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Part A:

General Information

1. DEPARTMENT GENERAL INFORMATION

PHYSICAL ADDRESS: Garona Building
3rd Floor
MMABATHO

POSTAL ADDRESS: Private Bag X 129
MMABATHO
2735

TELEPHONE NUMBER/S: 018 388 3040

FAX NUMBER: 018 388 1548

EMAIL ADDRESS: amothupi@nwpg.gov.za

WEBSITE ADDRESS : www.nwpg.gov.za

2. LIST OF ABBREVIATIONS/ACRONYMS

A

AFS	- Annual Financial Statement
APP	- Annual Performance Plan
AGSA	- Auditor General of South Africa
AO	- Accounting Officer
AV	- Anti-Virus

B

BBBEE	- Broad Based Black Economic Empowerment
BCP	- Business Continuity Plan

C

CD	- Chief Director
CDW	- Community Development Worker
CHW	- Community Health Worker
CFO	- Chief Financial Officer

D

DG	- Director General
DDG	- Deputy Director General
Dept.	- Department
DPSA	- Department of Public Service and Administration
DR	- Disaster Recovery

E

EU	- European Union
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F

FAR	- Fix Asset Register
FEED	- Finance, Economy and Enterprise Development
GRAP	- General recognised Accounting Practices

I

ICT	- Information and Communication Technology
IDS	- Institutional Development and Support
IFS	- Interim Financial Statement
IRE	- Irregular Expenditure
ISO	- Information Security Office
IT	- Information Technology
ITSM	- Information Technology System Management

M

MEC	- Member of Executive Council
HOD	- Head of Department
PFMA	- Public Finance Management Act
TR	- Treasury Regulations

MTEF	- Medium Term Expenditure Framework
MTSF	- Medium Term Strategic Framework
N	
NDP	- National Development Plan
NWPG	- North West Provincial Government
NT	- National Treasury
P	
PA	- Performance Agreement
PAAP	- Post Audit Action Plan
PACO	- Provincial Advisory Committee
PIAAP	- Post Internal Audit Action Plan
PMDS	- Performance Management and Development System
POE	- Portfolio of Evidence
PT	- Provincial Treasury
PSCBC	- Public Service Co-ordinating Bargaining Council
PWD	- Public Works Department
R	
RACF	- Resource Access Control Facility
S	
SLA	- Service Level Agreement
SMME	- Small Medium and Micro-sized Enterprises
SCM	- Supply Chain Management
SITA	- State Information Technology Agency
SDIP	- Service Delivery Improvement Plan
SSA	- State Security Agency
T	
TID	- Technical Indicator Description
U	
UPS	- Un-interruptible Power Supply

3. Foreword by the Premier

It gives me pleasure to table the Annual Report 2020/21 of the Office of the Premier. This Annual Report presents achievements that has been made towards the attainment of the targets that were set for the year under review. During the year under review, the following achievements in relation to policy directives and strategic outcome related goals have been registered;

- Obtained unqualified audit opinion with findings.
- Provincial intergovernmental programmes coordinated.
- Conducted the assessment of annual performance plans and integrated development plans for alignment to provincial priorities.
- Coordinated Provincial interventions towards achieving the goals of the National Anti-corruption Strategy.
- Satisfactory levels of IT Governance and Management capability achieved.

Regarding the challenges for the financial year under review, we are in the third year of the section 100 (1) (a) and 100 (1) (b) intervention in terms of the Constitution to address maladministration, non – adherence to supply chain prescripts, and poor service delivery. Since the intervention, we have made significant strides in addressing the governance and service delivery challenges facing our Province.

We recognize that the year under review has presented significant global challenges such as the world-wide COVID-19 pandemic. We had to develop new strategies in line with global demands, as well as Presidential instructions and national guidelines to coordinate our collective provincial efforts during this difficult period in global history.



KAOBITSA BUSHY MAAPE
Premier of the North West Province

Let me express my sincere gratitude to the Portfolio Committee led by Chairperson Hon Aaron Motswana (MPL) for its oversight role on the work of the Office of the Premier. My appreciation goes to the Director General, Mr M. Mogotlhe, the Administrator Mr Sibusiso Mpanza and the senior management the team of the Office for their sterling work. To all the officials within the Office of the Premier, your hard work and commitment is acknowledged.

In conclusion, the Office of the Premier is committed to serving the community of North West Province, and strengthening the oversight role on monitoring the implementation of service delivery through Provincial Departments.



HON K B MAAPE (MPL)
PREMIER OF THE NORTH WEST PROVINCE

4. Report of the Accounting Officer

It gives me pleasure to table the Annual Report 2020/21 of the Office of the Premier.

This Annual Report presents the momentous achievements we have made towards the attainment of the targets we have set ourselves for the year under review. During the year under review, the following achievements in relation to policy directives and strategic outcome related goals have been registered;

- Provincial intergovernmental programmes coordinated
- Assessment of annual performance plans and integrated development plans for alignment to provincial priorities.
- Provincial interventions were implemented towards achieving National anti-corruption strategy
- Level of IT Governance and Management capability achieved
- 9 Labour Relation Interventions and 6 Employee Health and Wellness initiatives provided to departments
- 23 AIDS Councils were established
- Moral regeneration interventions coordinated
- Provincial Growth and Development Strategy developed

Regarding the challenges for the financial year under review, we are in the third year of the section 100 (1) (a) and 100 (1) (b) intervention in terms of the Constitution to address maladministration, non – adherence to supply chain prescripts, poor service delivery amongst others. Since the intervention as the Province we have made significant strides in addressing the governance and service delivery challenges facing our Province. We recognizes that the year under review have been faced with significant global challenges such as the world-wide COVID-19 pandemic, we had to develop a new strategies in line with global demands, as well as Presidential instructions and national guidelines to oversee and coordinate our collective provincial efforts during this difficult period in global history.



MR S. MPANZA
Accounting Officer

Overview of the financial results of the department:

Departmental receipts

Departmental receipts	2020/2021			2019/20		
	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
Tax Receipts						
Casino taxes						
Horse racing taxes						
Liquor licences						
Motor vehicle licences						
Sale of goods and services other than capital assets	367	289	78	230	282	(52)
Transfers received						
Fines, penalties and forfeits						
Interest, dividends and rent on land						
Sale of capital assets						
Financial transactions in assets and liabilities	42	58	(16)	158	397	(239)
Total	409	347	62	388	679	(309)

The office under collected on sales of goods and services (insurance and garnishee).

Programme Expenditure

Programme Name	2020/2021			2019/2020		
	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	99 481	99 218	263	125 317	112 439	12 878
Institutional Development	276 054	238 808	37 246	315 175	207 538	107 637
Policy and Governance	84 232	77 966	6 266	201 362	180 437	20 925
Total	459 767	415 992	43 775	641 854	500 414	141 440

➤ Virements

Voted funds and Direct charges	Adjusted Appropriation	Shifting of Funds	Virements	Final Appropriation	Actual Expenditure	Variance	% Exp
	R'000	R'000	R'000	R'000	R'000	R'000	%
Administration	97 997	-	1 484	99 481	99 218	263	99,7%
Institutional Development	276 054	-	-	276 054	238 808	37 246	86,5%
Policy and Governance	85 716	-	(1 484)	84 232	77 966	6 266	92,6%
Total	459 767	-	-	459 767	415 992	43 775	90,5%

- The virement is due to more than anticipated payment for performance bonuses under Administration programme.
- Unauthorised Expenditure
The office did not incur any unauthorised expenditure during the period under review
- Future plans of the department
The Office plan to continue with the implementation of the planned Provincial Priorities that will ensure the achievement of the five-year strategic plan.
- Public Private Partnerships
The Office of the Premier does not have any Private Partnership transactions.
- Discontinued activities / activities to be discontinued
Transfer of Community Development Workers Unit from Office of the Premier to Department of Cooperative Governance and Traditional Affairs during 2020/21 financial year with a total allocation of R99.955 million
- New or proposed activities
None
- Supply chain management
All unsolicited bid proposals concluded for the year under review
None

Indicate whether SCM processes and systems are in place to prevent irregular expenditure

The office has introduced the use of pre-audit checklist on all procurement processes.
The office has introduced sufficient controls and procedures to prevent unauthorised, irregular, fruitless and wasteful expenditure.

Challenges experienced in SCM and how they were resolved

The SCM structure is not aligned to framework for Supply Chain Management and North West SCM policy framework.

- Gifts and Donations received in kind from non-related parties
None
- Exemptions and deviations received from the National Treasury
None
- Events after the reporting date
None
- Other
None

Acknowledgement/s or Appreciation

Let me express my sincere gratitude to the Hon Premier, for playing his political oversight role as Executive Authority, I wish to thank senior management team and all officials within the Office of the Premier.

Conclusion

In conclusion, the Office of the Premier is committed to serve the community of North West Province, and strengthen the oversight role on monitoring the implementation of service delivery through Provincial Departments.



MR S MPANZA
ACCOUNTING OFFICER
OFFICE OF THE PREMIER

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

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

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

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

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

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

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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2021.

Yours faithfully



MR S MPANZA
ACCOUNTING OFFICER
OFFICE OF THE PREMIER

6. STRATEGIC OVERVIEW

6.1 Vision

A united, non-racial, non-sexist and prosperous democratic society for the people of North West.

6.2 Mission

To facilitate integrated governance, planning and accelerate service delivery that is people-centered for improved economic growth in North West

6.3 Values

The following are core values that the office will adhere to in promoting integrated governance and accelerated service delivery for improved quality of life and economic growth for the people of North West Province:

- Caring
- Agile
- Responsive
- Excellence

7. LEGISLATIVE AND OTHER MANDATES

The Office of the Premier (herein after referred to as “the Office”) derives its mandate from the Constitution of the Republic of South Africa, 1996, the Public Service Act, Public Finance Management Act and related prescripts that in turn determine its functional mandate

8. CONSTITUTIONAL MANDATE

The mandate of the Office of the Premier is to support the Premier in the execution of his constitutional responsibilities. The Premier performs executive, legislative and ceremonial functions and responsibilities as stipulated in Chapter 6 of the Constitution. Section 125(2) of the Constitution determines that the Premier exercises the executive authority over the province together with the other members of the Executive Council. The Premier is also responsible for inter-governmental relations in terms of Chapter 3 of the Constitution. The Premier appoints Members of the Executive Council (MECs) and assigns functions, responsibilities and delegates powers to them.

The Constitution defines the powers and functions of the Premier, among others, as follows:

- To assent to, sign and promulgate Bills duly passed by the Provincial Legislature and in the event of a procedural shortcoming in the legislative process, to refer a Bill passed by the Provincial Legislature back for further consideration by such Legislature;
- To convene meetings of the Executive Council;
- To appoint commissions of enquiry; and
- To make such appointments as may be necessary under the powers conferred upon him/her by this Constitution or any other law.

The Premier and MECs must act in accordance with the Constitution and provide the Legislature with full and regular reports concerning matters under their control. The Premier and MECs must act in accordance with the code of conduct prescribed by national legislation

9. LEGISLATIVE MANDATE

In terms of section 125 (1) - (6) of the Constitution, the executive authority of the Province is vested in the Premier of that Province,

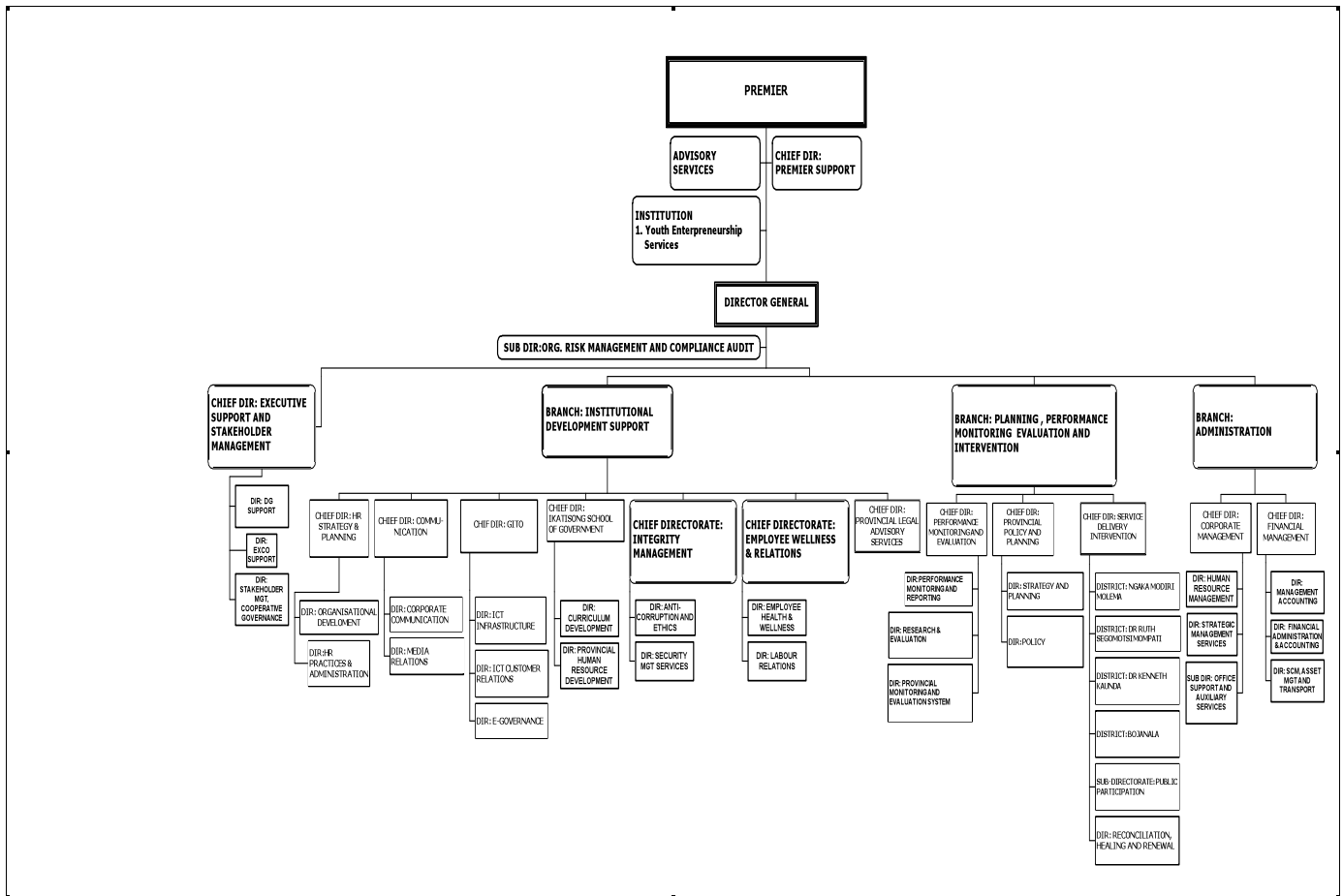
- (i) Subject to the provisions of sections 85(2) (c) and 125(2)(e) of the Constitution, be responsible for intergovernmental relations on an administrative level between the relevant [provincial administration] province and other [provincial administration] provinces as well as national departments and national government component and the intra governmental cooperation between the relevant [provincial administration] Office of the Premier and the various provincial departments and provincial government components including the co-ordination of their actions and legislation and,
- (ii) Subject to the provisions of paragraph (d) be responsible for the giving of strategic direction on any matters referred to in section [3(2) (a)] 3(1).

10. POLICY MANDATE

The National Development Plan (NDP) Vision 2030 is the blueprint for socio-economic transformation and development in South Africa. The goals of the NDP of reducing poverty, unemployment and inequality can be realised by growing an inclusive economy, enhancing the state capacity, as well as, promoting leadership and partnership.

The Medium Term Strategic Framework (MTSF) is the implementation plan of the NDP. It reflects the commitments made in the 2020-2025 elections manifesto of the governing party, including the commitment to implement the NDP. The MTSF sets out the actions that government targets to achieve based on National, Provincial and Local Government plans.

11. ORGANISATIONAL STRUCTURE



12. ENTITIES REPORTING TO THE PREMIER

Youth Entrepreneurship Services Fund, however the Entity is dormant in the year under review.

Part B:

Performance Information

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 102 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The Office uses the complaints management system as key service for service delivery improvement. The Provincial Call Centre Toll Free hotline is a mechanism used by the government to demonstrate its commitment and willingness to allow communities to report service delivery challenges. The Office facilitates the process of transferring the cases to the relevant public institutions. The North West Province was placed under section 100 1(a) (b) of the constitution following service delivery protests in the Province in the 2018/19 financial year. We are in the third year of the section 100 (1) (a) and 100 (1) (b) intervention in terms of the Constitution to address maladministration, non – adherence to supply chain prescripts, poor service delivery amongst others.

Since the intervention as the Province we have made significant strides in addressing the governance and service delivery challenges facing our Province.

Subsequent to the intervention, progress has been registered as follows:

- Forensic investigations across departments initiated and coordinated
- Management of disciplinary cases in the Province:
- Implementation of Occupational Health and Safety Programme
- Financial Management: Reinforced improvement of Annual and interim financial statements with fewer points of contention raised by the Provincial Treasury in terms of accuracy, presentation, completeness reinforced;
- Coordination of monitoring and evaluation in the province: Diagnostic completed and improvement plan is being implemented.

Problems encountered:

- The year under review have been faced with significant global challenges such as the world-wide COVID-19 pandemic, we had to develop a new strategies in line with global demands, as well as Presidential instructions and national guidelines to oversee and coordinate our collective provincial efforts during this difficult period in global history.

Corrective Steps:

- The Office has embarked on Covid 19 awareness to staff on Protocol and Guidelines, as well as the Covid 19 Workplace Plan was developed and approved.

- The year under review have been faced with significant developments, external to the Office, due to Covid 19 as well as budget cuts which have impacted on the Office ability to deliver set targets.

2.2 Service Delivery Improvement Plan

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

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Facilitation of service delivery intervention	Communities	87%	95%	76%

Batho Pele arrangements with beneficiaries (Consultation access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Batho Pele effectively implemented	Batho Pele effectively implemented.	Batho Pele effectively implemented

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
ITSM 9 remedy (not fully functional)	Improved quality of the capturing of the complaints on ITSM 9 remedy	ITSM 9 remedy is implemented but not fully functional.

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Call centre (Toll free)	Call centre (Toll-free)	Call centre (Toll-free)
Walk-in	Walk-in	Walk-in
Suggestion boxes	Suggestion boxes	Emails
Memorandum	Ward operation centres	Whatsapp
Emails	Bua le Puso	Community Development Worker
Outreach programmes	10x10 campaign	Other sources
Community Development programmes	SMS Premium service	
	Website	

2.3 Organisational Environment

The North West Province was placed under section 100 1(a) (b) of the constitution following service delivery protests in the Province in the 2018/19 financial year. We are in the third year of the section 100 (1) (a) and 100 (1) (b) intervention in terms of the Constitution to address maladministration, non – adherence to supply chain prescripts, poor service delivery amongst others.

Since the intervention as the Province we have made significant strides in addressing the governance and service delivery challenges facing our Province.

Subsequent to the intervention, progress has been registered as follows:

- Forensic investigations across departments initiated and coordinated
- Management of disciplinary cases in the Province:
- Implementation of Occupational Health and Safety programme
- Financial Management: Reinforced improvement of Annual and interim financial statements with fewer points of contention raised by the Provincial Treasury in terms of accuracy, presentation, completeness reinforced;
- Coordination of monitoring and evaluation in the province: Diagnostic completed and improvement plan is being implemented.

2.4 Key policy developments and legislative changes

There were changes to the Annual Performance Plan in the second quarter of 2020/21 financial year. Due to budget cuts, there were performance indicators and targets that were changed on the revised Annual Performance Plan. The Office has revised its Strategic Plan for 2020/2025 during the second quarter due to budget adjustments and in response to COVID 19 pandemic.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Office impact statement state, An ethical, capable, developmental and responsive Provincial administration, with the following outcomes as per the strategic plan 2020 -2025;

- Improved Governance and Accountability
- Skilled and Capable Workforce
- Improved Oversight
- Improved Integrated Planning and Coordination

The Office has made significant achievements with regard to the contribution toward the 2019-24 Medium Term Strategic Framework and a draft Provincial Policy Framework - namely the Provincial Growth and Development Strategy has been put in place. Currently, a process to perform econometric modelling for verification of sector targets is running through SCM processes to carry out the exercise during the 2021/2022 financial year. Once the process of setting sector targets is finalised, the PGDS document will be tabled to EXCO for approval and implementation.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Programme Purpose

The programme is responsible for the provision of efficient and effective administrative support services to the Office of the Premier.

Sub-Programmes

Premier Support, Executive Support and Stakeholder Management Services, Corporate Management, Financial Management

- Outcomes as per the strategic plan

Sub Programmes	Outcomes
Premier Support	Improved Governance and Accountability
Financial Management	Improved Governance and Accountability
Corporate Management	Improved Governance and Accountability
Executive Support and Stakeholder Management services	Improved Governance and Accountability

Outcomes, outputs, output indicators, targets and actual achievements

PROGRAMME 1 (Revised APP)	2020/2021 Financial Year
No of output indicators planned	5
No of output indicators achieved	4
No of output indicators not achieved	1
% Achieved	80%
Has performance reported been verified and substantiated	Yes

The achievement of targets has contributed towards achieving the Office's outcomes, which has invariably impact on the strategic priorities of government, as there are functional governance and unqualified audit opinion received

Gender	Total	SMS	Disability
Female	217	14	5
Male	206	35	11
Total	423	49	16

There are 16 officials living with disabilities in the Office which amount to 3.78% as depicted per category. The Office is still lacking behind with the achievement of the 50% quota appointment of women at SMS level. The employment equity plan is being reviewed to address the gaps to prioritise, youth, women and persons with disabilities.

Table 2.4.4.1: Original APP

Programme / Sub-programme: Corporate Management									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Skilled and Capable Workforce	Implemented training interventions	Percentage of workforce trained	N/A	N/A	100%	0	100%	Due to lockdown, the staff could not attend training. The budget for the training of staff was taken by Provincial Treasury for COVID 19.	The budget for the training of staff was taken by Provincial Treasury for COVID 19.

Table 2.4.4.2: Revised APP

Programme / Sub-programme: Premier Support								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Improved integrated planning and coordination	Premier's activities reports compiled	Number of Premier's activities conducted	N/A	N/A	24	16	8	Due to lockdown activities could not be conducted

Programme / Sub-programme: Executive Support and Stakeholder Management Services									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	
Improved governance and accountability	Facilitated IGR programmes in the province	Number of intergovernmental programmes coordinated	8	4	4	4	0		
Improved governance and accountability	Report on implementation of committee resolutions	Number of resolutions on governance structures monitored	N/A	N/A	4	4	0		

Programme / Sub-programme: Financial Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Improved governance and accountability	Annual Financial Statement produced in line with modified cash standards	Audited annual financial statements	N/A	N/A	1	1	0	

Programme / Sub-programme: Corporate Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Improved governance and accountability	Adherence to legislative delivery schedules	Level of compliance with the legislative delivery schedule	N/A	N/A	100%	100%	0	

Strategy to overcome areas of under performance

The Office will expedite the recruitment of staff in the new financial year to address high vacancy rate

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

The office does not have standardised indicators.

