skilled (Levels 1-2)	-	-	-	-
Skilled Levels 3-5)	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-
Highly skilled supervision(Levels 9-12)	13	-	4	25
Senior management (Levels 13-16)	-	-	-	-
Total	**13**	**-**	**4**	**25**

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

Table 14.2.10.5 Leave payouts

Reason	Total Amount (R'000)	Number of Employees	Average per employee (R'000)
Leave payout for 2011/12 due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave payouts on termination of service for 2012/13	-	-	-
Current leave payout on termination of service for 2012/13	64	7	9 151
Total	**64**	**7**	**9 151**

14.2.11 HIV/AIDS & Health Promotion Programmes

Table 14.2.11.1 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
NONE	N/A

Table 14.2.11.2 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.	X		M.L Mooki, Senior Manager Corporate Services
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		4 staff members with a budget of R2 399 795
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		• Employees with psychosocial problems are referred. • Outsourced Physical Activity Programme • Child Care Facility for employees • Health Education workshops • Health screening in partnership with GEMS and Health department • Constant distribution of condoms at designated points of the buildings
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		Employee Health and wellness Committee approved by the Head of Department, consisting of 16 members: Ms E. Mosikare - Chairperson Ms C. Pharasi - EHW Coordinator Ms N. Bethanie – MetLife Building Mr N. Mohamad - MetLife Building Ms N. Motlhaping - MetLife Building Ms K. Nikani - MetLife Building Ms N. Bosch - MetLife Building Ms P. Mathetsa - MetLife Building Ms G. Chiazodo - MetLife Building Ms C. January – Templar building Ms W. Jones – Telkom Building Ms R. Matthews – Dean Snyders Building Mr L. Mokae – Kimtown Building Ms L Stoll – De Aar District Ms. L Van Neel – Upington District Ms. M. Cloete – Springbok District
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/ practices so reviewed.	X		Workplace policy on HIV and AIDS and TB Management

Question	Yes	No	Details, if yes
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		• Workplace policy on HIV and AIDS • Constant workshops on stigma and discrimination • HCT sessions
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	X		• HCT (HIV Testing and Counselling) done in partnership with GEMS and DOH. • Promotion of HCT through dissemination of pamphlets, posters, educational talks and workshops
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/ indicators.	X		YES ➢ Number of participants in: • Physical Activity Programme • Child care facility programme • Educational workshops • Number of condoms distributed ➢ Number of employees screened for the following: • Blood pressure • Cholesterol • Blood sugar • BMI • HIV

14.2.12 Labour Relations

Table 14.2.12.1 Collective agreements

Subject Matter	Date
The department is bound and implements the collective agreements entered into by parties at the PSCBC.	**2013/2014 Financial Year**

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

Table 14.2.12.2 Misconduct and disciplinary hearings finalised

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

14.2.13 Skills development

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

Table 14.2.13.1 Training needs identified

Occupational Category	Gender	Number of employees as at 1 April 2013	Training needs identified at start of the reporting period			
			Internships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	8	-	-	1	1
	Male	15	-	-	2	2
Professionals	Female	22	-	4	2	6
	Male	30	-	9	3	12
Technicians and associate professionals	Female	40	-	27	6	34
	Male	35	-	12	4	16
Clerks	Female	88	-	69	12	81
	Male	32	-	9	0	9
Elementary occupations	Male	2	5	3	0	22
	Female	8	10	2	0	11
Total		**279**	**15**	**135**	**30**	**179**

Table 14.2.13.2 Training provided for the period

Occupational Category	Gender	Number of employees as at 1 April 2013	Training provided within the reporting period			
			Internships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	8	-	-	1	1
	Male	14	-	-	1	1
Professionals	Female	22	-	8	1	9
	Male	30	-	16	2	18
Technicians and associate professionals	Female	40	-	28	7	35
	Male	35	-	12	3	15
Clerks	Female	88	-	69	13	82
	Male	32	-	9	2	11
Elementary occupations	Male	2	4	3	0	12
	Female	8	9	2	1	7
Total		**279**	**13**	**147**	**31**	**191**

14.2.14 Injury on duty

Table 14.2.14.1 Injury on duty

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

14.3 Utilisation of consultants

REPORT ON CONSULTANT APPOINTMENTS USING APPROPRIATED FUNDS			
Project Title	**Total Number of consultants that worked on the project**	**Duration work days**	**Contract value in Rand**
Printing services for Departmental Publications. Appointed Service Provider: **Swift Print**	31 Consultants	2 year printing contract	R954 859.44
Implementation of the Biometric Access Control System in the Northern Cape. Appointed Service Provider: **Datacentrix**	28 Consultants	8 Months contract with 2 Maintenance contract	R30 046 161
Conduct a Biometric Aided Head Count for identified Departments within Northern Cape Provincial Government. Appointed service provider: **Datacentrix**	9 Consultants	8 Months contract	R8 379 354
Render Auditing services to the shared Northern Cape Provincial Departments. Appointed Service Provider: **KPMG** was awarded 3 department namely Economic Development, Transport,Safety and Liaison and Coghsta	16 Consultants	12 Months contract	R2 862 101
Invitation for Proposals from Appropriately Qualified Bidders to Render Internal Auditing Services to Five Northern Cape Provincial Departments for a Period of 12 Months. Appointed Service Provider: **LDSW** for Social Development and Public Works	16 Consultants as per tender document	12 Months	R599 503.20

PART E:

FINANCIAL INFORMATION

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REPORT OF THE AUDITOR-GENERAL TO THE NORTHERN CAPE PROVINCIAL LEGISLATURE ON VOTE NO.8: NORTHERN CAPE PROVINCIAL TREASURY REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Northern Cape Provincial Treasury set out on pages 84 to 125, which comprise the appropriation statement, the statement of financial position as at 31 March 2014, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance withthe Modified Cash Standard prescribed by the National Treasuryand the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (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.

Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the General Notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the department as at 31 March 2014, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard prescribed by the National Treasury and the requirements of the PFMA.

Additional matter

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

Unaudited supplementary schedules

8. The supplementary information set out on pages 126 to 131 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, non-compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

10. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2014:

- Programme 2: Sustainable Resource Management on pages 28 to 33
- Programme 3: Asset and Liabilities Management on pages 34 to 40
- Programme 4: Financial Governance on pages 41 to 45

11. I evaluated the reported performance information against the overall criteria of usefulness and reliability.

12. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPI).

13. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

14. I did not raise any material findings on the usefulness and reliability of the reported performance information for the selected programmes.

Additional matter

15. Although I raised no material findings on the usefulness and reliability of the reported performance information for the selected programmes, I draw attention to the following matter:

Achievement of planned targets

16. Refer to the annual performance report on page 28 to 48 for information on the achievement of the planned targets for the year.

Unaudited supplementary information

17. The supplementary information set out on pages 51 to 79 does not form part of the annual performance report and is presented as additional information. I have not audited these schedules and, accordingly, I do not report thereon.

Compliance with legislation

18. I performed procedures to obtain evidence that the department had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key applicable laws and regulations as set out in the General Notice issued in terms of the PAA.

Internal control

19. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. I did not identify any deficiencies in internal control which I considered sufficiently significant for inclusion in the audit report.

OTHER REPORTS

Performance audits

20. The Report of the Auditor-General of South Africa on the readiness of government to report on its performance will be tabled during 2014. The performance audit focused on the following:
    - The systems and processes that government departments have put in place to report on their performance
    - The performance reporting guidance and oversight government departments received.