Reporting on the Institutional Response to the COVID-19 Pandemic

Table: Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Programme 1	OHS Committee with 20 members in place with appointment letters signed on 8 July 2019, 8 members co-opted in the District	Both	20 members	All Directorate represented by 14 Females and 6 Males	R0	R0	n/a	Trained Dr KK officials, Ngaka Modiri Molema CDW's and other members of OHS committee who did not receive training Screen employees at the entrances of all districts offices Ensure that screening materials are available at the entrances in all district
Programme 1	OHS Committee members were trained on screening on 22 May 2020, CDW's supervisors trained on 27 May 2020 and	Both	Dr KK officials were trained on 09 July 2020 by EHW officials. Bojanala and Dr RSM were trained by the DoH	2 female and 6 male(Dr KK)	R0	R0	n/a	Screening employees and visitors at the entrance (All district offices)
Programme 1	Risk Assessment and Risk Reduction Plan approved	Both	All OOP officials	All OOP officials	R0	R0	n/a	PPE delivered to all district offices Toilet inspection was done Deep cleaning was done
Programme 1	Reviewed Occupational Health and Safety policy	Both	All OOP officials	All OOP officials	R0	R0	n/a	Approved on 29 May 2020 and shared to employees through emails
Programme 1	Appointment letter of the Compliance Officer signed	Both	Director: HRM	male	R0	R0	n/a	Develop COVID 19 guidelines, review SHERQ policy, Report on COVID 19 related issues to OOPMAC, DPSC,DOH and EHW external
Programme 1	Guidelines on the Management of Covid-19, approved	Both	All OOP officials	All OOP officials	R0	R0	n/a	Return to work guideline was approved on 15 May 2020 and communicated to employees through emails

Budget Programme	Intervention	Geographic location (Province/District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Administration	Standard Operating Procedures, approved	Both	All OOP officials	All OOP officials	R0	R0	n/a	SOP on return to work was approved on 15/05/2020 and communicated to employee through emails.
Administration	Deep cleaning and disinfection of all the premises of the Office in the province	Both	All District offices	All District offices	R2.5 m(18 offices)	R2.5 m (18 offices)	n/a	Allow employees who need to use offices to come to work
Programme 1	Provision of masks all the employees and sanitizers available in all the premises of the Office	Both	All District offices	All District offices	R60 375 for 2500 masks	R60 375 for 2500 masks	n/a	Availability of PPE to employees who need to access the offices
Programme 1	Screening of all employees and visitors when entering the premises;	Both	All District offices	All District offices	R0	R0	n/a	Refer employees with high temperature to the nearest clinics, refer employees who travelled to high risk areas back home to quarantine themselves and report daily statistics to the Department of Health
Programme 1	Workplace plans approved	Both	All District offices	All District offices	R0	R0	n/a	There is availability of PPE Deep cleaning of all district offices was done Training of screeners was done Ongoing screening of employees and visitors

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2020/2021			2019/2020		
	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
Premier Support	16 025	15 928	97	21 300	19 773	1 527
Executive Council Support	7 560	7 553	7	8 936	8 572	364
Director General Support	38 668	38 621	47	49 894	45 635	4 259
Financial Management	37 228	37 116	112	45 187	38 459	6 728
Total	99 481	99 218	263	125 317	112 439	12 878

4.2 Programme 2: Institutional Development Support

Programme Purpose

The Programme is primarily mandated to provide strategic leadership and support to all provincial Departments through co-ordination, monitoring, evaluation of the implementation of policy frameworks, strategies and programmes related to Strategic Human Resource Management, Provincial Legal Advisory Services, Government Information Technology Office Communication, Ikatisong School of Governance as well as Integrity Management.

Sub-Programmes

Strategic Human Resource Management, Government Information Technology Office, Communication, Ikatisong School of Governance, Integrity Management and Provincial Legal Advisory Services.

Outcomes as per the Strategic Plan

Sub-Programmes	Outcomes
Human Resource Management	Improved Governance and Accountability and Skilled and Capable Workforce
Government Information Technology Office	Improved Governance and Accountability
Communication	Improved Governance and Accountability
Ikatisong School of Governance	Skilled and Capable Workforce
Integrity Management	Improved Governance and Accountability and Improved Oversight
Provincial Legal Advisory Services	Improved Governance and Accountability

Outcomes, outputs, output indicators, targets and actual achievements

PROGRAMME 2 (Revised APP)	2020/2021 Financial Year
No of output indicators planned	13
No of output indicators achieved	11
No of output indicators not achieved	2
% Achieved	84.61%
Has performance reported been verified and substantiated	Yes

The achievement of targets has contributed towards achieving the Office's outcomes, which has invariably impact on the strategic priorities of government, in relation to the level of compliance to legislative prescripts,

- Forensic investigations across departments initiated and coordinated
- Management of disciplinary cases in the Province:
- Implementation of Occupational Health and Safety programme

Table 2.4.4.1: ORIGINAL APP

Programme / Sub-programme: Strategic Human Resource Management									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Improved governance and accountability	Compliance report on labor relations	Level of compliance to labor relations prescripts by provincial departments	N/A	N/A	12	3	9	Due to the revised APP	Due to budget reprioritization.
	Safety, Health Environment, Risk & Quality	Level of compliance to OHS prescripts	N/A	N/A	50%	50%	0		
Improved Oversight	Compliance to HR practice and administration Policies and Prescripts	Level of compliance to HR practices and Administration policies and prescripts	N/A	N/A	100%	0	100%	Not all reports could be retrieved and analysed except for unfunded vacancies report and vacancy rate which is above the DPSA norm. This is due to the lockdown period as well as the fact that the responsible DD: condition of service	Due to budget reprioritization
	Compliance to organizational prescripts	Level of compliance to organizational Development Prescripts	N/A	N/A	100%	0	100%	Due to the revised APP	Due to budget reprioritization.
	Interventions Reports	Number of interventions provided to department towards ensuring compliance to OHS prescripts	N/A	N/A	8	2		Due to the revised APP	Due to budget reprioritization.
Skilled and Capable Workforce	Approved Implementation Plan on reduction of vacancies	Number of Departments with vacancy rate below 10%	N/A	N/A	10%	0	10%	Reason for variance is that the attached report shows average vacancy rate of 15,6%. This could be attributed to the current PMOG process as well as the National Lockdown,	Due to budget reprioritization.

Programme / Sub-programme: Communication									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Improved governance and accountability	Radio Talk shows Posters distributed	Number of electric communication platforms used to promote active citizenry	N/A	N/A	3	0	3		
Improved governance and accountability	Newspapers produced	Number of government newspapers distributed	N/A	N/A	9	0	9		

Programme / Sub-programme: Ikatisong School of Governance									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/201	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Skilled and capable work force	Annual Training Plan	Number of Training Programmes Implemented	N/A	N/A	9	0	9	Reprioritization of Departmental budget to cater covid-19 and Covid 19 regulations	Covid-19 Lock down pronouncement impacted negatively on the implementation of the training plan.
	Provincial Skills development Plan	Number of Skills programmes implemented	N/A	N/A	4	0	4	Opted for a consolidated approach of one Provincial master Skills Plan.	Covid-19 regulations impacted negatively on Research Study.

Programme / Sub-programme: Integrity Management									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement t 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Improve governance and accountability	Investigation reports	Number of forensic investigations concluded	100%	26	24	0	24	Investigators were unable to finalise the outstanding investigations due to Covid 19 and its lockdown restriction measures	Due to budget reprioritization.
	Intervention reports	Number of interventions implemented towards achieving National anti-corruption strategy	12	12	16	4	12		Due to budget reprioritization.
	Compliance to minimum security standards	Number of minimum security standards coordinated	12	8	8	2	6		Due to budget reprioritization.

Programme / Sub-programme: Legal Advisory Services									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Improved governance and accountability	Approved Act	Percentage of bills developed	N/A	N/A	100%	100%	0		Due to budget reprioritization.

Table 2.4.4.2: REVISED APP

Programme / Sub-programme: Strategic Human Resource Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Improved governance and accountability	Compliance report on labour relations	Number of Labour Relations initiatives provided to departments	N/A	10	12	9	3	The difference was achieved in the first quarter and reported in the previous table 2.4.4.1
Improved governance and accountability	Compliance to Organizational prescripts	Number of Organizational Development initiatives provided to departments	N/A	10	8	6	2	The difference was achieved in the first quarter and reported in the previous table 2.4.4.1
Improved governance and accountability	Interventions reports	Number of EHW initiatives provided to departments	8	8	5	3	2	The difference was achieved in the first quarter and reported in the previous table 2.4.4.1
Skilled and Capable Workforce	Improved employee performance	Number of interventions on employee performance	N/A	N/A	4	3	0	Due to the Revised APP

Programme / Sub-programme: Government Information Technology Office								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Improved Governance and Accountability	IT Governance and management capability level	Level of IT Governance and Management capability achieved	N/A	N/A	1	1	0	

		Indicator	Performance 2018/2019	Actual Performance 2019/2020	Annual Target 2020/21	Achievement 2020/2021	from planned target to Actual Achievement 2020/2021	deviations
Improved governance and accountability	Radio Talk shows Posters distributed	Number of electronic communication platforms used to promote active citizenry	N/A	N/A	4	4	0	
Improved governance and accountability	Newspapers produced	Number of government newspaper editions produced	N/A	N/A	3	0	3	Awaiting SCM and Bid Specification Committee to finalise the appointment of the service provider

Programme / Sub-programme: Ikatisong School of Governance

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Skilled and capable work force	Annual training plan	Number of training programmes implemented	N/A	N/A	6	6	0	
Skilled and capable work force	Provincial skills development Masterplan	Number of Provincial skills masterplan developed	N/A	N/A	1	0	1	Opted for a consolidated approach of one Provincial Skills Plan

Programme / Sub-programme: Integrity Management

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Improve governance and accountability	Investigation reports	Number of forensic investigations concluded	100%	26	4	3	1	The difference was achieved in the first quarter and reported in the previous table 2.4.4.1
Improve governance and accountability	Intervention reports	Number of interventions implemented towards achieving National anti-corruption strategy	12	12	8	6	2	The difference was achieved in the first quarter and reported in the previous table 2.4.4.1
Improved oversight	Compliance to minimum security standards	Number of minimum security standards coordinated	12	8	4	3	1	The difference was achieved in the first quarter and reported in the previous table 2.4.4.1

Programme / Sub-programme: Provincial Legal Advisory Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Improved governance and accountability	Certified bills	Number of bills developed	N/A	8	8	6	2	The difference was achieved in the first quarter and reported in the previous table 2.4.4.1

Strategy to overcome areas of under performance

The ICT budget will be availed in the new financial year to finalise outstanding projects.

The Office will capacitate SCM Unit.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

The office does not have standardised indicators.

Reporting on the Institutional Response to the COVID-19 Pandemic

Table: Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
N/A								

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2020/2021			2019/2020		
	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
Strategic Human Resources	20 345	19 948	397	25 953	23 144	2 809
Information Communication technology	166 392	136 927	29 465	159 432	85 222	74 210
Legal services	10 608	9 481	1 127	19 809	15 509	4 300
Communication services	19 525	18 268	1 257	22 196	19 548	2 648
Programme Support	59 184	54 184	5 000	87 785	64 115	23 670
Total	276 054	238 808	37 246	315 175	207 538	107 637

The main reasons for the variance are as follows:

Goods and Services

- The main cost driver in this class is ICT related services, the total budget for the affected services was R14m targeted for the procurement of the following services (Mainframe licenses - R9 million), (Newly acquired mainframe maintenance and repairs services - R5m), furthermore the procurement of Anti-virus license (R4 million) for information security services.
- A total amount of R5 million was budgeted for payment of Artisans Programmes and only R3.2 million was expensed. Delay in the implementation of project due to non-compliance of the learners to requirements of Aircraft Mechanic Apprentices program.

Transfers and Subsidies

Savings realised under bursaries for non-employees is R732k, after processing of payments for all bursary beneficiaries.

Machinery and Equipment

A total budget of R19 million was allocated for Provincial Mainframe replacement during the year under review, however only R11 million for equipment was paid. R8m related to information migration from old to new mainframe shall be paid in the New Year after completion of this process.

4.3 Programme 3: Planning Performance Monitoring, Evaluation and Intervention

PROGRAMME PURPOSE

This programme is mandated to provide integrated planning, performance monitoring, evaluation and intervention in the Province.

- **Sub-programmes**

Provincial Planning and Support, Performance Monitoring and Evaluation, Service Delivery Monitoring and Intervention and Special Programmes.

- Outcomes as per the Strategic Plan

Sub-Programmes	Outcomes
Provincial Planning and Support	Improved Governance and accountability and Improved integrated planning and coordination
Performance Monitoring and Evaluation	Improved Oversight
Service Delivery and Intervention	Improved Governance and accountability and Improved integrated planning and coordination
Special Programmes	Improved Oversight

Outcomes, outputs, output indicators, targets and actual achievements

PROGRAMME 3 (Revised APP)	2020/2021 Financial Year
No of output indicators planned	18
No of output indicators achieved	15
No of output indicators not achieved	3
% Achieved	83.33%
Has performance reported been verified and substantiated	Yes

The achievement of targets has contributed towards achieving the Office's outcomes, which has invariably impact on the strategic priorities of government, in relation to integrated planning and ccoordination of monitoring and evaluation in the province: Diagnostic completed and improvement plan is being implemented.

Table 2.4.4.1: ORIGINAL APP

Programme / Sub-programme: Performance Monitoring and Evaluation									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Improved oversight	Approved consolidated Provincial performance Report.	Number of provincial departmental performance reports assessed in line with government Priorities	N/A	N/A	1	1	0		Due to reprioritization of budget

Outcome	Output	Output Indicator	Audited Actual Performance 2018//2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Improved integrated Planning and coordination	Complaints Management register	Percentage of complaints managed	N/A	N/A	100%	100%	0		Due to the Revised APP

Programme / Sub-programme: Special Programmes									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 20192020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Improved Oversight	Compliance to the White Paper on Rights of Persons with Disabilities (WPRPD)	Percentage of Compliance to the White Paper on Rights of Persons with Disabilities (WPRPD)	N/A	N/A	20%	20%	0		Due to COVID 19 restrictions.
Improved Oversight	Delivery Targets of Provincial Plan on Rights of Older Persons	Percentage of delivery targets of Provincial Plan on Rights of Older Persons achieved	N/A	N/A	20%	0	20%	Due to Covid 19 restrictions	Due to Covid 19 restrictions

Table 2.4.4.2: REVISED APP

Programme / Sub-programme: Provincial Policy and Planning								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
improved governance and accountability	Approved Provincial Growth and Development Strategy	Number of Provincial Growth and Development Strategy developed	N/A	N/A	1	0	1	The document is still at draft stage and the target is differed to the next financial year.
Improved integrated planning and coordination	Strategic Plans and Annual performance plans aligned to the revised planning framework	Number of draft annual performance plans assessed for alignment to the Revised Planning Framework for Strategic Plans and Annual Performance Plans	N/A	N/A	12	12	0	

Programme / Sub-programme: Performance Monitoring and Evaluation								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Improved oversight	Approved consolidated Provincial performance Report.	Number of provincial departmental performance reports assessed in line with government Priorities	N/A	N/A	4	4	0	
Improved oversight	Approved Provincial Research and Evaluation plan	Number of Research and Evaluation plan developed	N/A	N/A	1	1		
Improved oversight	Number of provincial Research and Evaluation studies conducted	Number of provincial Research and Evaluation studies conducted	N/A	N/A	16	4	Reprioritization of budget	
Improved oversight	Approved consolidated Provincial performance report on Covid 19 interventions	Number of reports on the implementation of Covid19 interventions by Provincial Departments	N/A	N/A	3	3		

Programme / Sub-programme: Service Delivery Monitoring and Intervention								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2020	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Improved Governance and Accountability	AIDS councils established	Number of AIDS Councils established	N/A	N/A	23	23	0	
Improved integrated Planning and coordination	complaints management register	Percentage of cases referred for resolution to Public Institutions	N/A	100%	100%	100%	0	
Improved integrated Planning and coordination	Consolidated Service Delivery Plan developed	Percentage of service delivery interventions coordinated	N/A	N/A	100%	100%	0	
Improved integrated Planning and coordination	Moral regeneration Plan developed	Number of moral regeneration interventions coordinated	N/A	N/A	4	4	0	

Programme / Sub-programme: Special Programmes								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2020	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Improved Oversight	Socio-economic Empowerment Program for Women	Number of Socio-economic Empowerment Programs for Women developed	N/A	N/A	1	1	0	
Improved Oversight	Provincial Women empowerment performance	Level of performance on Provincial Women empowerment program	N/A	N/A	1	1	0	
Improved Oversight	Provincial Children's Rights Plan	Number of Provincial Children's Rights Plan developed	N/A	N/A	1	1	0	
Improved Oversight	Provincial compliance on Rights of the Child	Level of compliance to Rights of the Child	N/A	N/A	1	1	0	
Improved Oversight	Annual Implementation Plan of White Paper on Rights of Persons with Disabilities (WPRPD)	Number of Annual Implementation Plan of White Paper on Rights of Persons with Disabilities (WPRPD) developed	N/A	N/A	1	1	0	
Improved Oversight	Compliance to the White Paper on Rights of Persons with Disabilities (WPRPD)	Percentage of Compliance to the White Paper on Rights of Persons with Disabilities (WPRPD)	N/A	N/A	20%	20%	0	

Programme / Sub-programme: Special Programmes								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2020	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Improved Oversight	Provincial Plan on Rights of Older Persons	Number of Provincial Plan on Rights of Older Persons developed	N/A	N/A	1	1	0	
Improved Oversight	Delivery Targets of Provincial Plan on Rights of Older Persons	Percentage of delivery targets of Provincial Plan on Rights of Older Persons achieved	N/A	N/A	20%	20%	0	

Strategy to overcome areas of under performance

The Office will expedite the coordination of covid-19 related projects by Departments

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

The office does not have standardised indicators.

Reporting on the Institutional Response to the COVID-19 Pandemic

Table: Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2020/2021			2019/2020		
	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
Special Programmes	8 815	8 218	597	14 770	10 850	3 920
Inter-Governmental Relations	5 597	5 537	60	7 570	5 936	1 634
Provincial Policy Management	29 988	29 042	946	35 953	31 779	4 174
Premier Priority Programme	14 372	10 114	4 258	18 299	9 650	8 649
Programme Support	25 460	25 055	405	124 770	122 222	2 548
Total	84 232	77 966	6 266	201 362	180 437	20 925

A total budget of R6,9m was set aside for the establishment of Secretariat office for Provincial Council on AIDS (Twenty-three (23) Local AIDS Councils were targeted to be established), and only R3.2 m was spent at year end.

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

None

5.2. Transfer payments to all organisations other than public entities

None

6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

The Office of the Premier does not have any conditional grants for the financial year under review.

6.2. Conditional grants and earmarked funds received

The Office of the Premier did not receive any conditional grants for the financial year under review.

7. DONOR FUNDS

7.1. Donor Funds Received

The Office of the Premier did not receive any donor funds during the financial year under review

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

The office spent R35m on the procurement of the Provincial mainframe and Provincial back up system and no funds have been incurred for maintenance.

Part C:

Governance

1. INTRODUCTION

The Office of the Premier is commitment to maintain the highest standards of governance is fundamental to the management of public finances and resources. The Office of the Premier has good governance structures in place to effectively, efficiently and economically utilize the state resources, which is funded by the tax payer.

2. RISK MANAGEMENT

- The Office had an approved 2020/2021 risk management policy, risk management strategy and implementation plan.
- The Office conduct risk assessment throughout the year and had assessed and compiled risk registers on Covid-19 and Government Information Technology related risk for the year under review.
- The Administrator appointed a Risk Management Committee comprising of an independent Chairperson, one external member and five internal members. The Committee reported to the Administrator on quarterly basis in respect of effectiveness of Office risk management systems.
- The Audit Committee advises the Office on Risk Management systems independently through consideration and analysis of risk management reports presented on quarterly basis.
- The Office had for the financial year under review reported less significant progress on management of risks particularly treatment plans implementation which has a bearing on overall performance. The Management commit to ensure improved risk-based decision making through approval, implementation reporting and monitoring of the combined assurance model and plan in the 2021/2022 financial year.
- The Risk Management Office conducted e-awareness campaign on risk management terminology in pursuit of Office risk maturity.

3. FRAUD AND CORRUPTION

- The Department has an approved Fraud Prevention Policy and implementation plan. The policy is being implemented through awareness raised within the Department on quarterly basis.
- Allegations on Fraud and Corruption reported or referred by different stakeholders and walk-ins may be reported through the following sources:-
 - Via National Anti-Corruption Hotline 0800 701 701, Public Participation Call Centre and anonymously through whistle blowing,
 - Request to conduct investigation can be made by Heads of Departments,
 - Any information received and or referred by member of public which warrant forensic investigations,
 - Any State Owned Entity (SOE) that is funded by Provincial Government can refer a matter which warrant forensic investigation.
- The investigations are conducted based on reported incidences or referrals by different stakeholders and it may be sourced from National Anti-Corruption Hotline, Public Participation Call Centre, Public Participation and anonymously through whistle blowing, Auditor General and Provincial Internal Audit Services, if there are findings which warrant forensic investigations requests can be made by Heads of Departments, any information brought by member of public which warrant forensic investigations, any entity and NGOs that are funded by Provincial Government and red flags identified by any departments which warrant forensic investigations.

4. CODE OF CONDUCT

During induction of newly appointed employees, awareness is raised with regard to issues relating to integrity management this is in conjunction with Human Resource Management Unit.

5. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

- (a) Slippery floors: after the thorough occupational health and safety inspections within the Office, the recommendation has been made to the Department of Public Works and Roads as the (landlord) to install the gripping floor on ramps where there is high concentration of slippery condition to minimize the chances of slip and fall that might result in a serious injury to the employees. Another issue that was considered is the usage of floor polish that will not increase the chances of slip and fall.
- (b) Offices without open windows: Occupational Health and safety inspection reports indicated that Garona building still experiencing the problem of windows that cannot be opened, and this could be a serious hazard to the health of employees. The report has been written to the Department of Public Works and Roads to address this matter.
- (c) Air conditioning malfunctioning: the problem of air conditioners that the malfunctioning in Garona building is a very critical issue, the report has been written for to the Department of Public Works and Roads to address this matter.
- (d) Water problem- both for sanitation and drinking: this is also the critical issue that concern the health of employees. At some stages the Office experiences the serious problem with regards to water cuts and this pose danger to the health of employees. Another issue is that some of the employees are complaining about drinkable water that causes them a running stomach etc.
- (e) Floor carpets: need to be replaced with tiles to accommodate employees with sinuses.
- (f) Male toilets at Archives building: door handles are broken and urinals are blocked and the letter for corrective measure was prepared and send to the Department of Public Works and Roads.
- (g) First aid boxes: the boxes are out of content and request form was prepared and send to Supply Chain Management for the replacement of the contents.

The effects it has on the department:

- (a) The issues articulated above have corrosive effects on the health, safety and wellbeing of employees whilst at work and they also affect the productivity of employees.

6. PORTFOLIO COMMITTEES

The dates of the Meeting

1. 31st March 2020
2. 25th June 2020
3. 30th July 2020
4. 16th October 2020

Date of the meeting	Subject	Recommendations by the Committee	Response by the Office of the Premier
31 March 2020	Report on Budget and Annual Performance Plan Office Of The Premier2020/2021	<ol style="list-style-type: none"> 1. The Office of the Premier must finalise the appointment of the Board Members and CEO of YES. 2. The Office of the Premier must ensure that all inconsistencies on the targets of the indicators are addressed in the APP. 3. The Office of Premier should amend the budget and APP regarding the Challenges posed by the pandemic Covid-19. 4. The following report should be submitted the Portfolio Committee by the Office of The Premier seven days after tabling: <ol style="list-style-type: none"> 4.1. A detailed report on the Forensic Investigation cases concluded from prior years. 4.2. Present comprehensive report on the plans for YES including recruitment plan to ensure that YES become functional. 4.3. A detail report on the Ikatisong School of Governance. 4.4. Report on the Premier Discretionary Fund and its expenditure report. 	Effectuated as per the recommendation
25 June 2020	Progress report on the invocation of the section 139(1)(B), and (1)(C) of the constitution 13 municipalities in the province and close out reports.	<p>The Office of The Premier must submit the following reports within 72 hours after adoption by the house:</p> <ol style="list-style-type: none"> 1. The role of The Office of the Premier in assisting municipalities on issues of irregular expenditure. 2. All progress made on forensic investigation report concluded and also give an indication of how many are outstanding. 3. Expenditure report that will show a difference per municipality especially those that have been under administration to show how much the salary bill compare payment that goes to Administrators. 4. Exco must seek the review on an around their decision taken to put municipalities on Section 139. 5. Exco must review the process of appointment of Administrators and the terms of reference. 6. Submit skills audit per municipalities 7. Comprehensive report spent around consultants per municipality 	Effectuated as per the recommendation

Date of the meeting	Subject	Recommendations by the Committee	Response by the Office of the Premier
30 July 2020	Fourth Quarter Performance Information report of the Office of The Premier Financial Year 2019/20	<p>The Portfolio Committee Recommends that the House resolves as follows:</p> <ol style="list-style-type: none"> 1. Office of the Premier must monitor oversight and ensure underperforming indicators are achieved. 2. Premier Office must implement Audit Action plan within timeframe and improve on its audit outcome. 3. Legal Services must be extended to other departments and municipalities to avoid unnecessary spending by departments and municipalities on legal matters. 4. Unresolved cases in the Municipalities should be fast tracked 5. Office of the Premier must implement and monitor planned activities for Woman, Children and people living with disabilities to avoid continuous non-performance. 6. Committee noted that North West University has capacity to provide skills needed for Ikatisong School of Governance therefore encourage Office of The Premier to Partner with North West University to utilize those skills. 7. The following report must be submitted to the Committee within 7 working days after adoption of the report by the august house: <ol style="list-style-type: none"> 7.1. The Office of the Premier must a comprehensive report including the proposed start date for YES, It's board composition, a business plan, and a costed budget for its activities and how they are going to spend the remaining R17 500 million. 7.2. Progress report on development of Bills processed per quarter. 7.3. Submit expenditure progress report stating performance registered by the Office on the Right of Child in the province. 7.4. The Office of the Premier must submit a detailed expenditure report on goods and services that was procured from the budget of YES. 	Effectuated as per the recommendation
16 October 2020	Committee report on First Quarterly Performance Information of the Office Of The Premier for 2020/21	<p>The Portfolio Committee Recommends that the House resolves as follows:</p> <ol style="list-style-type: none"> 1. The Office of the Premier should put measures in place to address targets that were not achieved in the first quarter. 2. The Office of the Premier should submit the following report within seven days after tabling of the report. <ol style="list-style-type: none"> 2.1. Report that indicate number of Court ruling in the previous financial year. 2.2. A detailed financial expenditure report on Court ruling. 2.3. The office of the Premier must submit a comprehensive conclusive report including the 	Effectuated as per the recommendation

Date of the meeting	Subject	Recommendations by the Committee	Response by the Office of the Premier
		proposed start date for YES, its board composition and business plan, a costed budget for its activities	
16 October 2020	Report of Office Of The Premier Amendment strategic plan 2020/25 Considering Covid-19	The committee recommends as follows <ol style="list-style-type: none"> 1. The Office Of The Premier must priorities' Action Plan to address Monitoring , Evaluation and Implementation 2. Office of Premier must establish Infrastructure Development Plan tool that will be used to monitor and coordinate all provincial projects within the departments 3. The committee appreciate that presentation of Amendment Strategic Plan as it is aligned with SOPA pronouncements. 	Effectuated as per the recommendation
16 October 2020	Committee report on first quarterly performance information of the Office of The Premier for 2020/21	The Portfolio Committee Recommends that the House resolves as follows: <ol style="list-style-type: none"> 1. The Office of the Premier should put measures in place to address targets that were not achieved in the first quarter. 2. The Office of the Premier should submit the following report within seven days after tabling of the report. 3. Report that indicate number of Court ruling in the previous financial year. 4. A detailed financial expenditure report on Court ruling. 5. The office of the Premier must submit a comprehensive conclusive report including the proposed start date for YES, its board composition and business plan, a costed budget for its activities. 	Effectuated as per the recommendation

7. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1.	Audit Evidence	Sufficient appropriate audit evidence that services were received for payments made to contractors of R12 229 263 (2017: R10 883 874) were not obtained.	<ul style="list-style-type: none"> • No appropriate audit evidence was obtained. • Disciplinary action took place against officials and one official has been dismissed. 	YES
2.	Audit Evidence	Sufficient appropriate audit evidence to confirm that awards of R16 867 133 were made in terms of the supply chain management requirements, were not	<ul style="list-style-type: none"> • No appropriate audit evidence was obtained. Disciplinary action 	YES

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		available. Furthermore, the department made payments of R96 157 059 in contravention of the supply chain management requirements that were not included in irregular expenditure disclosed. The department also disclosed irregular expenditure of R14 321 084 as condoned without obtaining the approval for condonement from the relevant authority. Consequently, irregular expenditure as per note 31 to the financial statements was understated by R110 478 143.	<p>took place against officials and one official has been dismissed.</p> <ul style="list-style-type: none"> An amount of 96 mill was adjusted and disclosed as irregular. The Office readjusted the financial statement and accounted for an amount of R14 321 084 as irregular. 	
3.	fruitless and wasteful expenditure	As disclosed in note 32 to the financial statements, fruitless and wasteful expenditure of R817 000 was incurred in the current year and fruitless and wasteful expenditure from prior years of R4 987 000 had not yet been resolved.	<ul style="list-style-type: none"> Progress to resolve amount disclosed as fruitless and wasteful expenditure is underway. National Treasury developed and introduced Fruitless and wasteful expenditure Framework for the resolution of reported cases during 2019/20 financial year. 	NO
4.	Actual expenditure in the general ledger.	The expenditure recognised by the department per programme and sub-programme in the appropriation statement did not agree to the actual expenditure in the general ledger.	Effective reconciliation system is in place and no discrepancies were found during 2018/19 financial year.	YES
5	movable assets	Sufficient appropriate audit evidence for movable assets could not be obtained due to inadequate record keeping of asset locations and barcodes. The department did not account for all movable assets as the department did not maintain adequate records of all assets under their control. This resulted in movable assets being understated by R34 075 973.	Appropriate audited evidence for movable assets is available and Assets Management System is place.	YES
6	reported achievement	The reported achievement of various indicators was not reliable as sufficient appropriate audit evidence could not be obtained in some instances while in other cases the supporting evidence provided did not agree to the reported achievement.	The Office has strengthened internal control measures to ensure that reported achievements are supported with evidence	YES

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
7	planned targets	The planned targets of for certain indicators were not specific in clearly identifying the nature and required level of performance and could consequently not be measured.	The Office has introduced internal control measures to ensure that planned targets are specific and measured	YES
8	financial statements	The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 40(1)(a) and (b) of the PFMA. Material misstatements of disclosure items identified in the submitted financial statements were corrected, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified opinion.	The Office prepared Financial Statement in accordance with prescribed financial reporting framework and supported by full and proper records as required by section 40(1)(a) and (b) of the PFMA.	YES
9.	Goods and services	Goods and services of a transaction value above R500 000 were procured without inviting competitive bids, as required by Treasury Regulation 16A6.1. Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of Treasury Regulation 16A6.4. Similar non-compliance was also reported in the prior years.	Internal control System has been strengthened to cap on any transgression of any nature.	YES
10.		The Directorate for Priority Crime Investigation (DPCI) was investigating a case of alleged corruption and fraud relating to a multimillion Rand IT contract awarded in the previous year. The investigation was still in progress at the time of the report.		

8. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
The price offered by the tenderer scoring the highest points is not market related leading to understatement of the irregular expenditure (Mega Works contract)	2018/2019	The irregular expenditure register has been updated by including Mega works transactions as part of irregular
Service providers not appearing on the suppliers list as per the transversal contracts leading to non-compliance with competitive bidding process and understated irregular	2018/2019	Irregular expenditure updated.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
expenditure.		
Inability to test whether extensions approved exceeded 15% of the original contract price in respect of IBM SA; CA Southern Africa; AMA-Superco; Bitanium Consulting and Info-Guardian leading to Limitation of audit scope.	2018/2019	Actions have been taken against officials who committed irregular expenditure
<p>Contravention of the Preferential Procurement Regulations in the appointment of a service provider to provide Smart Internet Connectivity to 4 Villages in the NWPG thus resulting in the award being irregular.</p> <p>The none disclosure of payments to the supplier as irregular expenditure resulting in a misstatement the of AFS.</p>	2018/2019	<p>Irregular expenditure register updated.</p> <p>Officials are being taken through internal investigation process in relation to ICT transformation project as at 30/03/2020.</p> <p>SCM/Procurement checklist updated to include verification in relation to "Compliance to SITA prescripts (IT Bids) under compliance item no. 9</p>
Non-submission of hospitality register and losing bidder documentation in the tender to appoint a service provider leading to limitation of audit scope (develop, print & distribute the weekly newspaper (NEPO).	2018/2019	<p>The office compiled the procurement plan</p> <p>Procurement plan has been updated throughout the year</p>
<p>Limitation of audit scope in the requisite information and documentation in the tender to appoint a service provider to provide social media services for NWPG.</p> <p>Non-compliance of Treasury regulation and over-charging of the department on VAT by the contractor resulting in fruitless and wasteful expenditure (Minister media).</p>	2018/2019	<ol style="list-style-type: none"> 1. Limitation of scope: Records management system reviewed. 2. Loss control committee appointed to handle irregular expenditure transactions 3. The payee has been notified in writing of the overpayment and engagements are still underway.
Non-compliance with the procurement prescripts in the appointment of a service provider to provide Provincial wide integrated contact centre solution resulting in irregular expenditure. (Setsokotsane call centre)	2018/2019	Matter still under investigation. Included in the irregular expenditure register.
Management did not consider the Financial Delegation when approving the payment of bursaries leading to non-compliance and irregular expenditure.	2018/2019	<ol style="list-style-type: none"> 1. Transaction included in the irregular expenditure register - prior year adjustment 2. Investigations still underway
Failure to implement controls over daily and monthly processing and reconciling of transactions leading to irregular expenditure (Deviation-TNA Media).	2018/2019	<ol style="list-style-type: none"> 1. Transaction recorded in the irregular expenditure register 2. Reconciliations are performed on all major creditors accounts

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Competitive Bidding process not followed for procurement of services (Nepo:-TNA Media)	2018/2019	The irregular expenditure register has been updated to include TNA Media Investigation still in progress
Disciplinary actions not taken against officials who committed irregular expenditure	2018/2019	Disciplinary processes undertaken against officials who committed irregular expenditure
No effective, appropriate steps and actions taken to prevent irregular and fruitless and wasteful expenditure.	2018/2019	All payment vouchers are subjected to preaudit processes.
Irregular expenditure condoned without approval from National Treasury.	2018/2019	Matter referred to Treasury
Ineffective control in place to ensure that complete, relevant and accurate information is accessible and available within reasonable time when required (Assets).	2018/2019	All records for assets acquisition are now scanned and filed for easy retrieval. A file is very huge, however it is available for verification at any given time.
The bar codes replaced with the new ones, whilst the Asset register still reflecting the old bar codes leading to limitation of audit scope.	2018/2019	The asset register was reviewed and updated in 2018/19 financial year, as a result there was no recurrence of the finding furthermore, in 2019/20 asset barcode replacement register was developed and currently implemented. The action has been implemented
Inconsistencies between Asset Register & Physically verified Assets resulting in limitation of audit scope.	2018/2019	All assets are barcoded and has been included in the asset register Monthly asset reconciliation has been done, and the asset register has been updated accordingly
Limitation leading to the inability to verify Assets that are on the Disposal list but still on the Asset Register.	2018/2019	Asset verification was conducted and the PoE is attached as Asset verification report Disposal process was completed as evidenced by the Attached PoE - note 39
Incorrectly classified and misallocation of allocation codes. Non-availability of sufficient and appropriate evidence to substantiate that delivery was made for the payment which resulted to misstatement of goods and services.	2018/2019	Pre-audit payment checklist (Financial Accounting) is updated and verified prior payment processing. A B09 form (Confirmation of funds available) is completed and funds allocations are performed by Management Accounting Officials.
No controls in place to confirm project deliverables before payments in relation	2018/2019	1. Transaction has been included in the irregular expenditure register

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Enterprise Architecture Project.		2. The investigation has been instituted and are still in progress 3. Payments are only instated after certification by End Users on pink copy as confirmation of service rendered or goods received, in addition, attendance registers or delivery note are also attached as additional control
Percentage of service delivery complaints resolved- leading to inconsistencies between the reported achievement and the register (Programme 3)	2018/2019	Performance information is reviewed on quarterly basis by Chief Directorate Corporate Management: Strategic Management Directorate . Programmes are advised on necessary corrective actions to ensure accuracy and reconciling information to the performance reporting system. Certificates of accuracy are issued.
Inadequate record keeping to ensure that complete, relevant and accurate information is accessible and available to support performance reporting (VTSD: Programme 3).	2018/2019	Information reported is verified prior final uploading to Performance Reporting System by Chief Directorate Corporate Management: Strategic Management Directorate. Certificates of completeness and accuracy are developed and implemented in this regard.
Non-disclosure of interest by Suppliers regarding the interest of being an official of government (SBD 4) leading to Non-compliance to SCM Rules and Regulations	2018/2019	Irregular expenditure register updated. Controls on screening processes of bidders have been strengthened.
Procurement and contract management whereby three quotations not obtained leading to Understatement of irregular expenditure.	2018/2019	Irregular expenditure register updated. Transactions on irregular expenditure under investigations.
Unfair and biased treatment of supplier based on award made to lowest supplier who did not quote on all the items in the specifications thus leading to irregular expenditure.	2018/2019	Irregular expenditure register updated. Transactions on irregular expenditure under investigations.
Supplier with highest preferential points not selected leading to understatement in irregular expenditure	2018/2019	Irregular expenditure register updated. Transactions on irregular expenditure under investigations.
The department did not report irregular expenditure which was disclosed in the AFS.	2018/2019	Irregular expenditure is reported to the Provincial Treasury as per the regulations.
Sub-contractors appointed before the Director-General accept and sign off the proposal in with the signed MSLA between the OOP and NEPO Data Dynamics leading to irregular expenditure.	2018/2019	Investigation are underway in respect of ICT transformation project expenditure and some officials are being subjected to this process as at 31/03/2020. Irregular

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
		expenditure register was updated with ICT transformation project related transactions
Management failed to put in controls to ensure that the pricing structure and Consultancy fees to be charged by NEPO for the 12 Transformation projects is managed in the manner that promotes economic efficiency.	2018/2019	Investigation are underway in respect of ICT transformation project expenditure and some officials are being subjected to this process as at 31/03/2020. Irregular expenditure register was updated with ICT transformation project related transactions
Non-involvement of SITA in the ICT transformation managed through NEPO in compliance with the SITA Act.	2018/2019	Investigation are underway in respect of ICT transformation project expenditure and some officials are being subjected to this process as at 31/03/2020. Irregular expenditure register was updated with ICT transformation project related transactions.
Controls in place to ensure the timeous submission of information are not effective leading to non-compliance to the applicable legislation (Movable Assets).	2018/2019	Physical verification was conducted and asset register was updated accordingly Monthly recon has been performed
The amount charged is incorrectly calculated in accordance with the tax legislation resulting in overstatement of the POC Journal for transfers and subsidies.	2018/2019	"POC journal adjustment performed. Compliance checklist reviewed
Internal control deficiencies identified during the course of audit	2018/2019	Records Management processes and record keeping process have been reviewed by the Office.
Inadequate segregation of duties on PERSAL with the controller likely to perform unauthorised transactions which may include password resets, rights modifications and deactivate users on the system.	2018/2019	Persal functions are performed by capturers and approvers independently
Lack of appropriate access management to data centres likely to result in the inability to identify any unauthorised access which may lead to the tempering with critical data centre resources.	2018/2019	Completed
<p>Unsupported Resource Access Control Facility (RACF) mainframe version which impacts the security of the mainframe environment negatively as IBM is no longer supporting the solution.</p> <p>The security vulnerabilities in the environment cannot be mitigated with patches and this renders the systems hosted in the mainframe to possible/ potential compromise.</p>	2018/2019	The procurement process is with SITA

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Lack of adequate process for review of activities of user IDs with privilege access leading to the mainframe security i.e. Resource Access Control Facility (RACF), been inadequately configured.	2018/2019	1. This is dependent on the appointment of the ISO
Inappropriate use of started tasks to effectively control access to the system.	2018/2019	1) The 'started tasks' will be in line with IBM standards once the Mainframe is procured. 2) This is one of the deliverables IBM is tasked with in the commissioning of the Mainframe.
Lack of sufficient audit evidence for DRP testing which may results in departments being unable to access the OTP mainframe and transversal systems in the event of disaster.	2018/2019	Mainframe disaster recovery plan rehearsal (Economic Development) and Mainframe DR testing plan (OOP) developed.
Backup tapes kept onsite following the expired contract with BSF and a new service provider had not been appointed in 2017/18 to collect and store the backup tapes offsite.	2018/2019	The Iron Mountain (BSF) contract is with the legal unit.
Inadequate implementation of the Patch Management Processes to NWPG user workstations but with the exception of the server.	2018/2019	Active directory procurement processes initiated.
COF 1: Limitation - BBEE compliance No evidence that Form BBEE 1 was submitted to the B-BBEE Commission	2018/2019	Certificate issued.
1. COF 4: Compliance: expenditure not paid within 30 days_ISS. 34 During our normal audit procedures on 'expenditure for capital assets' and 'goods & services' we identified the following invoices which was not paid within 30 days, as per the legislative requirement+19	2018/2019	Transaction completed.
6. COF 4: SCM: interest in suppliers - persons in service of other state institutions_ISS. 50 During the procedures performed on procurement and contract management, the following supplier was identified who did not disclose an interest by another state employee. COF 8: Compliance: Effective and appropriate steps were not taken to prevent irregular& fruitless and wasteful expenditure_ISS.87	2018/2019	SCM and Financial Accounting Pre Audit Checklists are implemented to ensure segregation of duties. Official communication was issued during April 2020 to request submissions RWOPS by Senior Management Services officials in April 2020.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
COF 7: Immovable Capital Assets: Overpayment to service provider_ ISS.67		
<p>7. COF 4: SCM: persons in service of the audited with interest in suppliers of other state institutions_ ISS. 51</p> <p>During the procedures performed on procurement and contract management it has been found that there are employees that did not have necessary approval for other remunerative work.</p>	2018/2019	<p>Completed. SCM pre-audit checklist updated on procedure no. 7. (POE Attached)</p> <p>Completed: Department of Public Service & Administration online Public Servant Verification facility used for verification of all identity numbers of persons with interest/ Directors (CSD) in the entity as part of the award process.</p>
<p>2. COF 4: Consequence management: Instances of irregular expenditure not investigated_ ISS. 48</p> <p>During the audit review that was conducted for prior year irregular expenditure (Consequences Management), it was noted that 22 instances of irregular expenditure were not investigated to determine if disciplinary steps needs to be taken against liable officials</p> <p>3. COF 4: Consequence management: Allegations against officials not investigated_ ISS. 49</p> <p>A total of 7 allegations were reported to management, however management failed to investigate the following 4 instances:</p>	2018/2019	<p>Investigations against officials in relation to ICT transformation project irregular expenditure are currently underway.</p> <p>Information on progress registered to date will be availed upon request through relevant protocol due to Information Security processes.</p>
<p>1. COF 5: Contingent liability - Accuracy, valuation and allocation - Khanyisa Mogale Inc_ ISS.54. The liability was understated</p> <p>2. COF 5: Contingent liabilities: Limitation_ ISS.62</p> <p>The supporting documents requested in RFI for the below items were not availed on the due date. Management only submitted the confirmations with regards to the items below however the supporting documents such as the court summons, legal correspondents etc. we're not provided for audit.</p>	2018/2019	<p>1. The misstatements has been adjusted in the IFS, PoE is attached.</p> <p>2. The office is implementing Peer Review before the Financial can be submitted, PoE attached</p>
3. COF 16: Transfers to NWDC_ information not submitted_ ISS. 127	2018/2019	The filling system has been improved and will eradicate all challenges of missing vouchers. RO can come and verify at any

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
<p>7. COF 5: Internal Audit: Nature and Scope of internal audit function not adhered to_ISS. 58</p> <p>Through inspecting Internal Audit's Operational Plan for the 2017/18 financial year, it was noted that 'safeguarding of assets' was not specifically included in the plan for the year. This was further confirmed through inspecting all Internal Audit reports (all reports made available to the team) and no report could be identified which specifically dealt with the safeguarding of assets.</p> <p>Through inspecting Internal Audit's Operational Plan for the 2018/19 financial year, it was noted that there was no plan to include an audit of transfers to YES and NWDC to be performed. Also through inspection of actual IA reports for the year no work was performed as no report was submitted on transfers specifically.</p> <p>Through inspecting Internal Audit's Operational Plan for the 2018/19 financial year, it was noted that monthly/Quarterly reporting was included in the plan for the year. But through inspection of all Internal Audit reports submitted to us no report could be identified which specifically dealt with Quarterly performance reports</p>	2018/2019	<p>given time.</p> <p>Internal Audit is engaged on continuous basis.</p>
<p>COF 6: Accruals and payables not recognised: Understatement_ISS. 60</p> <p>From our sample we identified the below accruals and payables, which was not recognised in the AFS at year end</p>	2018/2019	The office developed a register to include all transactions where commitment letters were issued during instances where an order could not be generated.
<p>1. COF 11: AOPO: Usefulness (Not measurable: indicator not well-defined/target not specific)_ISS. 73</p> <p>2. COF 11: AOPO: Usefulness (Not measurable: target not specific)_ISS. 76</p> <p>3. COF 11: AOPO: Usefulness (Not measurable: target not specific)_ISS. 91</p> <p>4. COF 11: AOPO: Usefulness (Not measurable: target not specific)_ISS. 92</p> <p>Audit Finding</p> <p>5. COF 11: AOPO: Usefulness (Not measurable: target not specific/target not</p>	2018/2019	Indicators removed from the 2020/2021 APP plan.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
measurable)_ISS. 74 6. COF 11: AOPO: Usefulness: indicators not relevant_ISS. 107		
1. COF 12: AOPO_Limitation of scope [RFI 62 of 2019)_ISS. 108 Limitation over the POE for the indicator: 5.2 Percentage reduction of provincial spend on litigation monitored as at the beginning of the financial year	2018/2019	Indicator removed in the 2019/2020 financial year.
1. COF 13: AOPO: Reliability_ISS. 117 Reliability of the reported achievements 2.COF 9: AOPO Programme 2 Limitation - Difference in reported achievements in APR and AOPO Register_ISS.96	2018/2019	1. Validation certificates and reports submitted to Directorate: Strategic Management (POE attached)
Lack of a formally appointed Information Security Officer	2018/2019	1) Shortlistings were held in September 2020. However no suitable candidate was found. 2) HR to advice on the way forward
Lack of a formal process to monitor Return on Investment (ROI) and Benefits Realisation (BR) on IT spend	2018/2019	
Lack of progress in implementing the IT projects outlined in the IT Strategy	2018/2019	(a) Develop a five-year (5) IT Roadmap that will be aligned to the IT plans of the respective provincial departments. (b) The budget was reprioritized for the procurement and the projects to be undertaken.
Inadequate review and approval of the Information Security Policy	2018/2019	1) Security policy is updated and it is with the ICT Steering Committee for endorsement. Thereafter the Administrator will approve.
Inadequate anti-virus management process (Repeat Finding)	2018/2019	1) Procurement process is with SITA
Inadequate Patch management processes implemented (Repeat Finding)	2018/2019	Work in progress.
Inadequate Resource Access Control Facility (RACF) Security Procedure and Standards	2018/2019	Policy approved.
Lack of adequate process for the review of activities of user IDs with privileged access (Repeat Finding)	2018/2019	1) The appointment of the ISO will mitigate this finding. 2) Reports will be produced by the ISO for review.
Inadequate mainframe configuration settings (Repeat Finding)	2018/2019	1) The RACF draft policy is completed. 2) Policy submitted to secretariat of ICT Steering Comm. for endorsement and then to the Administrator for approval.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
		3) The acquisition of the mainframe will have the latest version and will be supported.
Inappropriate use of started tasks on the data security monitor (Repeat Finding)	2018/2019	1) The 'started tasks' will be in line with IBM standards once the Mainframe is procured. 2) This is one of the deliverables IBM is tasked with in the commissioning of the Mainframe.
Inadequate design and implementation of server-room physical and environmental controls	2018/2019	Physical access policy in place.
Inadequately designed backup restore testing process.	2018/2019	Back up tapes consistently verified and restoration tapes results are provided as POE.
Inadequate implementation of user access modification process on BAS	2018/2019	Policy is adhered to and the amendment forms are properly completed before granting Users functions or amending their profiles
Inadequate implementation of user access modification process on PERSAL	2018/2019	Policy is adhered to and the amendment forms are properly completed before granting Users functions or amending their profiles
ISS.48-COF12-ISS.48-Investigations in respect of Irregular expenditure, fruitless and wasteful expenditure not conducted	2019/2020	Identification of potential transactions to be investigated, determination of loss to be performed internally and by other relevant stakeholders and implementation of recommendations in line with PFMA and Labour Relations Act
ISS.64-COF14-ISS.64-Compliance: Effective and appropriate steps were not taken to prevent irregular& fruitless and wasteful expenditure		Identification of ICT , office accommodation rental and Telkom transactions and prioritise them for investigation Quantification of all cases identified for disciplinary action and subject them further for loss determination Subject all losses determined to relevant authorities in accordance to its gravity and the framework
COF12-ISS.72-SCM: Non-compliance on the procurement of IT institution specific contracts	2019/2020	Review SITA procurement process Establish operational committee to monitor compliance and procurement plan performance

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
ISS.13-COF7-ISS.13-Awards to persons in the service of the state	2019/2020	<p>Obtain all previous cases and follow them up for enforcement of the regulation</p> <p>Obtain list of all creditors payment and assess them for compliance with the relevant regulation through AGSA system</p> <p>Implement consequence management for all emerging or recurring cases</p>
COF2 Audit committee: Internal control deficiency - No combined assurance plan	2019/2020	Finalise combined assurance plan for approval by the Administrator
COF Internal audit committee: Internal control deficiency- Internal audit function not fully compliant	2019/2020	Prioritise the review of Post Audit Action Plans.
COF1-ISS.21-Internal Control Deficiency - Change in key management personnel	2019/2020	Assess a risk relating to key personnel management changes at either strategic or operational risk register level
COF 3: ISS.23 - Difference between the Annual Financial Statement and Schedule of Employee benefits	2019/2020	<ol style="list-style-type: none"> 1. Conduct a proper review of the financial statements through use of the National Treasury specimen policies and specimen financial statements provided by Provincial Treasury also contained on the National Treasury website. 2. Conduct at least be 2 levels of oversight review on every accounting line item to ensure accuracy of disclosure requirements.
COF11-ISS.54 - Interest paid reconciliation	2019/2020	Implement 2 levels of oversight rolled in monitoring SARS or any other major creditors accounts and log queries immediately for resolution
COF15: ISS.59-Movable assets: Limitation RFI 36	2019/2020	<ol style="list-style-type: none"> 1. Conduct annual verification and update the asset register accordingly: The verification will further indicate the following: <ol style="list-style-type: none"> a. The assets on the floor and unbarcoded-replacement barcodes will be generated to replace the lost barcodes b. Assets on the floor but not on the asset register. The assets will be fair valued and included on the asset register c. Assets that are on the register but do not exist. Investigations will be conducted