Auditor General

Kimberley

31 July 2014

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

Appropriation per programme									
	2013/14							2012/13	
APPROPRIATION STATEMENT	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	68,950	(83)	315	69,182	68,641	541	99.2%	65,952	62,333
Transfers and subsidies	301	-	-	301	138	163	45.5%	303	131
Payment for capital assets	1,253	67	440	1,760	990	770	56.3%	2,245	2,256
Payment for financial assets	-	16	-	16	16	-	100%	-	-
	70,504	-	*755*	*71,259*	*69,785*	*1,474*		*68,500*	*64,720*
2. Sustainable Resource Management									
Current payment	36,330	(139)	-	36,191	30,349	5,842	83.9%	31,512	25,896
Transfers and subsidies	-	43	-	43	43	-	100%	211	209
Payment for capital assets	338	34	-	372	312	60	83.9%	954	888
Payment for financial assets	-	62	-	62	62	-	100%	-	-
	36,668	-	-	36,668	30,766	5,902		32,677	26,993
3. Assets and Liability Management									
Current payment	44,214	(46)	(634)	43,534	39,151	4,383	89.9%	39,999	23,331
Transfers and subsidies	-	5	-	5	5	-	100.0%	4	4
Payment for capital assets	9,364	41	(121)	9,284	5,237	4,047	56.4%	922	803
Payment for financial assets	-	-	-	-	-	-		-	-
	53,578	-	*(755)*	*52,823*	*44,393*	*8,430*		*40,925*	*24,138*
4. Financial Governance									
Current payment	42,981	(51)	-	42,930	20,051	22,879	46.7%	24,665	22,731
Transfers and subsidies	-	-	-	-	-	-	-	4	3
Payment for capital assets	366	32	-	398	303	95	76.1%	604	303
Payment for financial assets	-	19	-	19	19	-	100%	-	-

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

Appropriation per programme									
	2013/14							2012/13	
APPROPRIATION STATEMENT	**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**
	43,347	-	-	*43,347*	*20,373*	*22,974*		*25,273*	*23,037*
5. Provincial Internal Audit									
Current payment	19,592	(341)	-	19,251	14,326	4,925	74.4%	12,148	11,929
Transfers and subsidies	-	30	-	30	30	-	100.0%	7	4
Payment for capital assets	755	311	-	1,066	616	450	57.8%	1,123	776
Payment for financial assets	-		-	-	-	-	-	-	-
	20,347	-	-	20,347	14,972	5,375		13,278	12,709
Subtotal	**224,444**	**-**	**-**	**224,444**	**180,289**	**44,155**	**80.3%**	**180,653**	**151,597**
TOTAL	**224,444**	**-**	**-**	**224,444**	**180,289**	**44,155**	**80.3%**	**180,653**	**151,597**
Reconciliation with statement of financial performance									
ADD									
Departmental receipts									
Actual amounts per statement of financial performance (total revenue)				37,282				27,070	
				261,726				**207,723**	
Actual amounts per statement of financial performance (total expenditure)					**180,289**				**151,597**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