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
		which will reveal assets that should be written off
COF15: ISS.61-Movable assets: Completeness	2019/2020	<p>1. Conduct annual verification which will indicate the following:</p> <p>a. The assets on the floor and unbarcoded-replacement barcodes will be generated to replace the lost barcodes</p> <p>b. Assets on the floor but not on the asset register. The assets will be fair valued and included on the asset register</p> <p>c. Assets that are on the register but do not exist. Investigations will be conducted which will reveal assets that should be written off</p> <p>2. Make awareness on asset management processes</p>
COF15 - ISS.40 Invoices not paid within 30 days	2019/2020	Establishment of invoice register
ISS.41-COF9-ISS.41 - Classification and Occurrence of SITA management fee	2019/2020	Request SITA to correct invoices or furnish the Office with correspondence to confirm whether a management fee is charged.
COF14-ISS.70-S&T: Misstatements on kilometres travelled	2019/2020	<p>1. Management will investigate this matter further</p> <p>2. Strengthen the internal control system</p>
COF9-ISS.44 - Receivables - Limitation of scope (RFI 37)	2019/2020	Follow up with DOJ to confirm or eliminate the debt.
COF16 -ISS.34- Follow up on matters in the prior year management and audit report	2019/2020	Develop action list to ensure that all prior year matters are addressed
<p>1. COF14-ISS.63-Irregular expenditure amount not accurate (delegation of authority), & Adjusted -</p> <p>2. COF14-ISS.64-Compliance: Effective and appropriate steps were not taken to prevent irregular& fruitless and wasteful expenditure</p>	2019/2020	<p>1. Conduct 100 % pre and post testing of vouchers for verification to ensure that a delegated official approves the payment and all relevant supporting documents are attached (SBD forms, CSD reports etc.)</p> <p>2. Prepare compliance checklist to ensure that 3 quotations have been obtained before placing an order, in cases of deviation attach an approved motivation and regularly update the irregular expenditure register.</p>
<p>1. COF1-ISS.09-Asset location not updated after being moved and also not included in the asset register</p> <p>2. COF1-ISS.19-Internal control deficiency -</p>	2019/2020	<p>1. Conduct annual verification which will indicate the following:</p> <p>a. The assets on the floor and unbarcoded-replacement barcodes will be generated to</p>

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Asset verification not performed.		<p>replace the lost barcodes</p> <p>b. Assets on the floor but not on the asset register. The assets will be fair valued and included on the asset register</p> <p>c. Assets that are on the register but do not exist. Investigations will be conducted which will reveal assets that should be written off</p> <p>2. Make awareness on asset management processes</p>
<p>COF2-ISS.22_AOPO - Difference between AOPO Register & APR</p> <p>COF4-ISS.25-AOPO - Reliability (Accuracy findings)</p> <p>COF5-ISS.26 - AOPO - Usefulness (Measurability Findings)</p> <p>ISS.6-COF4.ISS.6 - AOPO - Reliability (Completeness Findings)41.</p> <p>COF4-ISS.27-AOPO - Usefulness (Consistency Findings)</p>	2019/2020	<p>1. All program managers should prepare a detailed report of all reported achievements and compile a POE file verification by M&E unit.</p> <p>2. Actual achievements should be reconciled to planned targets and differences resolved immediately before the next reporting period.</p>
COF1-ISS.14-Internal control deficiency - Quarterly reports submitted to Legislature not within required timeframe	2019/2020	Office will ensure timely submission and compliance with Legislature delivery schedule
<p>1. COF13-ISS.53-Immovable assets - Accuracy, valuation and allocation, classification</p> <p>2. COF13-ISS.50-Immovable assets: Existence</p>	2019/2020	<p>1. Review of financial statements will be improved to ensure transactions are classified correctly. Furthermore the project is discontinued and the Office will explore in terms of MCS the correct treatment thereof</p> <p>2. Investigate the drawing to determine whether it is a design or not. Contact the Service provider on the issues raised over the design</p>
COF4-ISS.24 - AOPO - Internal control deficiencies	2019/2020	Actions to be taken
ISS.69-COF12-ISS.69-SCM: Contract Management-Renewal of contract	2019/2020	Establish operational committee to monitor compliance and procurement plan performance
Lack of a formally appointed Information Security Officer	2019/2020	1. An official in the interim will be appointed formally with the delegated roles and responsibilities.
Lack of a formal process to monitor Return on	2019/2020	1. Review the Project Portfolio

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Investment (ROI) and Benefits Realisation (BR) on IT spending		<p>Management Framework to introduce processes / procedures to determine Benefit Realization of the IT portfolio.</p> <p>2. Quarterly reports on Supplier performance engagements.</p> <p>3. Enable ICT to commence with the process of adequately and consistently measuring and tracking or monitoring benefits derived from ICT investments.</p>
Lack of Information Technology service performance monitoring for State Information Technology Agency	2019/2020	<p>1. In the SLA meetings the service performance reports are being discussed and,</p> <p>2. Monthly SLA meetings with SITA are being convened.</p>
Lack of facilitated training and adequate staffing for the Information Communication Technology directorate	2019/2020	<p>The Acting Chief Director, GITO and Human Resources Director should ensure that the identified vacant positions are advertised and filled in order to enable ICT to provide adequate and full support in the province.</p> <p>2. The Acting Chief Director, GITO and Human Resources Director should ensure that the identified training needs of the officials are met.</p>
Lack of evidence for the Micro Focus Software assessment	2019/2020	<p>1. Prior to any procurement submission the license assessment must be attached.</p> <p>2. The manager to retain the records.</p>
Inadequate Resource Access Control Facility Security Procedure and Standards Audit finding	2019/2020	The draft RACF policy, with the recommended changes, will be submitted for approval
Inadequate Configuration of the Resource Access Control Facility Group Tree Structure	2019/2020	With the acquisition of the new Mainframe, the RACF procedures and security standards will be in line with IBM standards and will incorporate good practices.
Lack of adequate process for the review of activities of user ID's with privilege access	2019/2020	With the acquisition of the new Mainframe, the RACF procedures and security standards will be in line with IBM standards and will incorporate good practices.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Inadequate mainframe configuration settings	2019/2020	With the acquisition of the new Mainframe, the RACF procedures and security standards will be in line with IBM standards and will incorporate good practices.
Inappropriate use of started tasks on the data security monitor	2019/2020	With the acquisition of the new Mainframe, the RACF procedures and security standards will be in line with IBM standards and will incorporate good practices.
Lack of adequate management of users' access on RACF (segregation of duties)	2019/2020	With the acquisition of the new Mainframe, the RACF procedures and security standards will be in line with IBM standards and will incorporate good practices.
Lack of review of exception/violation reports	2019/2020	<ol style="list-style-type: none"> 1. With the acquisition of the new Mainframe, the RACF procedures and security standards will be in line with IBM standards and will incorporate good practices. 2. And the appointment of the Information Security Officer is in process.
Inadequate review and approval of the Information Communication Technology Security Policy	2019/2020	<ol style="list-style-type: none"> 1. The policy to incorporate the AG's recommendations and, 2. Obtain approval from the Administer.
Inadequate anti-virus management process	2019/2020	Procurement / renewal of the licenses is currently with the SITA procurement process
Inadequate Patch management processes implemented	2019/2020	Microsoft - System Centre Configuration Manager (SCCM) to be implemented once Active Directory is completed to auto deploy patches on the desktops.
Lack of a process to manage centralised user authentication on the Network	2019/2020	Currently the Office of the Premier is implementing Active Directory in the Provincial Departments.
Inadequate design and implementation of the firewall management processes	2019/2020	Firewall Licenses installed
Insecure configurations on internal networked systems	2019/2020	<ol style="list-style-type: none"> 1. Upgrade server systems 2. User desktops will be upgraded by the desktop engineers. 3. Actions as recommended and or other actions will be taken to address the finding/s

9. INTERNAL CONTROL UNIT

The office is in the process of establishing Internal Control Unit

10. INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of the internal audit

Key activities:

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Key objectives:

Provide a value add risk based internal audit service to the department.

Summary of audit work done

For the financial year under review 13 assurance reports were issued to the Department. Work performed was based on a risk based internal audit plan and included audits of: risk management; supply chain management (Covid-19 procurement); financial statements; reporting on pre-determined objectives; IT governance; and audit action plans etc. Based on the internal audit work performed recommendations have been made to the Department for the enhancement and improvement of the effectiveness of internal control, risk management and governance processes.

Key activities and objectives of the audit committee;

Key activities:

The audit committee, amongst others, reviews the following:

- (a) The effectiveness of the internal control systems;
- (b) The effectiveness of the internal audit function;
- (c) The risk areas of the institution's operations to be covered in the scope of internal and external audits;
- (d) The adequacy, reliability and accuracy of the financial information provided to management and other users of such information;
- (e) Any accounting and auditing concerns identified as a result of internal and external audits;
- (f) The institution's compliance with legal and regulatory provisions;
- (g) The activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations

Key objectives:

To contribute to the oversight function of the design and implementation of effective corporate governance, financial and performance management, risk management and internal controls with a view of achieving quality service delivery.

Attendance of audit committee meetings by audit committee members;

The table below discloses relevant information on the audit committee members:

Name	Qualifications	Internal or external	Role	Date appointed	Date resigned	No meetings attended
Central Audit Committee						
Mr L.Z Fihlani	CA(SA)	External	Chairperson	1 August 2018		4
Ms P. Mzizi	CA(SA)	External	Member	1 August 2018		5
Mr P. Tjie	B.Com, PMD	External	Member	1 August 2018		5
Ms. J. Masite	B.Com, CIA	External	Member	1 August 2018		5
Cluster Audit Committee						
Mr. P. Tjie	B.Com, PMD	External	Chairperson	1 August 2018		6
Mr. L. Ally	CA(SA)	External	Member	1 August 2018		6
Ms. H. Moller	Dip. Business Management	External	Member	1 August 2018		6
Ms. N. Mtebele	B.Com, Higher Diploma in Taxation	External	Member	1 August 2018		6

11. AUDIT COMMITTEE REPORT

1. Legislative requirements

The Audit Committee herewith presents its report for the financial year ended 31 March 2021, as required by Treasury Regulations, paragraph 3.1.13 read with section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended by Act No. 29 of 1999).

2. Audit Committee Members and Attendance

The Audit Committee should meet at least four times per annum as the Central Audit Committee and also four times per annum as the Cluster Audit Committee as per its approved terms of reference. During the current year four scheduled meetings and one special meeting were held by the Central Audit Committee and six meetings were held by the Cluster Audit Committee.

3. Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1) (a) (ii) of the Public Finance Management Act, 1999 and Treasury Regulations 3.1.

The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

4. Section 100

The Department is currently under section 100(1)(b) of the constitution. In this case the national executive has taken full responsibility of managing the Office of the Premier. The Administrator serves as the Accounting Officer appointed in terms of section 36(3) of the Public Finance Management Act no. 1 of 1999.

5. The effectiveness of internal control

In line with the Public Finance Management Act, 1999, internal audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by evaluating internal controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement. The accounting officer retains responsibility for implementing such recommendations as per Treasury Regulations 3.1.12.

From the various reports of the Internal Auditors it was noted that matters were reported indicating deficiencies in the system of internal controls in areas pertaining to financial reporting, reporting on pre-determined objectives and compliance with laws and regulations

Through our analysis of audit reports and engagement with the Department we can report that the system of internal control for the period under review was not adequate and effective.

A matter of concern for the Audit Committee that has been raised with the department continuously is that the department is currently not implementing all internal and external audit action plans agreed upon. Based on our interaction with the department we conclude that the action plan management system has not been implemented adequately and effectively to address internal and external audit findings and the Audit Committee and Internal Audit have recommended specific improvements in this regard.

The Audit Committee remains concerned with the slow progress in the finalisation of irregular and fruitless and wasteful expenditure. The current status of the implementation of the guideline(s) and instruction(s) as issued by National Treasury to resolve irregular and fruitless wasteful expenditure is inadequate.

6. Risk management

The Risk Management Committee has been appointed and is chaired by an independent chairperson and advises the accounting officer.

The Audit Committee is concerned with the capacity of the risk management function which will impact service delivery negatively if the situation is not addressed.

Based on the quarterly audit committee reviews, the departmental fraud and risk management system is not adequate and effective.

The Audit Committee remains concerned that not all ICT risks are being addressed or mitigated.

7. In-Year Management and Quarterly Reporting

The Provincial Treasury has confirmed that the department has reported to the Treasury as is required by the Public Finance Management Act, 1999. The quality of the in-year financial

and performance reporting including interim financial statements are however a concern to the Audit Committee. This is evidenced by the number of internal audit findings raised per quarter on the interim financial statements.

The Audit Committee has engaged with management to remedy shortcomings, especially relating to reports on performance against predetermined objectives.

The Audit Committee has recommended that the department prepare interim financial statements that comply with the financial reporting framework (Modified Cash Standard (MCS)). This will assist in performing reconciliations timeously and in eliminating year-end adjustments.

8. Evaluation of Financial Statements

The Audit Committee has reviewed the draft annual financial statements prepared by the department and has advised the accounting officer to ensure that all the review notes and comments of Internal Audit, the Accountant General and the Audit Committee are fully addressed prior to submission of the annual financial statements to the Auditor General South Africa.

9. Evaluation of Annual Report

The Audit Committee has reviewed the draft annual report prepared by the department and has advised the accounting officer to ensure that all the review notes and comments of the Internal Audit and Audit Committee are fully addressed prior to submission of the annual report to the Auditor General South Africa.

The Audit Committee has discussed the external audit outcomes on the reporting on pre-determined objectives to be included in the annual report with the Auditor General South Africa and the accounting officer.

10. Compliance with laws and regulations

The Audit Committee is concerned with the status of compliance with laws and regulations. If the department does not implement an adequate and effective compliance framework and system, non-compliance and irregular expenditure will continue to occur.

11. Internal Audit

The accounting officer is obliged, in terms of the Public Finance Management Act, 1999, to ensure that the entity has a system of internal audit under the control and direction of the Audit Committee. The Audit Committee is satisfied that the internal audit function has properly discharged its functions and responsibilities during the year under review.

The Audit Committee also notes that the deficiencies in the risk management system mentioned above impact on the implementation of the risk based audit approach.

The Audit Committee is satisfied that the internal audit function maintains an effective internal quality assurance programme that covers all aspects of the internal audit activity and that as determined during the external quality assessment review, that a “generally conforms” rating can be applied to the internal audit work and the term “Conforms with the International Standards for the Professional Practice of Internal Auditing” may be used by the function.

12. Auditor General South Africa

We have reviewed the department’s implementation plan for audit issues raised in the previous year and based on the interaction with the department and the internal audit reports, the committee is not satisfied that all matters have been adequately addressed. To effectively address and prevent repeat audit outcomes must be a high priority for the department in the 2021/22 financial year.

The Audit Committee is not aware of any unresolved issues with respect to the current audit. The Audit Committee concurs with the Auditor General South Africa's opinion on the annual financial statements.

13. Covid-19

The Covid-19 pandemic continued to adversely affect the work of the Office as some employees worked from home and took turns to come to work to allow for the appropriate social distancing as required by law. However, the relaxation of the lockdown regulations during the latter part of the financial year has had a positive impact on the work of the Office contributing to the timeous finalisation and submission of Annual Financial Statements.

14. General

Signed on behalf of the Cluster Audit Committee by:

P. Tjia

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Chairperson: Governance Cluster Audit Committee

06 September 2021

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Date

12. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBEE requirements of the BBEE Act of 2013 and as determined by the Department of Trade and Industry.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion <i>(include a discussion on your response and indicate what measures have been taken to comply)</i>
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	The criteria does not apply to Office of the Premier as our mandate is to support the Premier in the execution of his constitutional responsibilities. The Premier performs executive, legislative and ceremonial functions and responsibilities as stipulated in Chapter 6 of the Constitution. Section 125(2) of the Constitution determines that the Premier exercises the executive authority over the province together with the other members of the Executive Council
Developing and implementing a preferential procurement policy?	Yes	The Office incorporated preferential procurement as part of the comparative schedule award sheet and utilises Preferential Procurement Regulation 2017.
Determining qualification criteria for the sale of state-owned enterprises?	N/A	The criteria does not apply to Office of the Premier.
Developing criteria for entering into partnerships with the private sector?	N/A	The Office does not have any current partnership with the private sector.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	The criteria does not apply to Office of the Premier as our mandate is to support the Premier in the execution of his constitutional responsibilities. The Premier performs executive, legislative and ceremonial functions and responsibilities as stipulated in Chapter 6 of the Constitution. Section 125(2) of the Constitution determines that the Premier exercises the executive authority over the province together with the other members of the Executive Council.

Part D:

*Human Resource
Management*

1. INTRODUCTION

The information contained in this part of the annual report has been prescribed by the Minister for the Public Service and Administration for all departments in the public service.

2. OVERVIEW OF HUMAN RESOURCES

The Office of the Premier has an approved organizational structure with a total of eight hundred and twenty one (821) positions. Notwithstanding this, the Office has transferred the Community Development Worker Programme function with the total of three hundred and nineteen (319) positions to the Department of Cooperative Governance and Traditional Affairs. Therefore, in total as at 31st March 2020, the Office had a total of staff compliment of five hundred and thirty three (533) positions. Of these positions seven hundred and ten (410) were filled whilst one hundred and twenty three (123) were vacant as at the 31st March 2021. These vacancies could not be filled as the recruitment process is at its slowest pace since the Office is placed under administration and the advent of Covid-19 has also exacerbated the situation. As at the 31st March 2021, the Office is under represented at -23.58% of females at senior management whilst the vacancy stood at 22.65%. The representation of persons with disability stood at 3.57% as at the 31st March 2021.

With regard to performance management 88% of senior managers signed their performance agreement as compared to the 75% in the previous financial year. There were training interventions implemented due to the training budget having been reprioritised towards Covid-19 in the 2020/21 financial year whilst six (6) cases of misconduct were subjected to disciplinary proceedings and three (3) grievances were lodged and resolved. The Office has a functional Occupational Health and safety Committee in place however the Department of Public Works and Roads remains unresponsive to action the occupational health and safety inspection findings relating to the maintenance issues of Garona Building such as poor ventilation and non-functional air-conditioning system. The Office has recorded a total of forty (40) confirmed Covid-19 cases as at the 31st March 2021.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 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 3.1.1 Personnel costs by programme, 20200401-20210331

Programme	No. of Employees as at 31 March 2021	Personnel Expenditure (from BAS)	% of Total Personnel Cost	Average Personnel Cost per Employee (R)
03000001 PREMIER:PROGRAMME 1:ADMINISTRATION	150	R 76 759 202,79	31	R 511 728,00
03000002 PREMIER:PROGRAMME 2:INSTITUTIONAL DEVELOPMENT	161	R 99 950 170,43	40	R 620 809,00
03000003 PREMIER:PROGRAMME 3:POLICY AND GOVERNANCE	112	R 70 832 908,89	29	R 632 437,00
Grand Total	423	R 247 542 282,11	100	R 585 206,00

Table 3.1.2 Personnel costs by salary bands, 20200401-20210331

SALARY BANDS	No. of Employees as at 31 March 2021	Personnel Expenditure (Cost of Employees)	% of Total Personnel Cost	Average Personnel Cost per Employee (R)
Lower skilled (Levels 1-2)	25	R4 728 217,43	2	R 189 129,00
Skilled (Levels 3-5)	118	R31 242 700,35	13	R 264 769,00
Highly skilled production (Levels 6-8)	89	R42 641 594,40	17	R 479 119,00
Highly skilled supervision (Levels 9-12)	129	R99 989 024,91	40	R 775 109,00
Senior and Top Management (Level 13-16)	41	R54 475 453,55	22	R 1 328 670,00
Contract (Levels 1-2)	1	R140 576,52	0	R 140 577,00
Contract (Levels 3-5)	2	R425 338,20	0	R 212 669,00
Contract (Levels 6-8)	6	R1 909 436,90	1	R 318 239,00
Contract (Levels 9-12)	5	R3 009 210,26	1	R 601 842,00
Contract (Levels 13-16)	7	R8 980 729,59	4	R 1 282 961,00
Periodical Remuneration			0	R 0,00
Abnormal Appointment			0	R 0,00
Grand Total	423	R 247 542 282,11	100	R 585 206,00

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme, 20200401-20210331

PROGRAMME	Salaries		Overtime		Home Owners Allowance		Medical Assistance		Personnel Expenditure (Cost of Employees)
	SALARIES VIA PERSAL	Salaries as % of Personnel Cost	OVERTIME	Overtime as % of Personnel Cost	HOUSE OWNERS ALLOWANCE	HOA as % of Personnel Cost	MEDICAL FUNDS	Medical Ass. as % of Personnel Cost	
03000001 PREMIER:PROGRAMME 1:ADMINISTRATION	R 70 889 410,19	92	R 388 779,70	1	R 1 795 331,51	2	R 3 685 681,39	5	R 76 759 202,79
03000002 PREMIER:PROGRAMME 2:INSTITUTIONAL DEVELOPMENT	R 94 097 800,56	94	R 492 336,39	1	R 1 763 992,98	2	R 3 596 040,50	4	R 99 950 170,43
03000003 PREMIER:PROGRAMME 3:POLICY AND GOVERNANCE	R 66 129 671,41	93	R 168 829,85	0	R 1 400 413,92	2	R 3 133 993,71	4	R 70 832 908,89
Grand Total	R 231 116 882,16	93	R 1 049 945,94	0	R 4 959 738,41	2	R 10 415 715,60	4	R 247 542 282,11

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands, 20200401-20210331

SALARY BANDS	Salaries		Overtime		Home Owners Allowance		Medical Assistance		Personnel Expenditure (Cost of Employees)
	SALARIES VIA PERSAL	Salaries as % of Personnel Cost	OVERTIME	Overtime as % of Personnel Cost	HOUSE OWNERS ALLOWANCE	HOA as % of Personnel Cost	MEDICAL FUNDS	Medical Ass. as % of Personnel Cost	
Lower skilled (Levels 1-2)	R 2 707 317,59	57	R 10 800,87	0	R 432 544,23	9	R 984 989,25	21	R 4 728 217,43
Skilled (Levels 3-5)	R 20 975 569,79	67	R 223 437,67	1	R 1 844 738,08	6	R 3 224 486,00	10	R 31 242 700,35
Highly skilled production (Levels 6-8)	R 88 029 593,01	206	R 535 121,90	1	R 1 099 099,53	3	R 2 900 654,75	7	R 42 641 594,40
Highly skilled supervision (Levels 9-12)	R 72 990 904,23	73	R 280 585,50	0	R 1 376 400,57	1	R 2 746 277,00	3	R 99 989 024,91
Senior and Top Management (Level 13-16)	R 36 193 535,71	66		0	R 206 956,00	0	R 559 308,60	1	R 54 475 453,55
Contract (Levels 1-2)	R 102 534,00	73		0		0		0	R 140 576,52
Contract (Levels 3-5)	R 296 298,00	70		0		0		0	R 425 338,20
Contract (Levels 6-8)	R 1 461 013,58	77		0		0		0	R 1 909 436,90
Contract (Levels 9-12)	R 2 256 146,04	75		0		0		0	R 3 009 210,26
Contract (Levels 13-16)	R 6 103 970,21	68		0		0		0	R 8 980 729,59
Periodical Remuneration		0		0		0		0	
Abnormal Appointment		0		0		0		0	
Grand Total	R 231 116 882,16	93	R 1 049 945,94	0	R 4 959 738,41	2	R 10 415 715,60	4	R 247 542 282,11

3.2 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies. The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations

Table 3.2.1 Employment and vacancies by programme as on 31 March 2021

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
1:ADMINISTRATION	178	139	22	9
2:INSTITUTIONAL DEVELOPMENT	217	159	27	1
3:POLICY AND GOVERNANCE	138	111	20	0
Total	533	409	23	10

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2021

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)	43	35	19	1
Skilled (3-5)	136	124	9	3
Highly skilled production (6-8)	115	77	33	0
Highly skilled supervision (9-12)	182	129	29	5
Senior management (13-16)	57	44	23	1
Total	533	409	23	10

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2021

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related	153	104	32	5
Advocates	4	2	50	0
Cleaners in offices workshops hospitals etc.	45	37	18	0
Computer programmers.	3	1	67	0
Computer system designers and analysts.	1	1	0	0
Financial and related professionals	4	2	50	0
Financial clerks and credit controllers	7	6	14	0
Food services aids and waiters	0	0	0	1