Appropriation per economic classification									
	2013/14							2012/13	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	120,246	(1,045)	-	119,201	113,216	5,976	95.0%	96,528	93,682
Goods and services	91,821	351	(319)	91,853	59,266	32,595	64.5%	77,640	52,415
Interest and rent on land	-	34	-	34	34	-	100.0%	111	124
Transfers and subsidies									
Departmental agencies and accounts	-	8	-	8	8	-	100.0%	7	6
Higher Education institutions	101	(10)	-	91	-	91		96	-
Non-profit institutions	-	10	-	10	10	-	100.0%	100	37
Households	200	70	-	270	198	72	73.3%	322	308
Payments for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-			
Machinery and equipment	8,654	443	319	9,416	4,701	4,716	49.9%	5,373	4,606
Software and other intangible assets	3,422	42	-	3,464	2,759	705	79.6%	476	419
Payments for financial assets	-	97	-	97	97	-	100.0%	-	-
Total	**224,444**	**-**	**-**	**224,444**	**180,289**	**44,155**	**80.3%**	**180,653**	**151,597**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	2013/14							2012/13	
Detail per Sub-Programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Office of the MEC									
Current payment	8,168	78	-	8,246	8,244	2	100.0%	7,874	7,667
Transfers and subsidies	200	(4)	-	196	124	72	62.6%	195	119
Payment for capital assets	758	-	121	879	169	710	19.2%	1,249	1,245
1.2 Management Services									
Current payment	5,805	(709)	-	5,096	5096	-	100.0%	4,887	4,782
Payment for capital assets	68	9	-	77	77	-	100.0%	207	180
1.3 Corporate Services									
Current payment	18,684	(931)	-	17,753	17,214	539	97.0%	20,625	17,796
Transfers and subsidies	101	-	-	101	10	91	9.9%	106	10
Payment for capital assets	241	-	-	241	219	22	90.9%	307	234
1.4 Financial Management (CFO)									
Current payment	16,474	(322)	-	16,152	16,152	-	100.0%	14,554	14,204
Transfers and subsidies	-	2	-	2	2	-	100.0%	-	-
Payment for capital assets	156	58	-	214	176	38	82.2%	319	308
Payment for financial assets	-	16		16	16	-	100.0%	-	-
1.5 Security and Records Management									
Current payment	19,819	1,801	315	21,935	21,935	-	100.0%	18,012	17,884
Transfers and subsidies	-	2	-	2	2	-	100.0%	2	2
Payment for capital assets	30	-	319	349	349	-	100.0%	163	289
Payment for financial assets	-	-	-	-	-	-	100.0%	-	-
TOTAL	**70,504**	**-**	**755**	**71,259**	**69,785**	**1,474**	**97.9%**	**68,500**	**64,720**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	2013/14							2012/13	
Programme 1 Economic classification	**Adjusted Appropriation**	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
Current payments									
Compensation of employees	37,501	(852)	-	36,649	36,621	28	99.9%	32,147	32,121
Goods and services	31,449	769	315	32,533	32,019	514	98.4%	33,769	30,184
Interest and rent on land	-	-	-	-	-	-		36	30
Transfers & subsidies									
Departmental agencies & accounts	-	8	-	8	8	-	100.0%	7	6
Higher education institutions	101	(10)	-	91	-	91		96	-
Non-profit institutions		10	-	10	10	--	100.0%	100	37
Households	200	(8)	-	192	120	72	62.5%	100	87
Payment for capital assets									
Machinery & equipment	1,253	67	440	1,760	991	769	56.3%	2,082	2,149
Intangible Assets	-	-	-	-	-	-	-	163	106
Payment for financial assets	-	16	-	16	16	-	100.0%	-	-
Total	**70,504**	**-**	**755**	**71,259**	**69,785**	**1,474**	**97.9%**	**68,500**	**64,720**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	2013/14							2012/13	
Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Programme Support									
Current payment	1,664	17		1,681	1,608	73	98.2%	1,328	1,302
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	34	-	-	34	18	16	52.9%	57	46
Payment for financial assets	-	23	-	23	23	-	100.0%	-	-
2.2 Economic Analysis									
Current payment	4,668	144	-	4,812	4,687	125	96.5%	4,407	4,223
Transfers and subsidies	-	-	-	-	-	-	-	185	184
Payment for capital assets	48	(19)	-	29	19	10	65.5%	141	140
Payment for financial assets	-	-	-	-	-	-	-	-	-
2.3 Fiscal Policy									
Current payment	5,031	(369)	-	4,662	4,271	391	91.6%	3,979	3,817
Transfers and subsidies	-	-	-	-	-	-		-	-
Payment for capital assets	128	(53)	-	75	75	-	100.0%	156	144
Payment for financial assets		19		19	19	-		-	-
2.4 Budget management									
Current payment	8,005	(54)		7,951	7,698	253	96.8%	6,718	6,540
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	128	8	-	136	102	34	75.0%	176	135
Payment for financial assets	-	17	-	17	17	-	100.0%	-	-
2.5 Municipal Finance									
Current payment	16,962	123		17,085	12,085	5,000	70.7%	15,080	10,014
Transfers and subsidies	-	43		43	43	-	100.0%	26	25
Payment for capital assets	-	98		98	98	-	100.0%	424	423
Payment for financial assets	-	3		3	3	-	100.0%	-	-
Total	**36,668**	**-**	**-**	**36,668**	**30,766**	**5,902**	**83.9%**	**32,677**	**26,993**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	2013/14							2012/13	
Programme 2 Economic classification	**Adjusted Appropriation**	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments									
Compensation of employees	28,738	(116)	-	28,622	26,690	1,932	93.3%	24,636	22,146
Goods and services	7,592	(23)	-	7,569	3,659	3,910	48.2%	6,835	3,720
Interest and rent on land	-	-	-	-	-	-		43	31
Transfers and subsidies to:									
Households	-	43	-	43	43	-	100.0%	210	210
Payment for capital assets									
Machinery and equipment	338	34	-	372	312	60	83.9%	953	886
Payments for financial assets		62		62	62	-	100.0%	-	-
Total	**36,668**	**-**	**-**	**36,668**	**30,766**	**5,902**	**83.9%**	**32,677**	**26,993**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	2013/14							2012/13	
Details per Sub-Programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Programme Support									
Current payment	1,534	80	-	1,614	1,425	189	88.3%	1,278	496
Transfers and subsidies	-	-	-	-		-	-	-	-
Payment for capital assets	13	7	-	20	20	-	100.0%	46	39
3.2 Asset Management									
Current payment	7,459	(41)	(634)	6,784	5,995	789	88.4%	5,944	5,665
Transfers and subsidies	-	-	-	-	-	-	-	4	4
Payment for capital assets	124	41		165	165	-	100.0%	211	77
3.3 Support and Interlinked Financial Systems									
Current payment	27,463	-	-	27,463	24,645	2,818	89.7%	26,406	11,200
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	9,038	-	-	9,038	5,007	4,031	55.4%	416	423
3.4 Public Private Partnership									
Current payment	4,953	(85)	-	4,868	4,409	459	90.6%	3,459	3,388
Transfers and subsidies	-	5	-	5	5	-	100.0%		
Payment for capital assets	155	(7)	(121)	27	27	-	100.0%	234	249
3.5 Banking and Cashflow Management									
Current payment	2,805	-	-	2,805	2,677	128	95.4%	2,912	2,582
Transfers and subsidies	-	-	-	-	-	-		-	-
Payment for capital assets	34	-	-	34	18	16	52.9%	15	15
Total	**53,578**	**-**	**(755)**	**52,823**	**44,393**	**8,430**	**84.0%**	**40,925**	**24,138**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	2013/14							2012/13	
Programme 3 Economic classification	**Adjusted Appropriation**	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments									
Compensation of employees	25,777	(5)	-	25,772	25,080	692	97.3%	20,836	20,766
Goods and services	18,437	(75)	(634)	17,728	14,036	3,692	79.2%	19,148	2,511
Interest and rent on land	-	34	-	34	34	-	100.0%	15	51
Transfers and subsidies to:									
Households	-	5	-	5	5	-	100.0%	4	4
Payment for capital assets									
Buildings and other fixed structures	-	-		-		-	-	-	-
Machinery and equipment	5,942	31	(121)	5,852	2,511	3,341	42.9%	922	806
Software and other intangible assets	3,422	10	-	3,432	2,727	705	79.5%	-	-
								-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	**53,578**	**-**	**(755)**	**52,823**	**44,393**	**8,430**	**84.0%**	**40,925**	**24,138**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	2013/14							2012/13	
Detail per sub-programme	**Adjusted Appropriation**	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
4.1 Programme Support									
Current payment	1,894	(71)	-	1,823	1,682	141	92.3%	1,447	1,446
Transfers and subsidies	-			-	-	-		-	-
Payment for capital assets	-	47	-	47	47	-	100.0%	144	63
4.2 Accounting Services									
Current payment	29,943	-	-	29,943	8,701	21,242	29.1%	15,713	14,065
Transfers and subsidies	-	-	-	-	-	-	-	4	3
Payment for capital assets	135	(47)	-	88	51	37	58.0%	210	75
4.3 Norms and Standards									
Current payment	6,034	(19)	-	6,015	4,960	1,055	82.5%	3,810	3,753
Transfers and subsidies	-	-	-	-		-		-	-
Payment for capital assets	114	-	-	114	98	16	86.0%	118	65
Payment for financial assets	-	19	-	19	19	-	100.0%	-	-
4.4 Risk Management									
Current payment	5,110	39	-	5,149	4,708	441	91.4%	3,695	3,467
Transfers and subsidies	-	-	-	-	-	-			
Payment for capital assets	117	32	-	149	107	42	71.8%	132	100
						-			
Total	**43,347**	**-**	**-**	**43,347**	**20,373**	**22,974**	**47.0%**	**25,273**	**23,037**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	2013/14							2012/13	
Programme 4 Economic classification	**Adjusted Appropriation**	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments									
Compensation of employees	15,463	(51)	-	15,412	13,391	2,021	86.9%	10,608	10,565
Goods and services	27,518	-	-	27,518	6,661	20,857	24.2%	14,044	12,157
Interest and rent on land	-	-	-	-	-	-	-	11	9
Transfers and subsidies to:									
Households	-	-	-	-	-	-	-	4	3
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	366	32	-	398	302	96	75.9%	606	303
Payments for financial assets	-	19	-	19	19	-	100.0%	-	-
Total	**43,347**	**-**	**-**	**43,347**	**20,373**	**22,974**	**47.0%**	**25,273**	**23,037**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	2013/14							2012/13	
Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Programme Support									
Current payment	1,585	210	-	1,795	1,723	72	96.0%	664	664
Transfers and subsidies	-	-	-	-	-	-		-	-
Payment for capital assets	56	47	-	103	103	-	100.0%	365	365
Payment for financial assets	-	-	-	-	-	-	-	-	-
5.2 Internal Audit (Education)									
Current payment	5,301	(585)	-	4,716	3,451	1,265	73.2%	3,510	3,481
Transfers and subsidies	-	24	-	24	24	-	100.0%	7	4
Payment for capital assets	174	-	-	174	126	48	72.4%	199	9
Payment for financial assets	-	-	-	-		-	-	-	-
5.3 Internal Audit (Health)									
Current payment	4,493	298	-	4,791	4,514	277	94.2%	3,764	3,623
Transfers and subsidies		6	-	6	6	-	100.0%	-	-
Payment for capital assets	406	(16)	-	390	314	76	80.5%	553	389
Payment for financial assets	-	-	-	-	-	-	-	-	-
5.4 Internal Audit (Agriculture)									
Current payment	4,016	(209)	-	3,807	2,041	1,766	53.6%	4,210	4,161
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	64	-	-	64	58	6	90.6%	6	13
Payment for financial assets	-	-		-	-	-	-	-	-
5.5 Internal Audit (DPW)									
Current payment	4,197	(55)	-	4,142	2,597	1,545	62.7%	-	-
Transfers and subsidies	-	-	-	-	-	-		-	-
Payment for capital assets	55	280	-	335	15	320	4.5%	-	-
Payment for financial assets	-	-	-	-		-		-	-
Total	**20,347**	**-**	**-**	**20,347**	**14,972**	**5,375**	**73.6%**	**13,278**	**12,709**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2013

	2013/14							2012/13	
Programme 5 Economic classification	**Adjusted Appropriation**	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments									
Compensation of employees	12,767	(30)	-	12,746	11,434	1,303	89.8%	8,301	8,084
Goods and services	6,825	(312)	-	6,505	2,891	3,622	44.4%	3,844	3,843
Interest and rent on land	-	-	-	-	-	-	-	6	3
Transfers and subsidies to									
Households	-	30	-	30	30	-	100.0%	4	4
Gifts and donations	-	-	-	-	-	-	-	-	-
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	755	280	-	1,034	585	450	56.5%	810	462
Software and other intangible assets	-	32	-	32	32	-	100.0%	313	313
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	**20,347**	**-**	**-**	**20,347**	**14,972**	**5,375**	**73.6%**	**13,278**	**12,709**

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, disclosure notes 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 on 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 R'000	Variance as a % of Final Appropriation
Administration	71,259	69,785	1,474	2%
Sustainable Resource	36,668	30,766	5,902	16%
Assets & Liabilities	52,823	44,393	8,430	16%
Financial Governance	43,347	20,373	22,974	53%
Provincial Internal Audit	20,347	14,972	5,375	26%
Total	**224,444**	**180,289**	**44,155**	**20%**

Explanation of variance

Sustainable Resource Management

In Sustainable Resource Management programme, sub-programme Municipal Finance there is an understanding of R5 million which relates to earmarked funding allocated for capacity building within the department's district offices in order to enhance services and support rendered to municipalities. There were organisation structural issues that needed to be dealt prior to filling these vacancies. These are currently being resolved and filling of the said vacancies will occur by end of the second quarter of 2014/15.