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Head of department/chief executive officer	1	0	100	0
Household food and laundry services related	0	0	0	1
Human resources & organisational development & related prof	16	11	31	0
Information technology related	5	4	20	0
Language practitioners interpreters & other commun	7	2	71	0
Librarians and related professionals	1	1	0	0
Library mail and related clerks	7	5	29	0
Messengers porters and deliverers	14	11	21	0
Other administrative & related clerks and organisers	49	45	8	2
Other administrative policy and related officers	51	35	31	0
Other information technology personnel.	69	63	9	0
Other occupations	1	1	0	0
Professional nurse	1		100	0
Secretaries & other keyboard operating clerks	35	31	11	0
Security officers	4	4	0	0
Senior managers	55	43	22	1
Total	533	409	23	10

3.3 Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1 SMS post information as on 31 March 2021

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	2	1	50	1	50
Salary Level 16					
Salary Level 15	5	5	100	0	0
Salary Level 14	13	8	62	5	38,5
Salary Level 13	36	30	83	6	16,7
Total	57	45	78,9	12	21,1

Table 3.3.2 SMS post information as on 30 September 2020

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department					
Salary Level 16	2	1	50	1	50
Salary Level 15	5	5	100	0	0
Salary Level 14	13	9	69	4	30,8
Salary Level 13	36	32	89	4	11,1
Total	57	48	84,2	9	15,8

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2020 and 31 March 2021

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	0	0	0
Total	0	0	0

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2020 and 31 March 2021

Reasons for vacancies not advertised within six months
COVID-19 restrictions

Reasons for vacancies not filled within twelve months
COVID-19 restrictions

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2020 and 31 March 2021

Reasons for vacancies not advertised within six months
None

Reasons for vacancies not filled within six months
None

3.4 Job Evaluation

The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2020 and 31 March 2021

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	43	0	0	0	0	0	0
Skilled (Levels 3-5)	136	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	115	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	182	3	1.64%	1	0.54%	0	0
Senior Management Service Band A	37	0	0	0	0	0	0
Senior Management Service Band B	13	0	0	0	0	0	0
Senior Management Service Band C	5	0	0	0	0	0	0
Senior Management Service Band D	2	0	0	0	0	0	0
Total	533	3	1.64%	1	0.54%	0	0

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2020 and 31 March 2021

Gender	African	Asian	Coloured	White	Total
Female	1	0	0	0	1
Male	0	0	0	0	0
Total	1	0	0	0	1

Employees with a disability	
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The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2020 and 31 March 2021

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
N/A	0	N/A	N/A	N/A
Total number of employees whose salaries exceeded the level determined by job evaluation				
Percentage of total employed				

The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2020 and 31 March 2021

Gender	African	Asian	Coloured	White	Total
Female	N/A	0	N/A	N/A	N/A
Male	N/A	0	N/A	N/A	N/A
Total					

Employees with a disability					
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Total number of Employees whose salaries exceeded the grades determined by job evaluation	None
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3.5 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 3.5.1 Annual turnover rates by salary band for the period 1 April 2020 and 31 March 2021

Salary band	Number of employees at beginning of period-1 April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	25	0	0	0
Skilled (Levels 3-5)	118	2	3	3
Highly skilled production (Levels 6-8)	374	0	285	76
Highly skilled supervision (Levels 9-12)	141	1	13	9
Senior Management Service Bands A	31	0	3	10
Senior Management Service Bands B	9	0	2	22
Senior Management Service Bands C	3	0	0	0
Senior Management Service Bands D	1	0	0	0
Contracts	28	9	18	64
Total	730	12	324	44

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2021 and 31 March 2021

Critical occupation	Number of employees at beginning of period-April 20YY	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related	337	5	250	74
Advocates	3	0	1	33
Cleaners in offices workshops hospitals etc.	38	0	1	3
Communication and information related	5	0	0	0
Community development workers	26	0	26	100
Computer programmers.	2	0	0	0
Engineering sciences related	2	0	0	0
Finance and economics related	4	0	1	25
Financial and related professionals	3	0	0	0
Financial clerks and credit controllers	6	0	0	0
Food services aids and waiters	1	0	0	0
Household food and laundry services related	1	0	0	0
Human resources & organisat developm & relate prof	14	0	2	14
Human resources clerks	8	0	2	25
Human resources related	10	0	0	0
Information technology related	6	0	0	0
Language practitioners interpreters & other commun	2	0	1	50
Librarians and related professionals	1	0	0	0
Library mail and related clerks	5	1	0	0
Messengers porters and deliverers	11	0	2	18
Motor vehicle drivers	2	0	0	0
Other administrat & related clerks and organisers	65	2	14	22
Other administrative policy and related officers	42	1	15	36
Other information technology personnel.	56	0	1	2
Other occupations	1	0	0	0
Photographic lithographic and related workers	1	0	0	0
Secretaries & other keyboard operating clerks	31	1	1	3
Security officers	4	0	0	0
Senior managers	43	2	7	16
TOTAL	730	12	324	44

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

Table 3.5.3 Reasons why staff left the department for the period 1 April 2020 and 31 March 2021

Termination Type	Number	% of Total Resignations
Death	5	11
Resignation	15	32
Expiry of contract	16	34
Dismissal – operational changes	0	0
Dismissal – misconduct	1	2
Dismissal – inefficiency	0	0
Discharged due to ill-health	1	2
Retirement	9	19
Transfer to other Public Service Departments	2	1
Other (Inter departmental transfer (within NWPG))	275	85
Total	324	100
Total number of employees who left as a % of total employment		44

Table 3.5.4 Promotions by critical occupation for the period 1 April 2020 and 31 March 2021

Occupation	Employees 1 April 2020	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	337	1	0	74	22
Advocates	3	0	0	2	67
Cleaners in offices workshops hospitals etc.	38	0	0	25	66
Communication and information related	5	0	0	5	100
Community development workers	26	0	0		0
Computer programmers.	2	0	0	1	50
Engineering sciences related	2	0	0	2	100
Finance and economics related	4	0	0	3	75
Financial and related professionals	3	0	0	2	67
Financial clerks and credit controllers	6	0	0	5	83

Occupation	Employees 1 April 2020	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
Food services aids and waiters	1	0	0		0
Household food and laundry services related	1	0	0		0
Human resources & organisat developm & relate prof	14	0	0	9	64
Human resources clerks	8	0	0	7	88
Human resources related	10	0	0	7	70
Information technology related	6	0	0	2	33
Language practitioners interpreters & other commun	2	0	0		0
Librarians and related professionals	1	0	0	1	100
Library mail and related clerks	5	0	0	2	40
Messengers porters and deliverers	11	0	0	5	46
Motor vehicle drivers	2	0	0	1	50
Other administrat & related clerks and organisers	65	0	0	37	57
Other administrative policy and related officers	42	0	0	15	36
Other information technology personnel.	56	0	0	42	75
Other occupations	1	0	0		0
Photographic lithographic and related workers	1	0	0	1	100
Secretaries & other keyboard operating clerks	31	0	0	18	58
Security officers	4	0	0	4	100
Senior managers	43	1	2	17	40
TOTAL	730	2	0	287	39

Table 3.5.5 Promotions by salary band for the period 1 April 2020 and 31 March 2021

Salary Band	Employees 1 April 2020	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)	25	0	0	17	68
Skilled (Levels 3-5)	118	0	0	85	72
Highly skilled production (Levels 6-8)	374	0	0	67	18
Highly skilled supervision (Levels 9-12)	141	1	1	97	69
Senior Management (Level 13-16)	44	1	2	21	48
Contract	28	0	0	0	0
Total	730	2	0	287	39

Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2021

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	28	0	0	1	9	0	1	2	41
Professionals	58	1	1	4	36	1	0	1	102
Technicians and associate professionals	54	2	0	0	61	3	0	1	121
Clerks	40	0	0	0	59	3	1	0	103
Service and sales workers	2	0	0	0	3	0	0	0	5
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	1	0	0	0	0	0	0	0	1
Plant and machine operators and assemblers	2	0	0	0	0	0	0	0	2
Elementary occupations	11	0	1	0	36	0	0	0	48
Total	196	3	2	5	204	7	2	4	423
Employees with disabilities	10	0	0	1	5	0	0	0	16

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	6	0	0	0	0	0	0	0	6
Senior Management	24	1	0	3	11	0	1	2	42
Professionally qualified and experienced specialists and mid-management	51	1	1	1	29	1	0	1	85
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	67	1	0	1	71	3	0	1	144
Semi-skilled and discretionary decision making	43	0	1	0	72	3	1	0	120
Unskilled and defined decision making	5	0	0	0	21	0	0	0	26
Total	196	3	2	5	204	7	2	4	423
Employees with disabilities	10	0	0	1	5	0	0	0	16

Table 3.6.3 Recruitment for the period 1 April 2020 to 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	0	0	0	0	2
Senior Management	0	0	0	0	0	0	0	0	
Professionally qualified and experienced specialists and mid-management	1	0	0	0	3	0	0	0	4
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	3	0	0	0	4
Semi-skilled and discretionary decision making	2	0	0	0	0	0	0	0	2
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	6	0	0	0	6	0	0	0	12
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2020 to 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	1	0	0	0	1
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management					1				1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0
Employees with disabilities	0	0	0	0	2	0	0	0	2

Table 3.6.5 Terminations for the period 1 April 2020 to 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	0	0	0	0	2
Senior Management	1	0	0	1	2	0	0	0	4
Professionally qualified and experienced specialists and mid-management	4	0	0		7	0	0	0	11
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	11	0	0		16	0	0	0	27
Semi-skilled and discretionary decision making	2	0	0		1	0	0	0	3
Unskilled and defined decision making	0	0	0	0	0	0	0	0	
Total	20	0	0	1	26	0	0	0	47
Transfer of a person to another PERSAL bureau	1	0	0		1	0	0	0	2
Inter departmental transfer (within NWPG)	108	2	0		164	1	0	0	275
Total including transfers out of PERSAL	129	2	0	1	191	1	0	0	324
Employees with Disabilities	0	0	0	1	0	0	0	0	1

Table 3.6.6 Disciplinary action for the period 1 April 2020 to 31 March 2021

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary hearing	2				1				3
Progressive discipline	1								1
Under Investigation	2								2
									6

Table 3.6.7 Skills development for the period 1 April 2020 to 31 March 2021

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	28	0	0	1	9	0	1	2	41
Professionals	58	1	1	4	36	1	0	1	102
Technicians and associate professionals	54	2	0	0	61	3	0	1	121
Clerks	40	0	0	0	59	3	1	0	103
Service and sales workers	2	0	0	0	3	0	0	0	5
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	1	0	0	0	0	0	0	0	1
Plant and machine operators and assemblers	2	0	0	0	0	0	0	0	2
Elementary occupations	11	0	1	0	36	0	0	0	48
Total	196	3	2	5	204	7	2	4	423
Employees with disabilities	10	0	0	0	5	0	0	0	15

3.7 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 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2021

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	0	0	0%
Salary Level 16	0	0	0	0
Salary Level 15	5	5	3	60%
Salary Level 14	14	9	7	78%
Salary Level 13	38	31	25	81%
Total	58	45	35	78%

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2021

Reasons
Suspension
National Lock-down due to COVID-19

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2021

Reasons
Exclusion from Performance Rewards for the period under review

3.8 Performance Rewards

To encourage good performance, the office 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

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2020 to 31 March 2021

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost	Average cost per employee
African					
Male	37	196	19%	R 809 581.55	R 21 880.60
Female	67	204	33%	R 1 425 025.15	R 21 269.00
Asian					
Male	1	2	50%	R 4 721.63	R 4 721.60
Female	0	2	0%	R 0.00	R 0.00
Coloured					
Male	1	3	33%	R 63 059.40	R 63 059.40
Female	1	7	14%	R 90 418.96	R 90 419.00
White					
Male	1	5	20%	R 17 466.54	R 17 466.50
Female	1	4	50% (25%)	R 17 994.50	R 17 994.50
Total	109	423	26	R 2, 428, 267.73	R 22 277.70

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2020 to 31 March 2021

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost	Average cost per employee	
Lower Skilled (Levels 1-2)	Lower Skilled (Levels 1-2)	12	25	48%	R 72,167.55	R 6,014.00
Skilled (level 3-5)	Skilled (level 3-5)	28	118	24%	R 358,812.57	R 12,814.70
Highly skilled production (level 6-8)	Highly skilled production (level 6-8)	38	89	43%	R 675,512.31	R 17,776.60
Highly skilled supervision (level 9-12)	Highly skilled supervision (level 9-12)	28	129	22%	R 1,146,294.80	R 40,939.10
Total	Total	106	361	28%	R 2,252, 787.23	R 21,252.70

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2020 to 31 March 2021

	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost	Average cost per employee
ADMINISTRATIVE RELATED	38	93	41%	R 1,184,476.85	R 31,170.40
ADVOCATES	0	3	0%	0	R 0.00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	18	37	49%	R 117,805.45	R 6,544.70
COMMUNICATION AND INFORMATION RELATED	0	5	0%	0	R 0.00
COMPUTER PROGRAMMERS.	0	2	0%	0	R 0.00
ENGINEERING SCIENCES RELATED	2	2	100%	R 39,239.26	R 19,619.60
FINANCE AND ECONOMICS RELATED	2	4	50%	R 111,926.08	R 55,963.00
FINANCIAL AND RELATED PROFESSIONALS	3	2	150%	R 64,241.92	R 21,414.00
FINANCIAL CLERKS AND CREDIT CONTROLLERS	5	6	83%	R 100,261.15	R 20,052.20
FOOD SERVICES AIDS AND WAITERS	0	1	0	0	R 0.00
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	0	1	0	0	R 0.00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	1	12	8%	R 26,226.95	R 26,227.00
HUMAN RESOURCES CLERKS	3	6	50%	R 76,102.78	R 25,367.60
HUMAN RESOURCES RELATED	2	9	22%	R 36,449.80	R 18,224.90
INFORMATION TECHNOLOGY RELATED	0	6	0%	0	R 0.00
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	0	1	0%	0	R 0.00
LIBRARIANS AND RELATED PROFESSIONALS	0	1	0%	0	R 0.00

	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost	Average cost per employee
LIBRARY MAIL AND RELATED CLERKS	1	6	17%	R 14,815.00	R 14,815.00
MESSENGERS PORTERS AND DELIVERERS	3	10	30%	R 32,344.19	R 10,781.40
MOTOR VEHICLE DRIVERS	1	2	50%	R 13,103.80	R 13,103.80
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	8	53	15%	R 128,876.46	R 16,109.60
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	8	28	29%	R 180,555.47	R 22,569.40
OTHER INFORMATION TECHNOLOGY PERSONNEL.	7	55	13%	R 165,970.53	R 23,710.10
OTHER OCCUPATIONS	0	1	0%	0	R 0.00
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS	0	1	0%	0	R 0.00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	6	32	19%	R 76,317.24	R 12,719.50
SECURITY OFFICERS	0	4	0%	0	R 0.00
SENIOR MANAGERS	1	40	3%	R 59,554.80	R 59,554.80
Total	109	423	26%	R 2,428,267.73	R 22,277.70

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2020 to 31 March 2021

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	3	30	10%	R 175,480.50	R 58,493.50	0
Band B	0	7	0%	0	R 0.00	0
Band C	0	3	0%	0	R 0.00	0
Band D	0	1	0%	0	R 0.00	0
Total	3	41	6 (7.3%)	R 175,480.50	R 58,493.50	0

3.9 Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2020 and 31 March 2021

Salary band	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	1	100	1	100	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
Total	1	100	1	100	0	0

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2020 and 31 March 2021

Major occupation	01 April 20YY		31 March 20ZZ		Change	
	Number	% of total	Number	% of total	Number	% Change
Messengers porters and deliverers	1	100	1	100	0	0
Grand Total	1	100	1	100	0	0

3.10 Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2020 to 31 December 2020

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)	118	79	18	8	7	R 65 895,25
Skilled (levels 3-5)	403	83	68	29	6	R 370 667,40
Highly skilled production (levels 6-8)	378	84	69	30	5	R 538 303,42
Highly skilled supervision (levels 9 -12)	333	84	57	25	6	R 927 255,94
Top and Senior management (levels 13-16)	154	91	19	8	8	R 716 921,43
Total	1386	84	231	100	6	R 2 619 043,44

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2020 to 31 December 2020

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
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	9	100	2	20	5	R 8 590,32
Highly skilled production (Levels 6-8)	96	100	4	40	24	R 170 187,78
Highly skilled supervision (Levels 9-12)	32	100	3	30	11	R 72 185,44
Senior management (Levels 13-16)	22	100	1	10	22	R 105 579,32
Total	159	100	10	100	16	R 356 542,86

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

Table 3.10.3 Annual Leave for the period 1 January 2020 to 31 December 2020

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	494	25	20
Skilled Levels 3-5)	1994	117	17
Highly skilled production (Levels 6-8)	6208	364	17
Highly skilled supervision (Levels 9-12)	2522	139	18
Senior management (Levels 13-16)	733	41	18
Total	11951	686	17

Table 3.10.4 Capped leave for the period 1 January 2020 to 31 December 2020

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2021
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	8
Highly skilled production (Levels 6-8)	0	0	0	24
Highly skilled supervision (Levels 9-12)	0	0	0	11
Senior management (Levels 13-16)	0	0	0	12
Total	0	0	0	13

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

Table 3.10.5 Leave payouts for the period 1 April 2020 and 31 March 2021

Reason	Total amount	Number of employees	Average per employee
Leave pay out for 2020/21 due to non-utilisation of leave for the previous cycle	R 59 375,38	1	R 59 375,00
Capped leave pay-outs on termination of service for 2020/21	R 0,00	0	R 0,00
Current leave pay-out on termination of service for 2020/21	R 1 952 865,02	55	R 35 507,00
Total	R 2 012 240,40	56	R 35 933,00

3.12 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
All employees in the Office of the Premier	Maximized opportunities for testing and screening in the workplace, Distributed male and female condoms, conducted health education and promotion through information sharing sessions (World AIDS day), issued out messages through emails and posters.

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	✓		MR MM Badimo: Director: Human Resource Management.
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.	✓		Five (5) posts of which three (3) are filled and the budget is 0.5 % of the personnel budget
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.	✓		HIV and AIDS, Wellness Management and Health productivity Management
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.	✓		Mmaphtui Nkoana, Choice Mokgothu ,Zweli Majova, Victor Matiwane, Ketshepileng Laka, Mmaletsatsi Mothibi , Batshegi Mere, Pauline Mmulutsi, Lerato Molanoka, Nobuhle Mavolwana, Francinah Mogashoa, Jacob Matebesi, Gail Mokgosana, Terence Nakedi, Andreis Lethibelane , Judy Links, Dawn Molokomme, Nichol Mmatsetlane Sefanyetso, Nicholas Sibande and Puleng Ramantsi,

Question	Yes	No	Details, if yes
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.		✓	The Office has reviewed the Occupational Health and safety policy only.
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.	✓		Distribution of information on HIV and psychosocial support
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	✓		The Office arranges testing/screening and the results remain with GEMS as the service provider
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	✓		Through submitting monthly, quarterly, annual reports and operational plans to EHW external and Department of Public Service and Administration to ensure proper implementation of the programme and compliance.

3.13 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2020 and 31 March 2021

Subject matter	Date
Total number of Collective agreements	None

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2020 and 31 March 2021

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0%
Verbal warning	0/6 X 100	0%
Written warning	1/6 X 100	16%
Final written warning	0/6 X 100	0%
Suspended without pay	2/6 X 100	33%
Fine	N/A	N/A
Demotion	0/6 X 100	0%
Dismissal	1/6 X 100	16%
Not guilty	0/6 X 100	0%
Case withdrawn	0/6 X 100	0%
Total	4	65%

Total number of Disciplinary hearings finalised	4
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Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2020 and 31 March 2021

Type of misconduct	Number	% of total
Financial	2	33%
Intimidation	2	33%
Code of conduct	1	16%
Failure to take a lawful instruction	1	16%
Total	6	98%

Table 3.12.4 Grievances logged for the period 1 April 2020 and 31 March 2021

Grievances	Number	% of Total
Number of grievances resolved	3/3 x 100	100%
Number of grievances not resolved	0/3 x 100	0%
Total number of grievances lodged	3	100%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2020 and 31 March 2021

Disputes	Number	% of Total
Number of disputes upheld	1/5 x 100	20%
Number of disputes dismissed	1/5 X 100	20%
Number of disputes abandoned	1/5 x 100	20%
Number of disputes pending finalization	2/5 x 100	40%
Total number of disputes lodged	5	100%

Table 3.12.6 Strike actions for the period 1 April 2020 and 31 March 2021

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 3.12.7 Precautionary suspensions for the period 1 April 2020 and 31 March 2021

Number of people suspended	3
Number of people whose suspension exceeded 30 days	2
Average number of days suspended	541
Cost of suspension	R1 278 135.59

Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2020 and 31 March 2021

Occupational category	Gender	Number of employees as at 1 April 2020	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	12	0	0	0	0
	Male	29	0	0	0	0
Professionals	Female	38	0	0	0	0
	Male	64	0	0	0	0
Technicians and associate professionals	Female	65	0	0	0	0
	Male	56	0	0	0	0
Clerks	Female	63	0	0	0	0
	Male	40	0	0	0	0
Service and sales workers	Female	3	0	0	0	0
	Male	2	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	2	0	0	0	0
Elementary occupations	Female	36	0	0	0	0
	Male	12	0	0	0	0
Sub Total	Female	217	0	0	0	0
	Male	206	0	0	0	0
Total		423	0	0	0	0

Table 3.13.2 Training provided for the period 1 April 2020 and 31 March 2021

Occupational category	Gender	Number of employees as at 1 April 2020	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	12	0	0	0	0
	Male	29	0	0	0	0
Professionals	Female	38	0	0	0	0
	Male	64	0	0	0	0
Technicians and associate professionals	Female	65	0	0	0	0
	Male	56	0	0	0	0
Clerks	Female	63	0	0	0	0
	Male	40	0	0	0	0
Service and sales workers	Female	3	0	0	0	0
	Male	2	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	2	0	0	0	0
Elementary occupations	Female	36	0	0	0	0
	Male	12	0	0	0	0
Sub Total	Female	217	0	0	0	0
	Male	206	0	0	0	0
Total		423	0	0	0	0

3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2020 and 31 March 2021

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	3	100
Permanent Disablement	0	0
Fatal	0	0
Total	3	100

3.15 Utilisation of Consultants

The following tables relates information on the utilisation of consultants in the department. In terms of the Public Service Regulations “consultant” means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

- (a) The rendering of expert advice;
- (b) The drafting of proposals for the execution of specific tasks; and
- (c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2020 and 31 March 2021

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
N/A	0	N/A	0
N/A	0	N/A	0

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
N/A	0	N/A	0
N/A	0	N/A	0

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A	0	N/A	0
N/A	0	N/A	0

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2020 and 31 March 2021

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
N/A	0	N/A	0
N/A	0	N/A	0

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
N/A	0	N/A	0

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A	0	N/A	0
N/A	0	N/A	0

3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2020 and 31 March 2021

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0

Part E:

Financial Information



Report of the auditor-general to the North West Provincial Legislature on vote no. 01: Office of the Premier

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Office of the Premier set out on pages 111 to 167, which comprise the appropriation statement, statement of financial position as at 31 March 2021, statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Office of the Premier as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 4 of 2020 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Irregular and fruitless and wasteful expenditure

7. As disclosed in note 31 to the financial statements, irregular expenditure of R61 771 000 was incurred in the current year and irregular expenditure of R831 801 000 from prior years had not yet been resolved.
8. As disclosed in note 32 to the financial statements, fruitless and wasteful expenditure of R7 090 000 from prior years had not yet been resolved.

Underspending of the vote

9. As disclosed in the notes to the appropriation statement, the department materially underspent the budget on programme 2: institutional development by R37 246 000 and programme 3: policy and governance by R6 266 000 respectively.

Restatement of corresponding figures

10. As disclosed in note 44 to the financial statements, the corresponding figures for 31 March 2020 were restated as a result of numerous errors discovered during the year ended 31 March 2021.

Other matter

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

Unaudited supplementary schedules

12. The supplementary information set out on pages 168 to 179 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 on them.

Responsibilities of the accounting officer for the financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by the National Treasury and the requirements of the PFMA and Dora 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.
14. In preparing the financial statements, the accounting officer is responsible for assessing the Office of the Premier's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or there is no realistic alternative but to do so.

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

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

Introduction and scope

17. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
18. My procedures address the the usefulness and reliability of the reported performance information, which must be based on the department’s approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
19. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the department’s annual performance report for the year ended 31 March 2021:

Programmes	Pages in the annual performance report
Programme 2 – Institutional development support	26 – 34

20. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
21. The material findings on the usefulness and reliability of the performance information of the selected programmes are as follows:

Programme 2 – Institutional development support

Number of labour relations initiatives provided to departments

22. An achievement of 9 was reported against the target of 12 for this indicator in the annual performance report. However, some supporting evidence provided materially differed from the reported achievement, while in other instances I was unable to obtain sufficient appropriate audit evidence. This was due to the lack of accurate and complete records. I was unable to further confirm the reported achievement by alternative means.