Assets and Liabilities

BACS was implemented during the financial year. As at the end of the financial year the project was at its final stages, i. e close out stage. However during the implementation there were some challenges regarding the finalization of the LOGIS activation on BACS, as the two systems first needed to be configured to enable synchronization. The project team has estimated that by February 2015 the province would have fully implemented BACS on all transversal systems. Included in the 2013/14 was an adjusted allocation of R5 million to conduct a biometric aided headcount for all departments in the province. However the finalisation of the project was delayed due to the challenges experienced with SCM prescripts and responsiveness of the bidders, thus the tender was advertised twice. The appointment was finalised in February 2014 and the first project initiating meeting was held in March 2014.

Financial Governance

One of the department's priorities is to support municipalities in improving their financial management to ensure a clean audit. During the financial year R20 million was allocated during the adjustment estimate in order for the Department to appoint consultants to assist 6 identified municipalities in completing their financial statements, asset registers and address audit issues. The bidding process commenced in December 2013 and was finalised during February 2014. However there were certain supply chain management technicalities that have delayed the awarding of the tender. It is important for the Department to ensure that the appointed service providers are able to render sustainable services that will ensure the achievement of the set project objectives.

Internal Audit

At current the internal audit has 37 staff members; the proposed organogram is for 58 staff members. During the financial year service providers were appointed to assist in the servicing five departments, while capacity is being increased within the unit. The service providers were appointed in October 2013 for a one year contract. The remaining portion of the contract will be completed in the new financial year. The remaining portion of the underspending relates to the delayed appointments of internal auditor and resignations that occurred during the year.

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments				
Compensation of employees	119,201	113,216	5,985	5%
Goods and services	91,853	59,266	32,587	35%
Interest and rent on land	34	34	-	0%
Unauthorised expenditure approved	4,996	4,996	-	0%
Transfers and subsidies				
Departmental agencies and accounts	8	8	-	0%
Higher Education Institution	91	-	91	100%
Non-profit institutions	10	10	-	0%
Households	270	198	72	27%
Gifts and donations	-	-	-	
Payments for capital assets				
Buildings and other fixed structures	-	-	-	
Machinery and equipment	9,416	4,701	4,716	50%
Heritage assets				
Software and other intangible assets	3,464	2,759	705	20%
Payments for financial assets	97	97	-	0%

The above underspending on goods and services and payments for capital assets relates significantly to the above projects.

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2014

PERFORMANCE	*Note*	2013/14 R'000	2012/13 R'000
REVENUE			
Annual appropriation	1	224,444	180,653
Departmental revenue	2	37,282	27,070
TOTAL REVENUE		**261,726**	**207,723**
EXPENDITURE			
Current expenditure			
Compensation of employees	3	113,216	93,682
Goods and services	4	59,266	52,415
Interest and rent on land	5	34	124
Total current expenditure		**172,516**	**146,221**
Transfers and subsidies			
Transfers and subsidies	7	216	351
Total transfers and subsidies		**216**	**351**
Expenditure for capital assets			
Tangible capital assets	8	4,701	4,606
Software and other intangible assets	8	2,759	419
Total expenditure for capital assets		**7,460**	**5,025**
Payments for financial assets	6	97	-
TOTAL EXPENDITURE		**180,289**	**151,597**
SURPLUS/(DEFICIT) FOR THE YEAR		**81,437**	**56,126**
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		44,155	29,056
Annual appropriation		44,155	29,056
Departmental revenue and NRF Receipts	13	37,282	27,070
SURPLUS/(DEFICIT) FOR THE YEAR		**81,437**	**56,126**

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2014

POSITION	***Note***	**2013/14**	**2012/13**
		R'000	**R'000**
ASSETS			
Current assets		**44,957**	**29,068**
Unauthorised expenditure	*9*	-	4,996
Cash and cash equivalents	*10*	44,494	23,186
Receivables	*11*	463	886
TOTAL ASSETS		**44,957**	**29,068**
LIABILITIES			
Current liabilities		**44,957**	**29,068**
Voted funds to be surrendered to the Revenue Fund	*12*	44,155	29,056
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	*13*	9	8
Payables	*14*	793	4
TOTAL LIABILITIES		**44,957**	**29,068**
NET ASSETS		-	-

CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

CASH FLOW	*Note*	2013/14 R'000	2012/13 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**262,612**	**208,168**
Annual appropriated funds received	*1.1*	224,444	180,653
Departmental revenue received	*2*	193	120
Interest received		37,975	27,395
Net (increase)/decrease in working capital		6,208	(66)
Surrendered to Revenue Fund		(67,225)	(43,007)
Current payments		(172,550)	(146,345)
Interest paid		34	124
Payments for financial assets		(97)	-
Transfers and subsidies paid		(216)	(351)
Net cash flow available from operating activities	*15*	**28,766**	**18,523**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets		(7,460)	(5,025)
Proceeds from sale of capital assets		2	175
Net cash flows from investing activities	*12*	**(7,458)**	**(4,850)**
Net increase/(decrease) in cash and cash equivalents		21,308	13,673
Cash and cash equivalents at beginning of period		23,186	9,513
Cash and cash equivalents at end of period	*16*	**44,494**	**23,186**

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2014

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2010.

1. Presentation of the Financial Statements

1.1 Basis of preparation

The financial statements have been prepared on a modified cash basis of accounting.

Under this basis, the effects of transactions and other events are recognised in the financial records when the resulting cash is received or paid. The "modification" results from the recognition of certain near-cash balances in the financial statements as well as the revaluation of foreign investments and loans and the recognition of resulting revaluation gains and losses.

In addition supplementary information is provided in the disclosure notes to the financial statements where it is deemed to be useful to the users of the financial statements.

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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

1.5 Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

2. Revenue

2.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation).

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

Unexpended appropriated funds are surrendered to the National/ Provincial Revenue Fund. Any amounts owing to the National/ Provincial Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

Any amount due from the National/Provincial Revenue Fund at the end of the financial year is recognised as a receivable in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Fund at the end if the financial year is recognised as a payable in the statement of financial position.

No accrual is made for amounts receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure notes to the annual financial statements.

2.3 Direct Exchequer receipts

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Funds at the end of the financial year is recognised as a payable in the statement of financial position.

2.4 Direct Exchequer payments

All direct exchequer payments are recognised in the statement of financial performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

2.5 Aid assistance

Aids assistance is recognised as revenue when received

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexures to the Annual Financial Statements

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year)

The value of the assistance expensed prior to the receipt of

funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as expenditure in the statement of financial performance when final authorisation for payments effected on the system (by no later then 31 March of each year)

Inappropriately expensed amounts using CARA funds are recognised as payables in the statement of financial position. Any unutilised amounts are transferred to retained funds as they are not surrendered to the revenue fund.

3. Expenditure

3.1 Compensation of employees

3.1.1 Salaries and wages

Salaries and wages are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Other employee benefits that give rise to a present legal or constructive obligation are disclosed

in the disclosure notes to the financial statements at its face value and are not recognised in the statement of financial performance or position.

Employee costs are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time on the project. These payments form part of expenditure for capital assets in the statement of financial performance.

3.1.2 Social contributions

Employer contributions to post employment benefit plans in respect of current employees are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of the employer department.

Employer contributions made by the department for certain of its ex-employees (such as medical benefits) are classified as transfers to households in the statement of financial performance.

3.2 Goods and services

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

The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

Rental paid for the use of buildings or other fixed structures is classified as *goods and services* and not as *rent on land.*

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.4 Payments for financial assets

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements.

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

3.5 Transfers and subsidies

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

3.6 Unauthorised expenditure

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

Unauthorised expenditure approved with funding is derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date stipulated in the Act.

3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the statement of financial performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

3.8 Irregular expenditure

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

4. Assets

4.1 Cash and cash equivalents

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

Bank overdrafts are shown separately on the face of the statement of financial position.

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

4.2 Other financial assets

Other financial assets are carried in the statement of financial position at cost.

4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made and are derecognised as and when the goods/services are received or the funds are utilised.

Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

4.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party (including departmental employees) and are derecognised upon recovery or write-off.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.5 Investments

Capitalised investments are shown at cost in the statement of financial position.

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

4.6 Loans

Loans are recognised in the statement of financial position when the cash is paid to the beneficiary. Loans that are outstanding at year-end are carried in the statement of financial position at cost plus accrued interest.

Amounts that are potentially irrecoverable are included in the disclosure notes.

4.7 Inventory

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the weighted average cost or FIFO cost formula.

4.8 Capital assets

4.8.1 Movable assets

Initial recognition
A capital asset is recorded in the asset register on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

All assets acquired prior to 1 April 2002 are included in the register R1.

Subsequent recognition
Subsequent expenditure of a capital nature is recorded in the statement of financial performance as “expenditure for capital assets” and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current “goods and services” in the statement of financial performance.

4.8.2 Immovable assets

Initial recognition
A capital asset is recorded on receipt of the item at cost. Cost

of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

Subsequent recognition
Work-in-progress of a capital nature is recorded in the statement of financial performance as "expenditure for capital assets". On completion, the total cost of the project is included in the asset register of the department that is accountable for the asset.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

4.8.3 Intangible assets

Initial recognition
An intangible asset is recorded in the asset register on receipt of the item at cost. Cost of an intangible asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the intangible asset is stated at fair value. Where fair value cannot be determined, the intangible asset is included in the asset register at R1.

All intangible assets acquired prior to 1 April 2002 can be included in the asset register at R1.*

Subsequent expenditure
Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "expenditure for capital asset" and is capitalised in the asset register of the department.

Maintenance is expensed as current "goods and services" in the statement of financial performance.

5. Liabilities

5.1 Payables

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

5.2 Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

5.3 Contingent assets

Contingent assets are included in the disclosure notes to the financial statements when it is probable that an inflow of economic benefits will flow to the entity.

5.4 Commitments

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

5.5 Accruals

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

5.6 Employee benefits

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

5.7 Lease commitments

Finance lease

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as a capital expense in the statement of financial performance and are not apportioned between the capital and the interest portions. The total finance lease payment is disclosed in the disclosure notes to the financial statements.

Operating lease

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the discloser notes to the financial statement.

5.8 Impairment

The department tests for impairment where there is an indication that a receivable, loan or investment may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. An estimate is made for doubtful loans and receivables based on a review of all outstanding amounts at year-end. Impairments on investments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows / service potential flowing from the instrument.

5.9 Provisions

Provisions are disclosed 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 will be required to settle the obligation and a reliable estimate of the obligation can be made.

6. Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements. These receivables are written off when identified as irrecoverable and are disclosed separately.

7. Net Assets

7.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

7.2 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 National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

8. Related party transactions

Specific information with regards to related party transactions is included in the disclosure notes.

9. Key management personnel

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

10. Public private partnerships

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

1. Annual Appropriation

1.1 Annual Appropriation

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

	2013/14			2012/13
	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Appropriation received R'000
Administration	71,259	71,259	-	68,500
Sustainable Resource Management	36,668	36,668	-	32,677
Assets & Liabilities	52,823	52,823	-	40,925
Financial Governance	43,347	43,347	-	25,273
Provincial Internal Audit	20,347	20,347	-	13,278
Total	**224,444**	**224,444**	-	**180,653**

All funds appropriated were transferred to the Department

2. Departmental revenue

	Note	2013/14 R'000	2012/13 R'000
Sales of goods and services other than capital assets	*2.1*	96	110
Interest, dividends and rent on land	*2.2*	37,975	27,395
Sales of capital assets	*2.3*	2	175
Transactions in financial assets and liabilities	*2.4*	97	10
Total revenue collected		**38,170**	**27,690**
Less: Own revenue included in appropriation		888	620
Departmental revenue collected		**37,282**	**27,070**

Revenue collected significantly relates to interest generated on positive consolidated PMG account.

2.1 Sales of goods and services other than capital assets

	Note	2013/14 R'000	2012/13 R'000
Sales of goods and services produced by the department	2	**96**	**110**
Sales by market establishment		15	15
Other sales		81	95
Sales of scrap, waste and other used current goods			-
Total		**96**	**110**

2.2 Interest, dividends and rent on land

	Note	2013/14	2012/13
	2	R'000	R'000
Interest		37,975	27,395
Total		**37,975**	**27,395**

2.3 Sale of capital assets

	Note 2	2013/14 R'000	2012/13 R'000
Tangible assets		**2**	175
Machinery and equipment		2	175
Software and other intangible assets		-	-
Total		**2**	**175**

2.4 Transactions in financial assets and liabilities

	Note 2	2013/14 R'000	2012/13 R'000
Other Receipts including Recoverable Revenue		97	10
Total		**97**	**10**

3. Compensation of employees

3.1 Salaries and Wages

	Note *3*	2013/14 R'000	2012/13 R'000
Basic salary		80,537	67,008
Performance award		339	11
Service Based		53	15
Compensative/circumstantial		503	964
Periodic payments		1,061	17
Other non-pensionable allowances		16,025	13,160
Total		**98,518**	**81,175**

3.2 Social contributions

	Note *3*	2013/14 R'000	2012/13 R'000
Employer contributions			
Pension		10,519	8,541
Medical		4,162	3,952
Bargaining council		17	14
Total		**14,698**	**12,507**
Total compensation of employees		**113,216**	**93,682**
Average number of employees		292	285

The increase in periodic payments made is due the payments to audit committee members through Persal instead of BAS: consultants and auditors as previously reported.

4. Goods and services

	Note	**2013/14**	**2012/13**
	4	**R'000**	**R'000**
Administrative fees		810	620
Advertising		1,173	564
Assets less then R5,000	*4.1*	3,853	487
Bursaries (employees)		88	475
Catering		1,129	784
Communication		2,442	1,969
Computer services	*4.2*	2,335	2,451
Consultants, contractors and agency/outsourced services	*4.3*	12,528	15,085
Entertainment		64	150
Audit cost – external	*4.4*	3,325	3,193
Fleet services		655	462
Inventory	*4.5*	-	-
Consumables	*4.6*	2,533	2,280
Operating leases		9,342	7,654
Property payments	*4.7*	3,770	1,977
Travel and subsistence	*4.8*	10,444	10,478
Venues and facilities		983	1,004
Training and staff development		2,123	991
Other operating expenditure	*4.9*	1,669	1,791
Total		**59,266**	**52,415**

SCOA reimplementation resulted in reclassification of expenditure items, thus the reclassification of the some of the above figures.