Consequently, I was unable to determine whether any further adjustments were required to the reported achievement.

Number of organisational development initiatives provided to departments

23. An achievement of 6 was reported against the target of 8 for this indicator in the annual performance report. However, the supporting evidence provided did not agree to the reported achievement and indicated an achievement of 10. In addition, I was unable to obtain sufficient appropriate audit evidence to support the reason for the variance between the planned target and the reported achievement. This was due to limitations placed on the scope of my work. I was unable to confirm the reported reason for the variance stated as “the difference was achieved in the first quarter and reported in the previous table 2.4.4.1” by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported reason for the variance.

Number of EHW initiatives provided to departments

24. An achievement of 3 was reported against the target of 5 for this indicator in the annual performance report. However, the supporting evidence provided did not agree to the reported achievement and indicated an achievement of 5.

Number of interventions on employee performance

25. An achievement of 3 was reported against the target of 4 for this indicator in the annual performance report. However, some supporting evidence provided materially differed from the reported achieved, while in other instances I was unable to obtain sufficient appropriate audit evidence. This was due to the lack of accurate and complete records. I was unable to further confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievement. In addition, I was unable to obtain sufficient appropriate audit evidence to support the reason for the variance between the planned target and the reported achievement. This was due to limitations placed on the scope of my work. I was unable to confirm the reported reason for the variance stated as “due to the revised APP” by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported reason for the variance.

Various indicators

26. I was unable to obtain sufficient appropriate audit evidence to support the reasons for the variance between the planned targets and the achievements reported in the annual performance report for the indicators listed below. This was due to limitations placed on the scope of my work. I was unable to confirm the reported reasons for the variance by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported reasons for the variance.

Indicator name	Planned target	Actual achievement
Number of provincial skills masterplan developed	1	0
Number of forensic investigations concluded (table 2.4.4.2)	4	3



Number of interventions provided to department towards ensuring compliance to OHS prescripts	8	2
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Number of bills developed

27. I was unable to obtain sufficient appropriate audit evidence for the achievement of 6 reported against the target of 8 in the annual performance report, due to the lack of accurate and complete records. In addition, I was unable to obtain sufficient appropriate audit evidence to support the reason for the variance between the planned target and the reported achievement. This was due to limitations placed on the scope of my work. I was unable to confirm the reported achievement and reason for variance by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement or reason for the variance.

Percentage of bills developed

28. I was unable to obtain sufficient appropriate audit evidence for the achievement of 100% reported against the target of 100% for this indicator in the annual performance report, due to the lack of accurate and complete records. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustment was required to the reported achievement.

Various indicators

29. The achievements reported in the annual performance report against the following initial targets (table 2.4.4.1) and revised targets (table 2.4.4.2) materially differed from the supporting evidence provided. In addition, the reasons for the variances between the initial planned targets and the reported achievements were not reported in the annual performance report while I was unable to obtain sufficient appropriate audit evidence to support for the reasons for variances between the revised planned targets and the reported achievements. This was due to limitations placed on the scope of my work. I was unable to confirm the reported reasons for the variance by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported reason for the variances.

Indicator name	Planned target	Reported achievement	Audited value
Number of interventions implemented towards achieving national anti-corruption strategy	16 initial (table 2.4.4.1); 8 revised (table 2.4.4.2)	4 Q1 (table 2.4.4.1); 6 Q2-4 (table 2.4.4.2)	0 in Q1; (table 2.4.4.1) 4 in Q2-4 (table 2.4.4.2) 4 cumulative
Number of minimum security standards coordinated	8 initial (table 2.4.4.1); 4 revised (table 2.4.4.2)	2 Q1 (table 2.4.4.1); 3 Q2-4 (table 2.4.4.2)	4 in Q1; (table 2.4.4.1) 4 in Q2-4 (table 2.4.4.2) 8 cumulative

Other matter

30. I draw attention to the matter below.

Achievement of planned targets

31. Refer to the annual performance report on pages 18 to 40 for information on the achievement of planned targets for the year and management's explanations provided for the under-/ overachievement of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 22 to 29 of this report.

Report on audit of compliance with legislation

Introduction and scope

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

33. The material findings on compliance with specific matters in key legislation are as follows:

Financial statements

34. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(b) of the PFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified opinion.

Consequence management

35. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 38(1)(h)(iii) of the PFMA. This was because investigations into irregular expenditure were not performed.

36. In addition, disciplinary steps were not taken against an official who had incurred or permitted irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA.

Expenditure management

37. Effective and appropriate steps were not taken to prevent irregular expenditure of R61 771 000, as disclosed in note 31 to the financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure disclosed in the financial statements was caused by deviations from competitive bidding in contravention with treasury regulation 16A6.4.



Procurement and contract management

38. An award for IT-related goods and services, classified as mandatory, procured through SITA as per section 7(3) of the SITA Act was done in contravention of the requirements of treasury regulation 16A6.3(e) as the department did not adhere to the requirements of the transversal framing term contract when engaging suppliers.
39. A deviation from inviting competitive bids for some of the goods and services with a transaction value above R500 000 was not appropriately approved as required by treasury regulation 16A6.4 and paragraph 8.5 of SCM Instruction 3 of 2016-17.

Strategic planning and performance management

40. The specific information systems established by the department were not adequate to enable the monitoring of progress made towards achieving targets, core objectives and service delivery as required by public service regulation 25(1)(e)(i) and (iii).

Other information

41. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
42. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
43. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
44. I did not receive the other information prior to the date of this auditor's report. After I receive and read this information, and if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

45. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.



- The accounting officer did not adequately exercise oversight responsibility with regards to the quality of financial statements. The department did not have sufficient monitoring and review controls to ensure that the financial statements submitted for audit were free from material misstatements.
- The accounting officer did not ensure that action plans were properly monitored and implemented by management, which resulted in repeat findings on performance reporting as well as compliance with legislation.
- Management did not ensure that control deficiencies related to performance reporting were timeously addressed. There were inadequate controls over daily and monthly processing and reconciling of transactions to ensure that the performance reports submitted for audit were accurate and complete.
- In addition, inadequate controls were implemented over ICT systems to ensure the reliability of the systems and the availability, accuracy and protection of information.

Other reports

46. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

Investigations

47. The Directorate of Priority Crime Investigation (DPCI) was investigating a case of alleged corruption and fraud relating to a specific contract which was awarded in the 2015-16 financial year. The investigation was still in progress at the date of this report.
48. The Public Protector conducted an investigation into alleged improper prejudice suffered by a North West tribal community as a result of maladministration and issued a report in June 2017. According to rulings made by the Constitutional Court, remedial actions issued by the Public Protector are binding and must be implemented; however, at the date of this report the premier and the Director-General had not yet implemented all the remedial actions.

Auditor - General.

Rustenburg

06 September 2021



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



Annexure – Auditor-general’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the department’s compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in the auditor’s report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
 - obtain an understanding of internal control relevant to the audit 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 department’s internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Office of the Premier to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor’s report. However, future events or conditions may cause a department to cease to continue as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, actions taken to eliminate threats or safeguards applied.



ACCOUNTING POLICIES

For the year ended 31 March 2021

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1	<p>Basis of preparation</p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
2	<p>Going concern</p> <p>The financial statements have been prepared on a going concern basis.</p>
3	<p>Presentation currency</p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
4	<p>Rounding</p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
5	<p>Foreign currency translation</p> <p>Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.</p>
6	<p>Comparative information</p>
6.1	<p>Prior period comparative information</p> <p>Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.</p>
6.2	<p>Current year comparison with budget</p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
7	<p>Revenue</p>
7.1	<p>Appropriated funds</p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>

ACCOUNTING POLICIES

For the year ended 31 March 2021

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

ACCOUNTING POLICIES
For the year ended 31 March 2021

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

ACCOUNTING POLICIES
For the year ended 31 March 2021

14	Financial assets
14.1	<p>Financial assets (not covered elsewhere)</p> <p>A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.</p> <p>At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.</p>
14.2	<p>Impairment of financial assets</p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>
15	<p>Payables</p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
16	Capital Assets
16.1	<p>Immovable capital assets</p> <p>Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
16.2	<p>Movable capital assets</p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Biological assets are subsequently carried at fair value. <i>[Add this sentence on biological assets if the department has elected to revalue its biological assets at reporting date]</i></p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>

ACCOUNTING POLICIES

For the year ended 31 March 2021

16.3	<p>Intangible assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.4	<p>Project Costs: Work-in-progress</p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
17	<p>Provisions and Contingents</p>
17.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
17.2	<p>Contingent liabilities</p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
17.3	<p>Contingent assets</p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>

ACCOUNTING POLICIES
For the year ended 31 March 2021

17.4	<p>Capital commitments</p> <p>Capital commitments are recorded at cost in the notes to the financial statements.</p>
18	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
19	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
20	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
21	<p>Changes in accounting estimates and errors</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
22	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>

ACCOUNTING POLICIES

For the year ended 31 March 2021

23	<p>Principal-Agent arrangements</p> <p>The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
24	<p>Departures from the MCS requirements</p> <p>There were no departures from the Modified Cash Standard requirements, the financial statements present fairly the department's primary and secondary information and the department complied with the Modified Cash Statements.</p>
25	<p>Capitalisation reserve</p> <p>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.</p>
26	<p>Recoverable revenue</p> <p>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.</p>
27	<p>Related party transactions</p> <p>Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.</p>
28	<p>Inventories (<i>Effective from date determined in a Treasury Instruction</i>)</p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>
29	<p>Public-Private Partnerships</p> <p>Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p>

ACCOUNTING POLICIES
For the year ended 31 March 2021

30	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>
31	<p>Transfers of functions</p> <p>Transfers of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.</p> <p>Transfers of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.</p>
32	<p>Mergers</p> <p>Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.</p> <p>Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.</p>

APPROPRIATION STATEMENT for the year ended 31 March 2021

Appropriation per programme										
Voted funds and Direct charges	2020/21							2019/20		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	
Programme										
1. ADMINISTRATION	97 997	-	1 484	99 481	99 218	263	99.7%	125 317	112 439	
2. INSTITUTIONAL DEVELOPMENT	276 054	-	-	276 054	238 808	37 246	86.5%	315 175	207 539	
3. POLICY AND GOVERNANCE	85 716	-	(1 484)	84 232	77 966	6 266	92.6%	201 362	180 437	
Programme sub total	459 767	-	-	459 767	415 992	43 775	90.5%	641 854	500 415	
Statutory Appropriation	-	-	-	-	-	-	-	-	-	
TOTAL	459 767	-	-	459 767	415 992	43 775	90.5%	641 854	500 415	
Reconciliation with Statement of Financial Performance										
Add:										
Departmental receipts	-	-	-	-	-	-	-	291	-	
NRF Receipts	-	-	-	-	-	-	-	-	-	
Aid assistance	-	-	-	-	-	-	-	-	-	
Actual amounts per Statement of Financial Performance (Total Revenue)				459 767				642 145		
Add:										
Aid assistance	-	-	-	-	-	-	-	-	-	
Prior year unauthorised expenditure approved without funding	-	-	-	-	-	-	-	-	-	
Actual amounts per Statement of Financial Performance Expenditure					415 992				500 415	

Appropriation per economic classification										
	2020/21							2019/20		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	
Current payments	389 839	(966)	-	388 873	354 708	34 165	91.2%	554 056	465 081	
Compensation of employees	250 169	-	-	250 169	247 542	2 627	98.9%	353 529	348 947	
Salaries and wages	215 156	2 150	-	217 306	216 181	1 125	99.5%	304 952	300 472	
Social contributions	35 013	(2 150)	-	32 863	31 361	1 502	95.4%	48 577	48 175	
Goods and services	139 559	(1 383)	-	138 176	106 639	31 537	77.2%	198 118	113 718	
Administrative fees	230	-	-	230	163	67	70.9%	358	123	
Advertising	3 406	(312)	-	3 094	2 499	595	80.8%	6 291	5 086	
Minor assets	125	(5)	-	120	30	90	25.0%	2 105	137	
Audit costs: External	5 401	(90)	-	5 311	5 304	7	99.8%	5 072	5 070	
Bursaries: Employees	50	15	-	65	65	-	100.0%	80	47	
Catering: Departmental activities	2 242	(201)	-	2 041	1 580	461	77.4%	7 855	3 547	
Communication (G&S)	6 755	264	-	7 019	6 391	628	91.1%	6 810	4 769	
Computer services	84 446	(739)	-	83 707	63 035	20 672	75.3%	75 930	45 753	
Consultants: Business and advisory services	639	(42)	-	597	192	405	32.2%	3 055	460	
Legal services	2 600	750	-	3 350	2 445	905	73.0%	12 442	8 444	
Contractors	4	4	-	8	5	3	62.5%	452	79	
Fleet services (including government motor transport)	4 287	1 822	-	6 109	6 109	-	100.0%	5 440	3 581	
Inventory: Other supplies	-	-	-	-	-	-	-	50	-	
Consumable supplies	2 091	(87)	-	2 004	1 887	117	94.2%	3 978	1 918	
Consumable: Stationery, printing and office supplies	4 845	(1 748)	-	2 897	1 345	1 552	46.4%	7 506	2 549	
Operating leases	2 394	(116)	-	2 278	2 377	1	100.0%	3 225	2 187	
Property payments	2 032	160	-	2 192	2 030	162	92.6%	435	434	
Transport provided: Departmental activity	1 300	-	-	1 300	969	331	74.5%	1 767	963	
Travel and subsistence	8 228	(853)	-	7 375	4 974	2 401	67.4%	25 085	18 594	
Training and development	5 995	(158)	-	5 837	3 859	1 978	66.1%	16 881	3 403	
Operating payments	1 127	(124)	-	1 003	336	667	33.5%	1 523	361	
Venues and facilities	1 369	(39)	-	1 330	983	347	73.9%	7 365	4 960	
Rental and hiring	193	16	-	209	61	148	29.2%	4 413	1 253	
Interest and rent on land	111	417	-	528	527	1	99.8%	2 409	2 716	
Interest (Incl. interest on unitary payments (PPP))	111	417	-	528	527	1	99.8%	2 409	2 716	
Transfers and subsidies	20 912	227	-	21 139	20 313	826	96.1%	34 086	32 014	
Departmental agencies and accounts	-	103	-	103	103	-	100.0%	-	-	
Departmental agencies	-	103	-	103	103	-	100.0%	-	-	
Public corporations and private enterprises	103	(103)	-	-	-	-	-	-	-	
Public corporations	103	(103)	-	-	-	-	-	-	-	
Other transfers to public corporations	103	(103)	-	-	-	-	-	-	-	
Households	20 809	227	-	21 036	20 210	826	96.1%	34 086	32 014	
Social benefits	1 746	243	-	1 989	1 960	29	98.5%	1 223	1 095	
Other transfers to households	19 063	(116)	-	18 947	18 250	797	95.8%	32 863	30 919	
Payments for capital assets	49 016	739	-	49 755	40 971	8 784	82.3%	53 712	3 320	
Machinery and equipment	49 016	739	-	49 755	40 971	8 784	82.3%	53 712	3 320	
Transport equipment	-	-	-	-	-	-	-	3 029	-	
Other machinery and equipment	49 016	739	-	49 755	40 971	8 784	82.3%	50 683	3 320	
TOTAL	459 767	-	-	459 767	415 992	43 775	90.5%	641 854	500 415	

APPROPRIATION STATEMENT

for the year ended 31 March 2021

Programme 3: POLICY AND GOVERNANCE

	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. SPECIAL PROGRAMMES	9 373	(374)	(184)	8 815	8 218	597	93.2%	14 770	10 850
2. INTERGOVERNMENTAL RELATIONS	5 338	259	-	5 597	5 537	60	98.9%	7 570	5 936
3. PROVINCIAL POLICY MANAGEMENT	30 590	(602)	-	29 988	29 042	946	96.8%	35 953	31 779
4. PREMIER PRIORITY PROGRAMMES	15 672	-	(1 300)	14 372	10 114	4 258	70.4%	18 299	9 650
5. PROGRAMME SUPPORT PROGRAMME 3	24 743	717	-	25 460	25 055	405	98.4%	124 770	122 222
	85 716	-	(1 484)	84 232	77 966	6 266	92.6%	201 362	180 437
Economic classification									
Current payments	84 212	(127)	(1 484)	82 601	76 782	5 819	93.0%	198 702	179 788
Compensation of employees	72 992	-	(1 484)	71 508	70 833	675	99.1%	169 167	166 703
Salaries and wages	61 930	912	(1 484)	61 358	61 163	195	99.7%	142 324	140 166
Social contributions	11 062	(912)	-	10 150	9 670	480	95.3%	26 843	26 537
Goods and services	11 220	(127)	-	11 093	5 949	5 144	53.6%	29 535	13 085
Administrative fees	60	-	-	60	-	60	-	8	7
Advertising	943	-	-	943	453	490	48.0%	601	174
Minor assets	74	-	-	74	6	68	8.1%	810	69
Audit costs: External	-	-	-	-	1	(1)	-	-	-
Catering: Departmental activities	1 669	(55)	-	1 614	1 332	282	82.5%	3 945	1 304
Communication (G&S)	1 009	12	-	1 021	541	480	53.0%	3 456	1 660
Computer services	650	-	-	650	619	31	95.2%	626	605
Consultants: Business and advisory services	305	-	-	305	-	305	-	303	29
Contractors	-	-	-	-	-	-	-	3	2
Consumable supplies	49	12	-	61	20	41	32.8%	890	235
Consumable: Stationery, printing and office supplies	962	12	-	974	153	821	15.7%	2 615	814
Transport provided: Departmental activity	1 082	-	-	1 082	852	230	78.7%	1 407	912
Travel and subsistence	3 366	(163)	-	3 203	1 580	1 623	49.3%	8 731	5 616
Operating payments	273	-	-	273	-	273	-	417	93
Venues and facilities	589	35	-	624	331	293	53.0%	1 962	862
Rental and hiring	189	20	-	209	61	148	29.2%	3 711	703
Transfers and subsidies	471	127	-	598	589	9	98.5%	283	278
Households	471	127	-	598	589	9	98.5%	283	278
Social benefits	471	127	-	598	589	9	98.5%	283	278
Payments for capital assets	1 033	-	-	1 033	595	438	57.6%	2 377	371
Machinery and equipment	1 033	-	-	1 033	595	438	57.6%	2 377	371
Other machinery and equipment	1 033	-	-	1 033	595	438	57.6%	2 377	371
Payment for financial assets	-	-	-	-	-	-	-	-	-
	85 716	-	(1 484)	84 232	77 966	6 266	92.6%	201 362	180 437

Notes to the Appropriation Statement

NORTH WEST: OFFICE OF THE PREMIER
Notes to the Appropriation Statement**1 Detail of transfers and subsidies as per Appropriation Act (after Virement):**

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

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

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

3 Detail on payments for financial assets

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

4 Explanations of material variances from Amounts Voted (after virement):**4.1 Per programme:**

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

Programme name

Administration

99 481

99 218

263

0,3%

No material variances

Programme name

Institutional Development

276 054

238 808

37 246

13,5%

The programme is underspending and the main contributing factors were:

Good and Services

- The total budget for ICT related services was R14m targeted for the procurement of the following services (Mainframe licenses - R9 million), (Newly acquired mainframe maintenance and repairs services - R5m), furthermore

- The procurement of Anti-virus license (R4 million) for information security services.

- A total amount of R5 million was budgeted for payment of Artisans Programmes and only R3.2 million was expended. Delay in the implementation of project due to non-compliance of the learners to requirements of Aircraft Mechanic Apprentices program.

Households

- Bursaries and other related categories to Transfers and subsidies expenditure is only 96% of the allocated budget of R21 139m, which is 4% less than the expected margin of 100%.

- The Budget for bursaries was reduced by R20,6m in the current year due to financial constrains which in no new intake for new beneficiaries.

Machinery and Equipment

- Performance on this economic class is 82% on a budget of R49,755m which is 18% lower than the expected margin.

The significant increase was due the procurement of ICT transformation equipment:

- HCI backup = R24m,

- Provincial Mainframe = R11m

- Network equipment = R1,8m

Programme name

Policy and Governance

84 232

77 966

6 266

7,4%

The programme is underspending and the main contributing factors were:

Goods and Services

- A total budget of R6,9m was earmarked for the establishment of Secretariat office for Provincial Council on AIDS, twenty-three (23) Local AIDS Councils were targeted to be established, and R3.2 m was spent at year end.

(In the case of surpluses on programmes, a detailed explanation must be given as to whether it is as a result of a saving or underspending.)

Notes to the Appropriation Statement

4.2 Per economic classification:

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	250 169	247 542	2 627	1,1%
Goods and services	138 176	106 639	31 537	22,8%
Interest and rent on land	528	527	1	0,0%
Transfers and subsidies				
Provinces and municipalities				
Departmental agencies and accounts	103	103	-	0,0%
Higher education institutions				
Public corporations and private enterprises				
Foreign governments and international organisations				
Non-profit institutions				
Households	21 036	20 210	826	3,9%
Payments for capital assets				
Buildings and other fixed structures				
Machinery and equipment	49 755	40 971	8 784	17,7%
Heritage assets				
Specialised military assets				
Biological assets				
Land and subsoil assets				
Software and other intangible assets				
Payments for financial assets				

The analysis conducted shows that the main cost drivers attributing to underspending in the office are identified as follows:-

Compensation of employees

This economic class has a total expenditure of 99% of the total CoE allocation of 250 169m. Decreased budget allocation under CoE during the year under review versus the previous was due to:

- Transfer of 277 officials under CDW Unit from the Office to COGTA (R96,975m)
- National CoE reduction on the national wage bill (R19,483m)
- Delay on filling of vacant funded positions (R3,269m)

Goods and Services

• The total budget for ICT related services was R14m targeted for the procurement of the following services (Mainframe licenses - R9 million), (Newly acquired mainframe maintenance and repairs services - R5m), furthermore

- The procurement of Anti-virus license (R4 million) for information security services.
- A total amount of R5 million was budgeted for payment of Artisan Programmes and only R3.2 million was expensed. Delay in the implementation of project due to non-compliance of the learners to requirements of Aircraft Mechanic Apprentices program.
- A total budget of R6,9m was set aside for the establishment of Secretariat office for Provincial Council on AIDS (Twenty-three (23) Local AIDS Councils were targeted to be established), and only R3.2 m was spent at year end.

Households

• Bursaries and other related categories to Transfers and subsidies expenditure is 96% of the allocated budget of R21 139m, which is 4% less of the expected margin of 100%.

- The Budget for Bursaries was reduced by R20,6m and there was no new intake for bursary beneficiaries due to financial constrains in the current year .

Machinery and Equipment

• Performance on this economic class is 82% on a budget of R49,755m which is 18% lower than the expected margin.