4.1 Assets less than R5,000

	2013/14	**2012/13**
	R'000	**R'000**
Tangible assets	**3,820**	**464**
Heritage assets	-	2
Machinery and equipment	3,820	462
Intangible assets	33	23
		-
Total	**3,853**	**487**

The significant increase in minor assets relates to minor assets procured for the Biometric Access Control System

4.2 Computer services

	2013/14	**2012/13**
	R'000	**R'000**
SITA computer services	1,614	2,165
External computer service providers	721	286
Total	**2,335**	**2,451**

4.3 Consultants, contractors and agency/outsourced services

	2013/14 R'000	2012/13 R'000
Business and advisory services	12,376	13,429
Legal costs	131	-
Contractors	21	432
Agency and support/outsourced services	-	1,224
Total	**12,528**	**15,085**

During the 2012/13 financial year Cleaning Services and Security were paid under Agency and support/outsourced services. These contracts were paid under Property payments during the current financial year due to reclassification of SCOA items

4.4 Audit cost – External

	2013/14 R'000	2012/13 R'000
Regularity audits	3,325	3,193
Total	**3,325**	**3,193**

4.5 Inventory

	2013/14 R'000	2012/13 R'000
Food and food supplies	-	-
Fuel, oil and gas	-	-
Other consumables	-	-
Materials and supplies	-	-
Stationery and printing	-	-
Medical supplies	-	-
Total	**-**	**-**

Due to the implementation of scoa and inventory framework all inventory items were reclassified. The department does not maintain inventory.

4.6 Consumables

	2013/14 R'000	2012/13 R'000
Consumable supplies	910	451
Uniform and clothing	206	-
Household supplies	231	170
Building material and supplies	25	-
Communication accessories	95	-
IT consumables	180	-
Other consumables	173	559
Stationery, printing and office supplies	1,623	1,551
Total	**2,533**	**2,280**

4.7 Property payments

	2013/14 R'000	2012/13 R'000
Municipal services	2,175	1,652
Other	1,595	325
Total	**3,770**	**1,977**

Other property payments relates to security and cleaning services paid for all buildings occupied by the Department.

4.8 Travel and subsistence

	2013/14 R'000	2012/13 R'000
Local	10,444	10,478
Total	**10,444**	**10,478**

4.9 Other operating expenditure

	2013/14 R'000	2012/13 R'000
Learnerships	-	375
Professional bodies, membership and subscription fees	194	-
Resettlement costs	372	674
Gifts	-	104
Other	1,103	638
Total	**1,669**	**1,791**

Other - Includes payments of the insurance on the departmental vehicles as well as provincial treasury publications.

5. Interest and rent on land

	2013/14 R'000	2012/13 R'000
Interest paid	34	124
Rent on land	-	-
Total	**34**	**124**

6. Payments for financial assets

	2013/14 R'000	2012/13 R'000
Material losses through criminal conduct	78	-
Other material losses	78	-
Debts written off	19	-
Total	97	-

6.1 Other material losses

		2013/14 R'000	2012/13 R'000
Nature of other material losses			
Incident	**Disciplinary Steps taken/ Criminal proceedings**		-
Theft of laptops SAPS		78	-
Investigation, cases closed			-
			-
Total		78	-

6.2 Debts written off

	2013/14 R'000	2012/13 R'000
Nature of debts written off		
Deceased employees debt written off	19	-
	-	-
Total	**19**	**-**
Total debt written off	**19**	**-**

7. Transfers and subsidies

	Note	2013/14 R'000	2012/13 R'000
Departmental agencies and accounts	*Annex 1C*	8	6
Non-profit institutions	*Annex 1G*	10	-
Households	*Annex 1H*	82	308
Gifts, donations and sponsorships made	*Annex 1K*	116	37
Total		**216**	**351**

8. Expenditure for capital assets

	2013/14 R'000	2012/13 R'000
Tangible assets	**4,701**	**4,606**
Machinery and equipment	4,701	4,606
Software and other intangible assets	**2,759**	**419**
Computer software	2,759	419
Total	**7,460**	**5,025**

8.1 Analysis of funds utilised to acquire capital assets – 2013/14

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	**4,701**	-	**4,701**
Machinery and equipment	4,701	-	**4,701**
Software and other intangible assets	**2,759**	-	**2,759**
Computer software	2,759	-	**2,759**
Total	**7,460**	-	**7,460**

8.2 Analysis of funds utilised to acquire capital assets – 2012/13

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	**4,606**	-	**4,606**
Machinery and equipment	4,606	-	**4,606**
Software and other intangible assets	**419**		**419**
Computer software	419	-	**419**
Total	**5,025**	-	**5,025**

8.3 Finance lease expenditure included in Expenditure for capital assets

	2013/14 R'000
Buildings and other fixed structures	-
Heritage assets	-
Machinery and equipment	1,012
Specialised military assets	-
Land and subsoil assets	-
Biological assets	-
Intangible assets	-
Total	**1,012**

9. Unauthorised expenditure

9.1 Reconciliation of unauthorised expenditure

	2013/14 R'000	2012/13 R'000
Opening balance	4,996	4,996
Less: Amounts approved by Parliament/Legislature without funding and written off in the Statement of Financial Performance	(4,996)	-
Unauthorised expenditure awaiting authorisation / written off	**-**	**4,996**

9.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	2013/14 R'000	2012/13 R'000
Capital	-	4,996
Current	-	-
Transfers and subsidies		
Total	**-**	**4,996**

9.3 Analysis of unauthorised expenditure awaiting authorisation per type

	2013/14 R'000	2012/13 R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote	-	4,996
Total	**-**	**4,996**

10. Cash and cash equivalents

	2013/14 R'000	2012/13 R'000
Consolidated Paymaster General Account	44,487	23,183
Disbursements	4	-
Cash on hand	3	3
Total	**44,494**	**23,186**

11. Receivables

		2013/14				2012/13
		R'000	R'000	R'000	R'000	R'000
		Less than one year	One to three years	Older than three years	Total	Total
	Note					
Claims recoverable	*11.1*	250	17		267	41
	Annex 4					
Recoverable expenditure	*11.2*	-	-	-	-	53
Staff debt	*11.3*	14	46	-	60	175
Other debtors	*11.4*	-	136	-	136	617
Total		**264**	**199**	**-**	**463**	**886**

11.1 Claims recoverable

	2013/14	2012/13
	R'000	R'000
Provincial departments	267	41
Total	**267**	**41**

11.2 Recoverable expenditure (disallowance accounts)

	2013/14	2012/13
	R'000	R'000
Sal: Income Tax	-	53
Total	**-**	**53**

11.3 Staff debt

	2013/14	2012/13
	R'000	R'000
Salary overpayments	60	92
Theft and Losses	-	78
Tax Debt	-	5
Total	**60**	**175**

11.4 Other debtors

	2013/14	2012/13
	R'000	R'000
Transvesal IT Contract	136	542
Dishounored Cheques	-	75
Total	**136**	**617**

12. Voted funds to be surrendered to the Revenue Fund

	2013/14	2012/13
	R'000	R'000
Opening balance	29,056	15,320
Transfer from statement of financial performance	44,155	29,056
Paid during the year	(29,056)	(15,320)
Closing balance	**44,155**	**29,056**

13. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	2013/14 R'000	2012/13 R'000
Opening balance	8	5
Transfer from Statement of Financial Performance	37,282	27,070
Own revenue included in appropriation	888	620
Paid during the year	(38,169)	(27,687)
Closing balance	**9**	**8**

14. Payables – current

	2013/14 R'000	2012/13 R'000
Amounts owing to other entities	**789**	**-**
Other payables	4	4
Total	**793**	**4**

Increase in payables is due to salary related third party payment paid after year –end.

14.1 Other payables

	2013/14 R'000	2012/13 R'000
Description		
SASAWU	**4**	**4**
Total	**4**	**4**

15. Net cash flow available from operating activities

	2013/14 R'000	2012/13 R'000
Net surplus/(deficit) as per Statement of Financial Performance	81,437	56,126
Add back non cash/cash movements not deemed operating activities	(52,671)	(37,603)
(Increase)/decrease in receivables – current	423	(70)
(Increase)/decrease in other current assets	4,996	-
Increase/(decrease) in payables – current	789	4
Proceeds from sale of capital assets	(2)	(175)
Expenditure on capital assets	7,460	5,025
Surrenders to Revenue Fund	(67,225)	(43,007)
Own revenue included in appropriation	888	620
Net cash flow generated by operating activities	**28,766**	**18,523**

16. Reconciliation of cash and cash equivalents for cash flow purposes

	2013/14 R'000	2012/13 R'000
Consolidated Paymaster General account	44,487	23,183
Disbursements	4	-
Cash on hand	3	3
Total	**44,494**	**23,186**

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

17. Contingent liabilities and contingent assets

17.1 Contingent liabilities

Liable to	Nature		2013/14 R'000	2012/13 R'000
Claims against the department		*Annex 3B*	1,222	3,017
Other departments (interdepartmental unconfirmed balances)		*Annex 5*	465	144
Total			**1,687**	**3,161**

Claims against the state relate to claims made by ex-employees regarding dismissals. These cases are still pending and the figures indicated are based on the claims submitted.

18. Commitments

	2013/14 R'000	2012/13 R'000
Current expenditure		
Approved and contracted	37,768	6,944
Approved but not yet contracted	20,000	15,837
	57,768	**22,781**
Capital expenditure		
Approved and contracted	442	349
Approved but not yet contracted		
	442	349
Total Commitments	**58,210**	**23,130**

R24,082 million of the above approved and contracted commitments is longer than one year and relates the maintenance of the Biometric Access Control System, SITA contract and Security Services.

19. Accruals

Listed by economic classification			2013/14 R'000	2012/13 R'000
	30 Days	**30+ Days**	**Total**	**Total**
Goods and services	986	240	1,226	1,609
Interest and rent on land				
Transfers and subsidies				
Capital assets	25	37	62	268
Other				
Total	**1,011**	**277**	**1,288**	**1,877**

Listed by programme level	2013/14 R'000	2012/13 R'000
Administration	880	1,020
Sustainable & Resource Management	137	90
Assets & Liability Management	168	218
Financial Governance	66	437
Provincial Internal Audit	37	112
Total	**1,288**	**1,877**

		2013/14 R'000	2012/13 R'000
Confirmed balances with other departments	*Annex 5*	254	265
Total		**254**	**265**

20. Employee benefits

	2013/14	2012/13
	R'000	R'000
Leave entitlement	3,758	3,345
Service bonus (Thirteenth cheque)	3,191	2,877
Performance awards	1,337	1,096
Capped leave commitments	2,189	2,377
Other		-
Total	**10,475**	**9,695**

21. Lease commitments

21.1 Operating leases expenditure

2013/14	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year			2,899	5	2,904
Later than 1 year and not later than 5 years			1,193	-	1,193
Total lease commitments			**4,092**	**5**	**4,097**

2012/13	Specialised military equipment	Land	Machinery and equipment	Total
Not later than 1 year		5,126	2	5,128
Total lease commitments		**5,126**	**-**	**5,128**

The above operating leases relate to leases for buildings occupied by the Department.

21.2 Finance leases expenditure**

2013/14	Specialised military equipment	Land	Machinery and equipment	Total
Not later than 1 year			1,122	1,122
Later than 1 year and not later than 5 years			848	848
Total lease commitments			**1,970**	**1,970**

2012/13	Specialised military equipment	Land	Machinery and equipment	Total
Not later than 1 year			950	950
Later than 1 year and not later than 5 years			1,494	1,494
Total lease commitments			**2,444**	**2,444**
LESS: finance costs			-	-
Total present value of lease liabilities			**2,444**	**2,444**

The above leases relate to leases on fleet services provided by the NC Fleet entity, leases on labour saving devices and cellphones.

**This note excludes leases relating to public private partnership as they are separately disclosed to note no.39.

22. Receivables for departmental revenue

	2013/14 R'000	2012/13 R'000
Interest, dividends and rent on land	4,099	3,526
Total	**4,099**	**3,526**

22.1 Analysis of receivables for departmental revenue

	2013/14 R'000	2012/13 R'000
Opening balance	3,526	2,049
Less: amounts received	3,526	2,049
Add: amounts recognised	4,099	3,526
Less: amounts written-off/reversed as irrecoverable		
Closing balance	**4,099**	**3,526**

23. Irregular expenditure

23.1 Reconciliation of irregular expenditure

	2013/14 R'000	2012/13 R'000
Opening balance	1,512	55,013
Add: Irregular expenditure – relating to prior year	-	16,068
Add: Irregular expenditure – relating to current year	560	
Less: Amounts condoned	(855)	-
Less: Amounts not recoverable (not condoned)	-	(69,569)
Irregular expenditure awaiting condonation	**1,217**	**1,512**
Analysis of awaiting condonation per age classification		
Current year	560	1,395
Prior years	657	117
Total	**1,217**	**1,512**

23.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2013/14 R'000
Non - compliance to instruction Note 1 and SCM requirements		560
Total		**560**

23.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2013/14 R'000
Non Compliance to SCM Prescripts	Accounting Officer	855
Total		**855**

24. Fruitless and wasteful expenditure

24.1 Reconciliation of fruitless and wasteful expenditure

	Note	2013/14 R'000	2012/13 R'000
Opening balance		40	-
Fruitless and wasteful expenditure – relating to prior year			
Fruitless and wasteful expenditure – relating to current year		51	40
Less: Amounts resolved		(91)	-
Less: Amounts transferred to receivables for recovery			
Fruitless and wasteful expenditure awaiting resolution		-	40

24.2 Analysis of awaiting resolution per economic classification

	2013/14 R'000	2012/13 R'000
Current	-	**40**
Capital	-	-
Transfers and subsidies	-	-
Total	**-**	**40**

24.3 Analysis of Current year's fruitless and wasteful expenditure

Incident	**Disciplinary steps taken/criminal proceedings**	**2013/14 R'000**
No Show charges	None, not due negligence of dept. officials	51
Total		**51**

25. Related party transactions

Payments made	2013/14 R'000	2012/13 R'000
Goods and services	868	521
Total	**868**	**521**

The related party relationship is with NC Fleet Services, whereby vehicles are being leased from the Entity

26. Key management personnel

	No. of Individuals	2013/14 R'000	2012/13 R'000
Political office bearers (provide detail below)	1	1,735	1,652
Officials:			
Level 15 to 16	1	1,250	1,184
Level 14 (incl. CFO if at a lower level)	23	20,235	15,178
Total		**23,220**	**18,014**

27. Provisions

	Note	2013/14 R'000	2012/13 R'000
Performance Management Pay-outs iro 2011/12 cycle		-	865
Total		-	865

27.1 Reconciliation of movement in provisions - 2013/14

	Provision R'000	Total provisions R'000
Opening balance	865	**865**
Increase in provision	-	**-**
Settlement of provision	(865)	**(865)**
Unused amount reversed	-	**-**
Reimbursement expected from third party	-	**-**
Change in provision due to change in estimation of inputs	-	**-**
Closing balance	**-**	**-**

28. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Opening balance R'000	Curr year adjustments to prior year balances R'000	Additions R'000	Disposals R'000	Closing balance R'000
HERITAGE ASSETS	-	-	-	-	-
MACHINERY AND EQUIPMENT	14,707	-	3,689	766	17,630
Transport assets	1,807	-	-	-	1,807
Computer equipment	7,094	-	3,282	547	9,829
Furniture and office equipment	5,539	-	362	219	5,682
Other machinery and equipment	267	-	45	-	312
SPECIALISED MILITARY ASSETS	-	-	-	-	-
BIOLOGICAL ASSETS	-	-	-	-	-
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**14,707**	**-**	**3,689**	**766**	**17,630**

28.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	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	**4,701**	**-**	**(1,012)**	**-**	**3,689**
Transport assets	-				-
Computer equipment	3,282				3,282
Furniture and office equipment	362				362
Other machinery and equipment	1,057		(1,012)		45
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	**4,701**	**-**	**(1,012)**	**-**	**3,689**

28.2 Disposals

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash received Actual
	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-
Heritage assets	-	-	-	-
	-	-	-	-
MACHINERY AND EQUIPMENT	453	313	766	-
Transport assets			-	
Computer equipment	375	172	547	-
Furniture and office equipment	78	141	219	-
Other machinery and equipment	-	-	-	-
SPECIALISED MILITARY ASSETS	-	-	-	-
Specialised military assets		-	-	-
BIOLOGICAL ASSETS	-	-	-	-
Biological assets	-	-	-	
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	**453**	**313**	**766**	**-**

Transfer Out includes donations to Pniel Primary School and transfer out the Department for logis implementation and assets stolen which were not recovered.