- The significant increase was due the procurement of ICT transformation equipment:
 - HCI backup = R24m,
 - Provincial Mainframe = R11m
 - Network Equipment = R1,8m

Statement of Financial Performance

	Note	2020/21 R'000	2019/20 R'000
REVENUE			
Annual appropriation	1	459 767	641 854
Statutory appropriation	2	-	-
Departmental revenue	3	-	291
NRF Receipts		-	-
Aid assistance		-	-
TOTAL REVENUE		459 767	642 145
EXPENDITURE			
Current expenditure			
Compensation of employees	5	247 542	349 481
Goods and services	6	106 639	113 719
Interest and rent on land	7	527	1 882
Aid assistance	4	-	-
Total current expenditure		354 708	465 082
Transfers and subsidies			
Transfers and subsidies	9	20 313	32 014
Aid assistance	4	-	-
Total transfers and subsidies		20 313	32 014
Expenditure for capital assets			
Tangible assets	10	40 971	3 319
Intangible assets	10	-	-
Total expenditure for capital assets		40 971	3 319
Unauthorised expenditure approved without funding	11	-	-
Payments for financial assets	8	-	-
TOTAL EXPENDITURE		415 992	500 415
SURPLUS/(DEFICIT) FOR THE YEAR		43 775	141 730
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		43 775	141 439
Annual appropriation		-	-
Conditional grants		-	-
Departmental revenue and NRF Receipts	19	-	291
Aid assistance	4	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		43 775	141 730

Statement of Financial Position

	Note	2020/21 R'000	2019/20 R'000
ASSETS			
Current Assets			
		30 517	85 086
Unauthorised expenditure	11	-	-
Cash and cash equivalents	12	22 569	76 397
Other financial assets	13	-	-
Prepayments and advances	14	-	-
Receivables	15	7 948	8 689
Loans	17	-	-
Aid assistance prepayments	4	-	-
Aid assistance receivable	4	-	-
Non-Current Assets			
		36 356	35 336
Investments	16	-	-
Receivables	15	36 356	35 336
Loans	17	-	-
Other financial assets	13	-	-
TOTAL ASSETS		66 873	120 422
LIABILITIES			
Current Liabilities			
		43 959	97 540
Voted funds to be surrendered to the Revenue Fund	18	43 775	87 024
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	19	29	60
Bank overdraft	20	-	-
Payables	21	155	10 456
Aid assistance repayable	4	-	-
Aid assistance unutilised	4	-	-
Non-Current Liabilities			
Payables	22	-	-
TOTAL LIABILITIES		43 959	97 540
NET ASSETS		22 914	22 882
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		22 914	22 882
Retained funds		-	-
Revaluation reserves		-	-
TOTAL		22 914	22 882

Statement of Change in Net Assets

NET ASSETS	Note	2020/21 R'000	2019/20 R'000
Capitalisation Reserves			
Opening balance		-	-
Transfers:			
Movement in Equity			-
Movement in Operational Funds			-
Other movements			-
Closing balance		-	-
Recoverable revenue			
Opening balance		22 882	22 800
Transfers		32	82
Irrecoverable amounts written off	8,3		-
Debts revised			-
Debts recovered (included in departmental receipts)		32	82
Debts raised			-
Closing balance		22 914	22 882
Retained funds			
Opening balance		-	-
Transferred from voted funds to be surrendered (Parliament/Legislatures ONLY)			-
Utilised during the year			-
Other			-
Closing balance		-	-
Revaluation Reserves			
Opening balance		-	-
Revaluation adjustment (Housing departments)			-
Transfers			-
Other			-
Closing balance		-	-
TOTAL		22 914	22 882

Cash Flow Statement

	Note	2020/21 R'000	2019/20 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		460 114	588 118
Annual appropriated funds received	1,1	459 767	587 439
Statutory appropriated funds received	2	-	-
Departmental revenue received	3	347	679
Interest received	3,3	-	-
NRF Receipts		-	-
Aid assistance received	4	-	-
Net (increase)/ decrease in working capital		-9 560	84 802
Surrendered to Revenue Fund		-87 402	-106 086
Surrendered to RDP Fund/Donor		-	-
Current payments		-354 181	-463 200
Interest paid	7	-527	-1 882
Payments for financial assets		-	-
Transfers and subsidies paid		-20 313	-32 014
Net cash flow available from operating activities	23	-11 869	69 738
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		-	-
Payments for capital assets	10	-40 971	-3 319
Proceeds from sale of capital assets	3,4	-	-
(Increase)/ decrease in loans		-	-
(Increase)/ decrease in investments		-	-
(Increase)/ decrease in other financial assets		-	-
(Increase)/decrease in non-current receivables	15	-1 020	-12 033
Net cash flows from investing activities		-41 991	-15 352
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		32	-
Increase/ (decrease) in non-current payables		-	-
Net cash flows from financing activities		32	-
Net increase/ (decrease) in cash and cash equivalents		-53 828	54 386
Cash and cash equivalents at beginning of period		76 397	22 011
Unrealised gains and losses within cash and cash equivalents		-	-
Cash and cash equivalents at end of period	24	22 569	76 397

Notes to the Annual Financial Statements

1	1,1 Annual Appropriation	2020/21			2019/20		
		Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Final Appropriation R'000	Appropriation Received R'000	Funds not requested/ not received R'000
	Programmes	99 481	99 481	-	125 317	125 317	-
	1. ADMINISTRATION	276 054	276 054	-	315 175	274 235	40 940
	2. INSTITUTIONAL DEVELOPMENT	84 232	84 232	-	201 362	187 887	13 475
	3. POLICY AND GOVERNANCE						
	Total	459 767	459 767	-	641 854	587 439	54 415
The Office received all funds requested							
	1,2 Conditional grants**			Note	2020/21 R'000	2019/20 R'000	
	Total grants received			47	-	-	
	Provincial grants included in Total Grants received				-	-	
<i>Not Applicable</i>							
	2 Statutory Appropriation				2020/21 R'000	2019/20 R'000	
	0				-	-	
	0				-	-	
Actual Statutory Appropriation received							
<i>Not Applicable</i>							
	3 Departmental Revenue			Note	2020/21 R'000	2019/20 R'000	
	Tax revenue				-	-	
	Sales of goods and services other than capital assets			3,1	289	282	
	Fines, penalties and forfeits			3,2	-	-	
	Interest, dividends and rent on land			3,3	-	-	
	Sales of capital assets			3,4	-	-	
	Transactions in financial assets and liabilities			3,5	58	397	
	Transfer received			3,6	-	-	
	Total revenue collected				347	679	
	Less: Own revenue included in appropriation			19	347	388	
	Departmental revenue collected				-	291	
	3,1 Sales of goods and services other than capital assets			Note	2020/21 R'000	2019/20 R'000	
	Sales of goods and services produced by the department			3	289	282	
	Sales by market establishment				-	-	
	Administrative fees				-	-	
	Other sales				289	282	
	Sales of scrap, waste and other used current goods				-	-	
	Total				289	282	
	3,2 Fines, penalties and forfeits			Note	2020/21 R'000	2019/20 R'000	
	Fines			3	-	-	
	Penalties				-	-	
	Forfeits				-	-	
	Total				-	-	
	3,3 Interest, dividends and rent on land			Note	2020/21 R'000	2019/20 R'000	
	Interest			3	-	-	
	Dividends				-	-	
	Rent on land				-	-	
	Total				-	-	

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
3.4 Sales of capital assets	3		
Tangible assets			
Buildings and other fixed structures	41	-	-
Machinery and equipment	39	-	-
Heritage assets	39	-	-
Specialised military assets	39	-	-
Land and subsoil assets	41	-	-
Biological assets	39	-	-
Intangible assets			
Software	40	-	-
Mastheads and publishing titles	40	-	-
Patents, licences, copyright, brand names, trademarks	40	-	-
Recipes, formulae, prototypes, designs, models	40	-	-
Services and operating rights	40	-	-
Total		-	-

	Note	2020/21 R'000	2019/20 R'000
3.5 Transactions in financial assets and liabilities	3		
Loans and advances		-	-
Receivables		-	-
Forex gain		-	-
Stale cheques written back		-	-
Other Receipts including Recoverable Revenue		58	397
Gains on GFECRA		-	-
Total		58	397

	Note	2020/21 R'000	2019/20 R'000
3.6 Transfers received	3		
Other governmental units		-	-
Higher education institutions		-	-
Foreign governments		-	-
International organisations		-	-
Public corporations and private enterprises		-	-
Households and non-profit institutions		-	-
Total		-	-

Not Applicable

	Amount received R'000	Amount paid to Revenue Fund R'000	Balance R'000
3.7 Cash received not recognised (not included in the main note) - 2020/21			
Name of entity			
			-
			-
Total	-	-	-

Cash received not recognised (not included in the main note) - 2019/20

	Amount received R'000	Amount paid to Revenue Fund R'000	Balance R'000
Name of entity			
	-	-	-
	-	-	-
Total	-	-	-

Not Applicable

	Note	2020/21 R'000	2019/20 R'000
4 Aid Assistance			
Opening Balance		-	-
Prior period error		-	-
As restated		-	-
Transferred from statement of financial performance		-	-
Transferred to/from retained funds		-	-
Paid during the year		-	-
Closing Balance		-	-

Not Applicable

	Note	2020/21 R'000	2019/20 R'000
4.1 Analysis of balance by source	4		
Aid assistance from RDP		-	-
Aid assistance from other sources		-	-
CARA		-	-
Closing Balance		-	-

Not Applicable

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
4,2 Analysis of balance			
Aid assistance receivable			-
Aid assistance prepayments (Not expensed)			-
Aid assistance unutilised			-
Aid assistance repayable			-
Closing balance	4	-	-
Aid assistance not requested/not received			-

Not Applicable

4.2.1 Aid assistance prepayments (expensed) - 2020/21

	Amount as at 1 April 2020 R'000	Less: Received in the current year R'000	Add/Less: Other R'000	Add: Current Year prepayments R'000	Amount as at 31 March 2021 R'000
Goods and services					-
Interest and rent on land					-
Transfers and subsidies					-
Capital assets					-
Other					-
Closing balance	-	-	-	-	-

Not Applicable

Aid assistance prepayments (expensed) - 2019/20

	Amount as at 1 April 2019 R'000	Less: Received in the current year R'000	Add/Less: Other R'000	Add: Current Year prepayments R'000	Amount as at 31 March 2020 R'000
Goods and services	-	-	-	-	-
Interest and rent on land	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-
Capital assets	-	-	-	-	-
Other	-	-	-	-	-
Closing balance	-	-	-	-	-

Not Applicable

4,3 Prior period error

	Note	2019/20 R'000
Nature of prior period error		
Relating to 20WW/XX (affecting the opening balance)		-
Relating to 2019/20		-
Total prior period errors		-

Not Applicable

4,4 Aid assistance expenditure per economic classification

	Note	2020/21 R'000	2019/20 R'000
Current		-	-
Capital	10	-	-
Transfers and subsidies		-	-
Total aid assistance expenditure		-	-

Not Applicable

4,5 Donations received in kind (not included in the main note)

	2020/21 R'000	2019/20 R'000
<i>(Treasury Regulation 21.2.4)</i>		
List in kind donations received		-
		-
		-
		-
Total	-	-

Not Applicable

5 Compensation of Employees**5,1 Salaries and wages**

	Note	2020/21 R'000	2019/20 R'000
Basic salary		172 531	247 146
Performance award		2 193	2 677
Service Based		379	291
Compensative/circumstantial		4 473	4 645
Periodic payments		-	-
Other non-pensionable allowances		36 605	46 547
Total		216 181	301 306

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
5.2 Social Contributions			
Employer contributions			
Pension		20 895	30 242
Medical		10 416	17 862
UIF		-	-
Bargaining council		50	71
Official unions and associations		-	-
Insurance		-	-
Total		31 361	48 175
Total compensation of employees		247 542	349 481
Average number of employees		437	767

Decreased budget allocation under CoE during the year under review versus the previous was due to:
The decrease from previous year was due to Transfer of 277 officials for CDW programme from OoP to COGTA (R96,975m)
National CoE reduction on the national wage bill (R19,483m)
delays on filling of vacant posts (R3,269m)

	Note	2020/21 R'000	2019/20 R'000
6 Goods and services			
Administrative fees		163	123
Advertising		2 499	5 086
Minor assets	6,1	30	136
Bursaries (employees)		65	47
Catering		1 580	3 547
Communication		6 394	4 769
Computer services	6,2	63 036	45 753
Consultants: Business and advisory services		191	460
Legal services		2 445	8 444
Contractors		5	79
Audit cost – external	6,3	5 304	5 070
Fleet services		6 109	3 581
Consumables	6,5	3 232	4 468
Operating leases		2 377	2 188
Property payments	6,6	2 029	434
Rental and hiring		61	1 252
Transport provided as part of the departmental activities		969	963
Travel and subsistence	6,7	4 972	18 594
Venues and facilities		983	4 960
Training and development		3 859	3 403
Other operating expenditure	6,8	336	362
Total		106 639	113 719

	Note	2020/21 R'000	2019/20 R'000
6,1 Minor assets	6		
Tangible assets		30	136
Buildings and other fixed structures		-	-
Biological assets		-	-
Heritage assets		-	-
Machinery and equipment		30	136
Transport assets		-	-
Specialised military assets		-	-
Intangible assets		-	-
Software		-	-
Mastheads and publishing titles		-	-
Patents, licences, copyright, brand names, trademarks		-	-
Recipes, formulae, prototypes, designs, models		-	-
Services and operating rights		-	-
Total		30	136

Reconciliations are performed monthly

	Note	2020/21 R'000	2019/20 R'000
6,2 Computer services	6		
SITA computer services		16 196	17 518
External computer service providers		46 840	28 235
Total		63 036	45 753

	Note	2020/21 R'000	2019/20 R'000
6,3 Audit cost – external	6		
Regularity audits		5 304	5 070
Performance audits		-	-
Investigations		-	-
Environmental audits		-	-
Computer audits		-	-
Total		5 304	5 070

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
6,4 Inventory	6		
Clothing material and accessories		-	-
Farming supplies		-	-
Food and food supplies		-	-
Fuel, oil and gas		-	-
Learning and teaching support material		-	-
Materials and supplies		-	-
Medical supplies		-	-
Medicine		-	-
Medsas inventory interface		-	-
Other supplies	6.4.1	-	-
Total		-	-
6.4.1 Other Supplies			
Ammunition and security supplies		-	-
Assets for distribution		-	-
Machinery and equipment		-	-
School furniture		-	-
Sports and recreation		-	-
Library material		-	-
Other assets for distribution		-	-
Other		-	-
Total		-	-
<i>Not Applicable</i>			
6,5 Consumables	6		
Consumable supplies		1 887	1 920
Uniform and clothing		-	51
Household supplies		895	963
Building material and supplies		-	442
Communication accessories		-	-
IT consumables		552	358
Other consumables		440	106
Stationery, printing and office supplies		1 345	2 548
Total		3 232	4 468
6,6 Property payments	6		
Municipal services		-	-
Property management fees		-	-
Property maintenance and repairs		-	434
Other		2 029	-
Total		2 029	434
6,7 Travel and subsistence	6		
Local		4 972	18 279
Foreign		-	315
Total		4 972	18 594
6,8 Other operating expenditure	6		
Professional bodies, membership and subscription fees		-	-
Resettlement costs		-	-
Other		336	362
Total		336	362
7 Interest and Rent on Land	Note	2020/21 R'000	2019/20 R'000
Interest paid		527	1 882
Rent on land		-	-
Total		527	1 882
8 Payments for financial assets	Note	2020/21 R'000	2019/20 R'000
Material losses through criminal conduct		-	-
Theft	8,4	-	-
Other material losses	8,1	-	-
Purchase of equity		-	-
Extension of loans for policy purposes		-	-
Other material losses written off	8,2	-	-
Debts written off	8,3	-	-
Forex losses	8,5	-	-
Debt take overs		-	-
Losses on GFECRA		-	-
Total		-	-

Not Applicable

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
8,1 Other material losses	8		
Nature of other material losses			
(Group major categories, but list material items)			
Incident	Disciplinary Steps taken/ Criminal proceedings		
			-
			-
			-
			-
Total		-	-
<i>Not Applicable</i>			
8,2 Other material losses written off	8		
Nature of losses			
(Group major categories, but list material items)			
			-
			-
			-
Total		-	-
<i>Not Applicable</i>			
8,3 Debts written off	8		
Nature of debts written off			
(Group major categories, but list material items. (debt written off relating to irregular expenditure, debt written off relating to recoverable revenue and other debts written off must be listed)			
Irregular expenditure written off			-
			-
			-
Total		-	-
Recoverable revenue written off			-
			-
			-
Total		-	-
Other debt written off			-
			-
			-
Total		-	-
Total debt written off		-	-
<i>Not Applicable</i>			
8,4 Details of theft	8		
Nature of theft			
(Group major categories, but list material items)			
			-
			-
			-
Total		-	-
<i>Not Applicable</i>			
8,5 Forex losses	8		
Nature of losses			
(Group major categories, but list material items)			
			-
			-
			-
Total		-	-
<i>Not Applicable</i>			
9 Transfers and Subsidies	Note	2020/21 R'000	2019/20 R'000
Provinces and municipalities	48, 49		-
Departmental agencies and accounts	ANNEXURE 1B	103	-
Higher education institutions	ANNEXURE 1C	-	-
Foreign governments and international organisations	ANNEXURE 1E	-	-
Public corporations and private enterprises	ANNEXURE 1D	-	-
Non-profit institutions	ANNEXURE 1F	-	-
Households	ANNEXURE 1G	20 210	32 014
Total		20 313	32 014

The amount of households disclosed comprise of transfers for Busaries, leave gratuity, Injury on duty and Donations

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
10 Expenditure for capital assets			
Tangible assets		40 971	3 319
Buildings and other fixed structures	41	-	-
Heritage assets	39,41	-	-
Machinery and equipment	39	40 971	3 319
Specialised military assets	39	-	-
Land and subsoil assets	41	-	-
Biological assets	39	-	-
Intangible assets	40	-	-
Software		-	-
Mastheads and publishing titles		-	-
Patents, licences, copyright, brand names, trademarks		-	-
Recipes, formulae, prototypes, designs, models		-	-
Services and operating rights		-	-
Total		40 971	3 319
The following amounts have been included as project costs in Expenditure for capital assets:			
Compensation of employees		-	-
Goods and services		-	-
Total		-	-

10,1 Analysis of funds utilised to acquire capital assets - 2020/21

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible assets	40 971	-	40 971
Buildings and other fixed structures	-	-	-
Heritage assets	-	-	-
Machinery and equipment	40 971	-	40 971
Specialised military assets	-	-	-
Land and subsoil assets	-	-	-
Biological assets	-	-	-
Intangible assets	-	-	-
Software	-	-	-
Mastheads and publishing titles	-	-	-
Patents, licences, copyright, brand names, trademarks	-	-	-
Recipes, formulae, prototypes, designs, models	-	-	-
Services and operating rights	-	-	-
Total	40 971	-	40 971

10,2 Analysis of funds utilised to acquire capital assets - 2019/20

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible assets	3 319	-	3 319
Buildings and other fixed structures	-	-	-
Heritage assets	-	-	-
Machinery and equipment	3 319	-	3 319
Specialised military assets	-	-	-
Land and subsoil assets	-	-	-
Biological assets	-	-	-
Intangible assets	-	-	-
Software	-	-	-
Mastheads and publishing titles	-	-	-
Patents, licences, copyright, brand names, trademarks	-	-	-
Recipes, formulae, prototypes, designs, models	-	-	-
Services and operating rights	-	-	-
Total	3 319	-	3 319

10,3 Finance lease expenditure included in Expenditure for capital assets

	2020/21 R'000	2019/20 R'000
Tangible assets		
Buildings and other fixed structures	-	-
Heritage assets	-	-
Machinery and equipment	1 826	1 119
Specialised military assets	-	-
Land and subsoil assets	-	-
Biological assets	-	-
Total	1 826	1 119

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
11 Unauthorised Expenditure			
11,1 Reconciliation of unauthorised expenditure			
Opening balance		-	-
Prior period error	11,5	-	-
As restated		-	-
Unauthorised expenditure - discovered in the current year (as restated)		-	-
Less: Amounts approved by Parliament/Legislature with funding		-	-
Less: Amounts approved by Parliament/Legislature without funding and derecognised		-	-
Current			
Capital			
Transfers and subsidies			
Less: Amounts recoverable	15	-	-
Less: Amounts written off		-	-
Closing balance		-	-
		2020/21 R'000	2019/20 R'000
Analysis of closing balance			
Unauthorised expenditure awaiting authorisation		-	-
Unauthorised expenditure approved without funding and not derecognised		-	-
Total		-	-
<i>The Office did not incur unauthorised expenditure for the period under review</i>			
11,2 Analysis of unauthorised expenditure awaiting authorisation per economic classification		2020/21 R'000	2019/20 R'000
Current		-	-
Capital		-	-
Transfers and subsidies		-	-
Total		-	-
<i>Not Applicable</i>			
11,3 Analysis of unauthorised expenditure awaiting authorisation per type		2020/21 R'000	2019/20 R'000
Unauthorised expenditure relating to overspending of the vote or a main division within the vote		-	-
Unauthorised expenditure incurred not in accordance with the purpose of the vote or main division		-	-
Total		-	-
<i>Not Applicable</i>			
11,4 Details of unauthorised expenditure - current year		2020/21 R'000	
	Incident	Disciplinary steps taken/criminal proceedings	
Total		-	
<i>Not Applicable</i>			
11,5 Prior period error	Note		2019/20 R'000
Nature of prior period error			-
Relating to 20WW/XX (affecting the opening balance)			
Relating to 2019/20			-
Total			-
<i>Not Applicable</i>			
12 Cash and Cash Equivalents	Note	2020/21 R'000	2019/20 R'000
Consolidated Paymaster General Account		22 733	76 397
Cash receipts		-	-
Disbursements		-164	-
Cash on hand		-	-
Investments (Domestic)		-	-
Investments (Foreign)		-	-
Total		22 569	76 397

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
13 Other Financial Assets			
Current			
Local			
			-
			-
Total		<u>-</u>	<u>-</u>
Foreign			
			-
			-
Total		<u>-</u>	<u>-</u>
Total Current other financial assets		<u>-</u>	<u>-</u>

Not Applicable

	Note	2020/21 R'000	2019/20 R'000
Non-Current			
Local			
			-
			-
Total		<u>-</u>	<u>-</u>
Foreign			
			-
			-
Total		<u>-</u>	<u>-</u>
Total Non-Current other financial assets		<u>-</u>	<u>-</u>

Not Applicable

	Note	2020/21 R'000	2019/20 R'000
14 Prepayments and Advances			
Staff advances		-	-
Travel and subsistence		-	-
Prepayments (Not expensed)	14,2	-	-
Advances paid (Not expensed)	14,1	-	-
SOCPEN advances		-	-
Total		<u>-</u>	<u>-</u>

Not Applicable

14,1 Advances paid (Not expensed)

	Note	Balance as at 1 April 2020 R'000	Less: Amount expensed in current year R'000	Add/Less: Other R'000	Add: Current Year advances R'000	Balance as at 31 March 2021 R'000
National departments	14	-	-	-	-	-
Provincial departments		-	-	-	-	-
Public entities		-	-	-	-	-
Other institutions		-	-	-	-	-
Total		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Not Applicable

	Note	Balance as at 1 April 2019 R'000	Less: Amount expensed in current year R'000	Add/Less: Other R'000	Add: Current Year advances R'000	Balance as at 31 March 2020 R'000
Advances paid (Not expensed)	14	-	-	-	-	-
National departments		-	-	-	-	-
Provincial departments		-	-	-	-	-
Public entities		-	-	-	-	-
Other institutions		-	-	-	-	-
Total		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Not Applicable

Notes to the Annual Financial Statements

14,2 Prepayments (Not expensed)

Note	Balance as at 1 April 2020 R'000	Less: Amount expensed in current year R'000	Add/Less: Other R'000	Add: Current Year prepayments R'000	Balance as at 31 March 2021 R'000
<i>Listed by economic classification</i>					
Goods and services	-	-	-	-	-
Interest and rent on land	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-
Capital assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-

Not Applicable

Note	Balance as at 1 April 2019 R'000	Less: Amount expensed in current year R'000	Add/Less: Other R'000	Add: Current Year prepayments R'000	Balance as at 31 March 2020 R'000
Prepayments (Not expensed)					
<i>Listed by economic classification</i>					
Goods and services	-	-	-	-	-
Interest and rent on land	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-
Capital assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-

Not Applicable

14,3 Prepayments (Expensed)

	'Balance as at 1 April 2020 R'000	Less: Received in the current year R'000	Add/Less: Other R'000	Add: Current Year prepayments R'000	Amount as at 31 March 2021 R'000
<i>Listed by economic classification</i>					
Goods and services	302	-302	-	3 783	3 783
Interest and rent on land	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-
Capital assets	-	-	-	-	-
Other	-	-	-	-	-
Total	302	-302	-	3 783	3 783

A balance of R 1 291 is a prepayment of microsoft license fees (April - June 2021). A balance of of R 2 493 is a prepayment of Firewall License fees, training and support (April 2021 to October 2023)

	'Balance as at 1 April 2019 R'000	Less: Received in the current year R'000	Add/Less: Other R'000	Add: Current Year prepayments R'000	Amount as at 31 March 2020 R'000
Prepayments (Expensed)					
<i>Listed by economic classification</i>					
Goods and services	3 425	-3 425	-	302	302
Interest and rent on land	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-
Capital assets	-	-	-	-	-
Other	-	-	-	-	-
Total	3 425	-3 425	-	302	302

14,4 Advances paid (Expensed)

	Balance as at 1 April 2020 R'000	Less: Received in the current year R'000	Add/Less: Other R'000	Add: Current Year advances R'000	Amount as at 31 March 2021 R'000
National departments	-	-	-	-	-
Provincial departments	-	-	-	-	-
Public entities	-	-	-	-	-
Other institutions	-	-	-	-	-
Total	-	-	-	-	-

Not Applicable

	Balance as at 1 April 2019 R'000	Less: Received in the current year R'000	Add/Less: Other R'000	Add: Current Year advances R'000	Amount as at 31 March 2020 R'000
Advances paid (Expensed)					
National departments	-	-	-	-	-
Provincial departments	-	-	-	-	-
Public entities	-	-	-	-	-
Other institutions	-	-	-	-	-
Total	-	-	-	-	-