28.3 Movement for 2012/13

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Opening balance	Current year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**12,528**	**29**	**3,618**	**1,468**	**14,707**
Transport assets	1,354	-	997	544	1,807
Computer equipment	6,267	(187)	1,859	845	7,094
Furniture and office equipment	4,737	192	683	73	5,539
Other machinery and equipment	170	24	79	6	267
TOTAL MOVABLE TANGIBLE ASSETS	**12,528**	**29**	**3,618**	**1,468**	**14,707**

28.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	23	-	3,984	-	**4,007**
Curr Year Adjustments to Prior Yr Balances	-	15	-	(15)	-	**-**
Additions	-	33	-	3,821	-	**3,854**
Disposals	-	31	-	109	-	140
TOTAL MINOR ASSETS	**-**	**40**	**-**	**7,681**	**-**	**7,721**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets				1,699		1,699
Number of minor assets at cost				4,630		4,630
TOTAL NUMBER OF MINOR ASSETS	**-**	**-**	**-**	**6,329**	**-**	**6,329**

Minor Assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	3,661	-	**3,661**
Curr Year Adjustments to Prior Yr Balances	-	-	-	(5)	-	**(5)**
Additions	-	23	-	463	-	**486**
Disposals	-	-	-	135	-	135
TOTAL MINOR ASSETS	**-**	**23**	**-**	**3,984**	**-**	**4,007**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	2,028	-	2,028
Number of minor assets at cost	-	-	-	2,711	-	2,711
TOTAL NUMBER OF MINOR ASSETS	**-**	**-**	**-**	**4,739**	**-**	**4,739**

28.5 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2014

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	78	-	78
TOTAL MOVABLE ASSETS WRITTEN OFF	**-**	**-**	**-**	**78**	**-**	**78**

28.6 Assets held under a finance lease

ASSETS HELD UNDER A FINANCE LEASE FOR THE PERIOD ENDED 31 MARCH 2014

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Finance lease assets	-	-	-	1,012	-	1,012
TOTAL FINANCE LEASE ASSETS	**-**	**-**	**-**	**1,012**	**-**	**1,012**

29. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Opening balance	Curr year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	929	-	2,759	24	3,664
TOTAL INTANGIBLE CAPITAL ASSETS	**929**	**-**	**2,759**	**24**	**3,664**

29.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Cash	Non-Cash	(Development work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	2,759				2,759
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	**2,759**	**-**	**-**	**-**	**2,759**

This relates to software procured for the implementation of Biometric Access Control System.

29.2 Disposals

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received
	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	24	-	24	-
TOTAL INTANGIBLE CAPITAL ASSETS	**24**	**-**	**419**	**-**

Movement for 2012/13

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Opening balance	Current year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	510	-	419	-	929
TOTAL INTANGIBLE CAPITAL ASSETS	**510**	**-**	**419**	**-**	**929**

ANNEXURE 1C
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2011/12
	Adjusted Appro-priation	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Appro-priation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
License TV			8	8	8	100%	6
	-	-	8	8	8		6

ANNEXURE 1D
STATEMENT OF TRANSFERS TO UNIVERSITIES AND TECHNIKONS

UNIVERSITY/TECHNIKON	TRANSFER ALLOCATION				TRANSFER			2011/12
	Adjusted Appropriation	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Amount not transferred	% of Available funds Transferred	Appro-priation Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Higher Education Institutions	101		(10)	91		91		96
	101	**-**	**(10)**	**91**	**-**	**91**		**96**

ANNEXURE 1G

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE				2012/13
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Appro-priation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Transfers									
Donation	10	-	-	10	10	100%		10	-
Subsidies	-	-	-	-	-	-		-	-
Sub - Total	10	-	-	10	10	100%		10	-
TOTAL	**10**	**-**	**-**	**10**	**10**	100%		10	

ANNEXURE 1H

STATEMENT OF TRANSFERS TO HOUSEHOLDS

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE		2011/12
	Adjusted Appro-priation Act	Roll overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Appro-priation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Employee Social Benefit	100	-	-	100	82	82%	222
	100	-	-	100	82	-	222
Subsidies							
	100	-	-	100	82		222
Total	100	-	-	100	82		222

ANNEXURE 1I

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2013/14	2012/13
		R'000	R'000
Received in cash			
ABSA	In respect of Provincial fraud prevention plan	20	
Subtotal		20	-
Received in kind		500	-
Belgian Development Agency (BTC) South Africa in respect to AAT programme			
Subtotal		500	-
TOTAL		520	-

ANNEXURE 1K

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMMISSIONS, 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)	2013/14	2012/13
	R'000	R'000
Paid in cash		
Non profitable organisations	10	37
Households	82	86
Departmental Gift: Operating Expenditure	-	-
Departmental Gift: Consumables	45	-
Cash donations: Discretionary Funds	116	104
TOTAL	**253**	**227**

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2014

Nature of Liability	Opening Balance 1 April 2013 R'000	Liabilities incurred during the year R'000	Liabilities paid/ cancelled/reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2014 R'000
Claims against the department					
Legal cases against the Department by previous employees	1,222	-	-	-	1,222
Discontinuation of service provider's contract	1,795	-	1,795	-	-
Subtotal	3,017	-	1,795	-	-
Environmental Liability					
TOTAL	3,017	-	1,795	-	1,222

ANNEXURE 4
CLAIMES RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Health Free State (PMDS)		24	-	-	-	24
Health NC	135	17	-	-	135	17
Provincial Treasury NW	-	-	-	97	-	97
Education NC	66	-	-	-	66	-
Basic Education	1	-	-	-	1	-
Agriculture	1	-	-	-	1	-
Roads and Public Works	72	-	-	-	72	-
COGHSTA	58	-	-	-	58	-
Provincial Legislature	-	-	-	-	-	-
Premiers Office	-	-	135	-	135	-
Subtotal	**333**	**41**	**135**	**97**	**468**	**138**
Other Government Entities						
	-	-	-	-	-	-
TOTAL	**333**	**41**	**135**	**97**	**468**	**138**

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Health NC	-	57	-	-	-	57
Office of the Premier (Lease Templar Building	254	171	389	-	643	171
Provincial Legislature	-	3	-	-	-	3
Environment & Nature Conservation	-	9	-	-	-	9
Economic Development & Tourism	-	25	-	-	-	25
Justice & Constitutional Development	-	-	-	144	-	144
NC Transport, Safety and Liason	-	-	76	-	76	-
Subtotal	254	265	465	144	719	409
Non-current	-	-	-	-	-	-
Subtotal	254	265	465	144	719	409
Total	254	265	465	144	719	409
OTHER GOVERNMENT ENTITY						
Current	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Non-current	-	-	-	-	-	-
Total	254	265	465	144	719	409

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