Not Applicable

Notes to the Annual Financial Statements

	Note	2020/21			2019/20		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
15 Receivables							
Claims recoverable	15.1	7 931	12 605	20 536	8 682	11 614	20 296
Trade receivables	15.2	-	-	-	-	-	-
Recoverable expenditure	15.3	1	-	1	-	-	-
Staff debt	15.4	16	392	408	7	395	402
Fruitless and wasteful expenditure	15.6	-	22 800	22 800	-	22 800	22 800
Other receivables	15.5	-	559	559	-	527	527
Total		7 948	36 356	44 304	8 689	35 336	44 025
					2020/21 R'000	2019/20 R'000	
15,1 Claims recoverable	Note 15						
National departments						-	
Provincial departments					20 453	20 213	
Foreign governments						-	
Public entities					83	83	
Private enterprises						-	
Higher education institutions						-	
Households and non-profit institutions						-	
Local governments						-	
Total					20 536	20 296	
					2020/21 R'000	2019/20 R'000	
15,2 Trade receivables	Note 15						
(Group major categories, but list material items)							
						-	
						-	
						-	
Total					-	-	
<i>Not Applicable</i>							
					2020/21 R'000	2019/20 R'000	
15,3 Recoverable expenditure (disallowance accounts)	Note 15						
(Group major categories, but list material items)							
Salary Tax debt					1	-	
						-	
						-	
Total					1	-	
					2020/21 R'000	2019/20 R'000	
15,4 Staff debt	Note 15						
(Group major categories, but list material items)							
Staff Debtors (Employees & Ex-employees)					408	402	
						-	
						-	
Total					408	402	
					2020/21 R'000	2019/20 R'000	
15,5 Other receivables	Note 15						
(Group major categories, but list material items)							
Other Debtors					559	527	
						-	
						-	
Total					559	527	

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
15,6 Fruitless and wasteful expenditure	15		
Opening balance		22 800	22 800
Less amounts recovered		-	-
Less amounts written off		-	-
Transfers from note 32 Fruitless and Wasteful expenditure		-	-
Interest		-	-
Total		22 800	22 800
<i>The matter between the Office and Valor IT was awarded in favour of the Office and the R22 800 remains a receivable, furthermore the judgement was awarded with cost (where Valor IT is liable for legal fees incurred by the Office during the legal proceedings). Legal cost incurred to date is R1,228,685,31 and this amount is not fixed but subject to great change depending on the award by the Registra and in line with the approved legal procedures.</i>			
15,7 Impairment of receivables			
Estimate of impairment of receivables		195	195
Total		195	195
16 Investments			
Non-Current			
Shares and other equity (List investments at cost)			
		-	-
		-	-
		-	-
Total		-	-
Securities other than shares (List investments at cost)			
		-	-
		-	-
		-	-
Total		-	-
Total non-current		-	-
Analysis of non current investments			
Opening balance		-	-
Additions in cash		-	-
Disposals for cash		-	-
Non-cash movements		-	-
Closing balance		-	-
<i>Not Applicable</i>			
16,1 Impairment of investments			
Estimate of impairment of investments		-	-
Total		-	-
<i>Not Applicable</i>			
17 Loans			
Public corporations		-	-
Higher education institutions		-	-
Foreign governments		-	-
Private enterprises		-	-
Non-profit institutions		-	-
Staff loans		-	-
Total		-	-
Analysis of Balance			
Opening balance		-	-
New Issues		-	-
Repayments		-	-
Write-offs		-	-
Closing balance		-	-
<i>Not Applicable</i>			

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
17,1 Impairment of loans			
Estimate of impairment of loans		-	-
Total		<u>-</u>	<u>-</u>
<i>Not Applicable</i>			
18 Voted Funds to be Surrendered to the Revenue Fund			
Opening balance		87 024	105 419
Prior period error	18,2	-	-
As restated		87 024	105 419
Transfer from statement of financial performance (as restated)		43 775	141 439
Add: Unauthorised expenditure for current year	11	-	-
Voted funds not requested/not received	1,1	-	-54 415
Transferred to retained revenue to defray excess expenditure (Parliament/Legislatures ONLY)	18,1	-	-
Paid during the year		-87 024	-105 419
Closing balance		<u>43 775</u>	<u>87 024</u>
18,1 Voted funds/(Excess expenditure) transferred to the retained funds (Parliament/Legislatures ONLY)			
Opening balance	18	-	-
Transfer from the statement of financial performance		-	-
Transfer from Departmental Revenue to defray excess expenditure	19	-	-
Closing balance		<u>-</u>	<u>-</u>
<i>Not Applicable</i>			
18,2 Prior period error			
Nature of prior period error	18		
Relating to 20WW/XX (affecting the opening balance)			-
Relating to 2019/20			-
Total			<u>-</u>
19 Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund			
Opening balance		60	48
Prior period error		-	-
As restated	19,1	60	48
Transfer from Statement of Financial Performance (as restated)		-	291
Own revenue included in appropriation	4	347	388
Transfer from aid assistance		-	-
Transfer to voted funds to defray expenditure (Parliament/Legislatures ONLY)	18,1	-	-
Paid during the year		-378	-667
Closing balance		<u>29</u>	<u>60</u>
19,1 Prior period error			
Nature of prior period error	19		
Relating to 20WW/XX (affecting the opening balance)			-
Relating to 2019/20	19		-
Total			<u>-</u>
<i>Not applicable</i>			
20 Bank Overdraft			
Consolidated Paymaster General Account			-
Fund requisition account			-
Overdraft with commercial banks (Local)			-
Overdraft with commercial banks (Foreign)			-
Total		<u>-</u>	<u>-</u>

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
21 Payables - current			
Amounts owing to other entities		-	-
Advances received	21,1	-	-
Clearing accounts	21,2	141	137
Other payables	21,3	14	10 319
Total		155	10 456

R 155k includes R141 which are 3rd party institution's liabilities and R14k payable to Public Works for rental dwelling deducted from OOP employees.

	Note	2020/21 R'000	2019/20 R'000
21,1 Advances received	21		
National departments	Annex 8B	-	-
Provincial departments	Annex 8B	-	-
Public entities	Annex 8B	-	-
Other institutions	Annex 8B	-	-
Total		-	-

Not Applicable

	Note	2020/21 R'000	2019/20 R'000
21,2 Clearing accounts	21		
(Identify major categories, but list material amounts)			
Bargain Council			123
Government Employee Housing Scheme (GEHS)		70	12
Income Tax		71	2
			-
Total		141	137

	Note	2020/21 R'000	2019/20 R'000
21,3 Other payables	21		
(Identify major categories, but list material amounts)			
Public Works (Rental Dwellings)		14	14
Social Development (Special Programmes Transfer)			10 305
			-
			-
Total		14	10 319

	Note	2020/21			2019/20
		One to two years R'000	Two to three years R'000	More than three years R'000	Total R'000
22 Payables – non-current					
Amounts owing to other entities					-
Advances received	22,1				-
Other payables	22,2				-
Total		-	-	-	-

Not Applicable

	Note	2020/21 R'000	2019/20 R'000
22,1 Advances received	22		
National departments	Annex 8B	-	-
Provincial departments	Annex 8B	-	-
Public entities	Annex 8B	-	-
Other institutions	Annex 8B	-	-
Total		-	-

Not Applicable

	Note	2020/21 R'000	2019/20 R'000
22,2 Other payables	22		
(Identify major categories, but list material amounts)			
			-
			-
			-
Total		-	-

Not Applicable

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
23 Net cash flow available from operating activities			
Net surplus/(deficit) as per Statement of Financial Performance		43 775	141 730
Add back non cash/cash movements not deemed operating activities		-55 644	-71 992
(Increase)/decrease in receivables		741	74 449
(Increase)/decrease in prepayments and advances		-	-
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables – current		-10 301	10 353
Proceeds from sale of capital assets		-	-
Proceeds from sale of investments		-	-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets		40 971	3 319
Surrenders to Revenue Fund		-87 402	-106 086
Surrenders to RDP Fund/Donor		-	-
Voted funds not requested/not received		-	-54 415
Own revenue included in appropriation		347	388
Other non-cash items		-	-
Net cash flow generated by operating activities		-11 869	69 738
	Note	2020/21 R'000	2019/20 R'000
24 Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		22 733	76 397
Fund requisition account		-	-
Cash receipts		-	-
Disbursements		-164	-
Cash on hand		-	-
Cash with commercial banks (Local)		-	-
Cash with commercial banks (Foreign)		-	-
Total		22 569	76 397
	Note	2020/21 R'000	2019/20 R'000
25 Contingent liabilities and contingent assets			
25,1 Contingent liabilities			
Liable to	Nature		
Motor vehicle guarantees	Employees		-
Housing loan guarantees	Employees		-
Other guarantees			-
Claims against the department			329 226
Intergovernmental payables (unconfirmed balances)		355 701	11 937
Environmental rehabilitation liability		11 562	-
Other		-	-
Total		367 263	341 163

Amounts disclosed are of litigations currently underway against the Office; of which judgement will determine the occurrence or non-occurrence of payments.

The Labour Appeal Court (LAC) declared the salary increases for the 2020/2021 financial year unlawful and invalid. The LAC ruling has been appealed and referred to the Constitutional Court. The ruling by the Constitutional Court will confirm if the department will be obligated to pay the salary increases in dispute.

The claims against the department are as follows:

- Labour matter - Contractual Settlement dispute: KL Sebege - R3 444 852
- Dispute arising from failure to pay for legal services rendered on behalf of Kgosi Mogale of Bapo Ba Mogale: Khanyisa Mogale Inc - R4 874 475
- Rescission of Court Order 50/15 for the taxation which was submitted for the amount of R2 283 467 Premier is 2nd Respondent, while the NW Commission of Inquiry is the first Respondent: George Pogisho Moseithi Mathaku
- Civil claim for services rendered: Friendly Hand Trading Projects - R905 110
- Civil claim - Application to declare an Arbitration Award an Order of Court: Nepo Data Dynamics (Pty) Ltd - R197 281
- Third application for rescission of constitutional court judgement by Valor IT - R146 473 747
- Contractual dispute - Claim for services rendered: Iron Mountain - R438 881 The Office has entered notice to Appeal.

	Note	2020/21 R'000	2019/20 R'000
25,2 Contingent assets			
Nature of contingent asset			
Livifusion		75 337	75 337
		-	-
		-	-
Total		75 337	75 337

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
26 Capital commitments			
<i>Specify class of asset</i>			
Machinery and equipment		8 247	2 376
		-	-
		-	-
		-	-
Total		8 247	2 376
		2020/21 R'000	2019/20 R'000
27 Accruals and payables not recognised			
27,1 Accruals			
Listed by economic classification			
	30 days	30+ days	Total
Goods and services	4 328	1 239	5 567
Interest and rent on land			-
Transfers and subsidies	77	46	123
Capital assets		21	21
Other			-
Total	4 405	1 306	5 711
			7 262
Listed by programme level	Note	2020/21 R'000	2019/20 R'000
Administration		374	635
Institutional Development		4 234	2 763
Policy and Governance		1 103	3 864
Total		5 711	7 262
27,2 Payables not recognised			
Listed by economic classification			
	30 days	30+ days	Total
Goods and services	278		278
Interest and rent on land			-
Transfers and subsidies			-
Capital assets			-
Other			-
Total	278	-	278
			5 340
			-
			-
			24 009
			-
			-
			29 349
Listed by programme level	Note	2020/21 R'000	2019/20 R'000
Administration		45	2 164
Institutional Development		11	27 185
Policy and Governance		222	
Total		278	29 349
<i>Included in the above totals are the following:</i>	Note	2020/21 R'000	2019/20 R'000
Confirmed balances with departments	Annex 5	1 112	9 762
Confirmed balances with other government entities	Annex 5	2 103	-
Total		3 215	9 762
	Note	2020/21 R'000	2019/20 R'000
28 Employee benefits			
Leave entitlement		21 420	23 179
Service bonus		6 174	9 760
Performance awards		1 251	2 964
Capped leave		8 496	9 440
Other		1 892	371
Total		39 233	45 714
29 Lease commitments			
29,1 Operating leases			
2020/21			
	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000
			Machinery and equipment R'000
			Total R'000
Not later than 1 year			2 291
Later than 1 year and not later than 5 years			-
Later than five years			-
Total lease commitments	-	-	2 291

Notes to the Annual Financial Statements

2019/20	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	2 256	-	2 256
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than five years	-	-	-	-	-
Total lease commitments	-	-	2 256	-	2 256

The Office of the Premier does not have any material leasing arrangement

	2020/21 R'000	2019/20 R'000
Rental earned on sub-leased assets	3	-
Total	-	-

Office of the Premier does not have any sub-leasing arrangement

29.2 Finance leases **

2020/21	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	278	278
Later than 1 year and not later than 5 years	-	-	-	73	73
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	351	351

2019/20	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	685	685
Later than 1 year and not later than 5 years	-	-	-	167	167
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	852	852

** This note excludes leases relating to public private partnerships as they are separately disclosed to note no. 35.

Office does not have material leasing arrangements

The Office does not sub-lease

	2020/21 R'000	2019/20 R'000
Rental earned on sub-leased assets	3	-
Total	-	-

Not Applicable

29.3 Operating lease future revenue

2020/21	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	-	-
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than five years	-	-	-	-	-
Total operating lease revenue receivable	-	-	-	-	-

2019/20	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	-	-
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than five years	-	-	-	-	-
Total operating lease revenue receivable	-	-	-	-	-

Not Applicable

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
30 Accrued departmental revenue			
Tax revenue			-
Sales of goods and services other than capital assets			-
Fines, penalties and forfeits			-
Interest, dividends and rent on land			-
Sale of capital assets			-
Transactions in financial assets and liabilities			-
Transfers received			-
Other			-
Total		-	-
<i>Not Applicable</i>			
	Note	2020/21 R'000	2019/20 R'000
30,1 Analysis of accrued departmental revenue			
Opening balance			-
Less: Amounts received			-
Less: Services received in lieu of cash			-
Add: Amounts recognised			-
Less: Amounts written-off/reversed as irrecoverable			-
Less: Amounts transferred to receivables for recovery			-
Other (Specify)			-
Closing balance		-	-
<i>Not Applicable</i>			
		2020/21 R'000	2019/20 R'000
30,2 Accrued department revenue written off			
Nature of losses			
(Group major categories, but list material items)			-
			-
			-
Total		-	-
	Note	2020/21 R'000	2019/20 R'000
30,3 Impairment of accrued departmental revenue			
Estimate of impairment of accrued departmental revenue			-
Total		-	-
<i>Not Applicable</i>			
	Note	2020/21 R'000	2019/20 R'000
31 Irregular expenditure			
31,1 Reconciliation of irregular expenditure			
Opening balance		831 801	798 963
Prior period error			-
As restated		831 801	798 963
Add: Irregular expenditure - relating to prior year	31,2		-
Add: Irregular expenditure - relating to current year	31,2	61 771	32 838
Less: Prior year amounts condoned	31,3		-
Less: Current year amounts condoned	31,3		-
Less: Prior year amounts not condoned and removed	31,5		-
Less: Current year amounts not condoned and removed	31,5		-
Less: Amounts recoverable (current and prior year)	15		-
Less: Amounts written off	31,6		-
Closing balance		893 572	831 801
Analysis of closing balance			
Current year		61 771	32 838
Prior years		831 801	798 963
Total		893 572	831 801

Irregular expenditure was incorrectly presented in the prior year, as a result the presentation of amount was corrected to achieve fair presentation of the financial statement.

Notes to the Annual Financial Statements

		2020/21	
		R'000	
31,2	Details of current and prior year irregular expenditure – added current year (under determination and investigation)		
	Incident	Disciplinary steps taken/criminal proceedings	
	Did not go through competitive bidding.	none	4 342
	Variation approval not obtained from Treasury	none	7 034
	Legal services		399
	Telkom		25 987
	SITA process not followed		24 009
	Total		61 771
31,3	Details of irregular expenditure condoned	2020/21	
	Incident	R'000	
		Condoned by (relevant authority)	
	Total		-
31,4	Details of irregular expenditure recoverable (not condoned)	2020/21	
	Incident	R'000	
	Total		-
31,5	Details of irregular expenditure removed - (not condoned)	2020/21	
	Incident	R'000	
		Not condoned by (relevant authority)	
	Total		-
31,6	Details of irregular expenditure written off (irrecoverable)	2020/21	
	Incident	R'000	
	Total		-
31,7	Details of irregular expenditure under assessment (not included in the main note)	2020/21	
	Incident	R'000	
	Total		-
31,8	Prior period error	Note	2019/20
	Nature of prior period error		R'000
			-
	Relating to 2019/20		-
	Total		-

Notes to the Annual Financial Statements

31,9 Details of the non-compliance where an institution is involved in an inter-institutional arrangement Incident

2020/21
R'000

Total -

Include discussion where deemed relevant

32 Fruitless and wasteful expenditure

32,1 Reconciliation of fruitless and wasteful expenditure

2020/21
R'000

2019/20
R'000

Opening balance		7 090	6 416
Prior period error			-781
As restated		7 090	5 635
Fruitless and wasteful expenditure – relating to prior year	32,2		1 455
Fruitless and wasteful expenditure – relating to current year	32,2		-
Less: Amounts recoverable	15,6		-
Less: Amounts written off	32,4		-
Closing balance		<u><u>7 090</u></u>	<u><u>7 090</u></u>

32,2 Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)

2020/21
R'000

Incident	Disciplinary steps taken/criminal proceedings	2020/21 R'000
Total		<u><u>-</u></u>

32,3 Details of fruitless and wasteful expenditure recoverable Incident

2020/21
R'000

Total -

32,4 Details of fruitless and wasteful expenditure written off Incident

2020/21
R'000

Total -

32,5 Prior period error

Note

2019/20
R'000

Nature of prior period error		-781
Relating to 2017 - 2019 (affecting the opening balance)		-781
Telkom Interest		-781
Relating to 2019/20		-1 260
(SARS) Expenditure relating to Prior Year		-834
Telkom Interest		-426
Total		<u><u>-2 041</u></u>

Telkom contract was deemed Irregular from 2017/18 financial year and Interest charged on overdue invoices from 2017/18 disclosed under Fruitless & Wasteful expenditure was removed from the Fruitless & Wasteful expenditure register and disclosed under Irregular expenditure

32,6 Details of fruitless and wasteful expenditure under investigation (not in the main note) Incident

2020/21
R'000

Total -

Not Applicable

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
33 Related party transactions			
Revenue received			
Tax revenue			-
Sales of goods and services other than capital assets			-
Fines, penalties and forfeits			-
Interest, dividends and rent on land			-
Sales of capital assets			-
Transactions in financial assets and liabilities			-
Transfers received			-
Total		-	-
Payments made			
Compensation of employees			-
Goods and services			-
Interest and rent of land			-
Expenditure for capital assets			-
Payments for financial assets			-
Transfers and subsidies			-
Total		-	-
	Note	2020/21 R'000	2019/20 R'000
Year end balances arising from revenue/payments			
Receivables from related parties			-
Payables to related parties			-
Total		-	-
	Note	2020/21 R'000	2019/20 R'000
Loans to/from related parties			
Non-interest bearing loans to/(from)			-
Interest bearing loans to/(from)			-
Total		-	-
	Note	2020/21 R'000	2019/20 R'000
Other			
Guarantees issued/received			-
<i>List other contingent liabilities between department and related party</i>			-
Total		-	-
	Note	2020/21 R'000	2019/20 R'000
In kind goods and services provided/received			
<i>List in kind goods and services between department and related party</i>			-
Total		-	-

List related party relationships and the nature thereof

All entities in the provincial sphere of government are related parties, as a result all provincial departments, trading entities, schedule 3C and 3D public entities as well as the provincial legislature are related parties to the department.

This includes the following entities within the department's portfolio:
Youth Enterprise Services (YES Fund)

The Cabinet resolved to invoke section 100(1)(b) of the Constitution on 23 May 2018 at the department, together with interventions at other provincial departments. In this regard an Inter-Ministerial Task Team (IMTT) was established constituted of several ministers to address the challenges facing the province. Each relevant minister was also mandated to conduct performance assessments of their corresponding portfolio department in the province. To give effect to section 100(1)(b), Mr S Mpanza was appointed as administrator of the department of (date).

As a result the following entities in the national sphere of government are related parties to the department for the duration of the national intervention:
Departments of Public Service and Administration Mr S Mpanza – the appointed administrator

Mr AJL Moseki is a family member of Ms R.K Moseki who is the Chief Director: Strategic Human Resources Management

Notes to the Annual Financial Statements

	No. of Individuals	2020/21 R'000	2019/20 R'000
34 Key management personnel			
Political office bearers (provide detail below)	1	2 260	2 263
Officials:			-
Level 15-16	5	8 189	7 992
Level 14(Incl CFO if at a lower level)	11	13 660	14 340
Level 14(Acting all)	3	158	184
Family members of key management personnel	1	1 057	1 073
Total		25 324	25 852
		2020/21 R'000	2019/20 R'000
Key management personnel (Parliament/Legislatures)	No. of Individuals		
Speaker to Parliament/the Legislature			-
Deputy Speaker to Parliament/the Legislature			-
Secretary to Parliament/ the Legislature			-
Deputy Secretary			-
Chief Financial Officer			-
Legal Advisor			-
Other			-
Total		-	-

Mr S Mpanza, the appointed administrator and the Minister of Department of DPSSA are considered part of key management personnel, they were however not remunerated by the Office during the year under review.

The amount of R 969 000 relates to the salary until 31 January 2021 of Mr AJL Moseki who is a family member of Ms R.K Moseki who is the Chief Director: Strategic Human Resources Management. Ms. Moseki resigned on the 31 January 2021

35 Public Private Partnership

	Note	2020/21 R'000	2019/20 R'000
Concession fee received		-	-
Base fee received		-	-
Variable fee received		-	-
Other fees received... please specify		-	-
Unitary fee paid		-	-
Fixed component		-	-
Indexed component		-	-
Analysis of indexed component		-	-
Compensation of employees		-	-
Goods and Services(excluding lease payments)		-	-
Operating leases		-	-
Interest		-	-
Capital/(Liabilities)		-	-
Tangible rights		-	-
Intangible rights		-	-
Property		-	-
Plant and equipment		-	-
Loans		-	-
Other		-	-
Prepayments and advances		-	-
Pre-production obligations		-	-
Other obligations		-	-

Any guarantees issued by the department are disclosed in Note 25.1

Not Applicable

	Note	2020/21 R'000	2019/20 R'000
36 Impairment (Other than receivables, accrued departmental revenue, loans and investments)			
Please specify			-
			-
			-
			-
Total		-	-
Not Applicable			

Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
37 Provisions			
<i>Please specify</i>			-
			-
			-
			-
Total		-	-

Not Applicable

37,1 Reconciliation of movement in provisions - 2020/21

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Provision 4 R'000	Total provisions R'000
Opening balance					-
Increase in provision					-
Settlement of provision					-
Unused amount reversed					-
Reimbursement expected from third party					-
Change in provision due to change in estimation of inputs					-
Closing balance	-	-	-	-	-

Reconciliation of movement in provisions - 2019/20

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Provision 4 R'000	Total provisions R'000
Opening balance	-	-	-	-	-
Increase in provision	-	-	-	-	-
Settlement of provision	-	-	-	-	-
Unused amount reversed	-	-	-	-	-
Reimbursement expected from third party	-	-	-	-	-
Change in provision due to change in estimation of inputs	-	-	-	-	-
Closing balance	-	-	-	-	-

38 Non-adjusting events after reporting date

Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made.

2020/21

R'000

Total

-

39 Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT	107 270	-	39 145	-	146 415
Transport assets	-	-	-	-	-
Computer equipment	49 618	-	38 560	-	88 178
Furniture and office equipment	8 164	-	30	-	8 194
Other machinery and equipment	49 488	-	555	-	50 043
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets	-	-	-	-	-
BIOLOGICAL ASSETS	-	-	-	-	-
Biological assets	-	-	-	-	-
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	107 270	-	39 145	-	146 415

Notes to the Annual Financial Statements

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Heritage assets		
Machinery and equipment	97	1 432
Specialised military assets		
Biological assets		

Assets that could not be verified are classified as under investigation.

Due to COVID 19 the 2020/21 yearend verification was completed through an alternative approach as a result it was impracticable to perform 100% physical verification. The under investigation assets will be resolved through the annual asset verification confirming the existence and/non existence thereof.

Additions

39,1 ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash R'000	Non-cash R'000	(Capital work-in- progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
HERITAGE ASSETS	-	-	-	-	-
Heritage assets					
MACHINERY AND EQUIPMENT	40 971	-	-1 826	-	39 145
Transport assets					
Computer equipment	38 560				38 560
Furniture and office equipment	30				30
Other machinery and equipment	2 381		-1 826		555
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets					
BIOLOGICAL ASSETS	-	-	-	-	-
Biological assets					
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	40 971	-	-1 826	-	39 145

Disposals

39,2 DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash received Actual R'000
HERITAGE ASSETS	-	-	-	-
Heritage assets				
MACHINERY AND EQUIPMENT	-	-	-	-
Transport assets				
Computer equipment				
Furniture and office equipment				
Other machinery and equipment				
SPECIALISED MILITARY ASSETS	-	-	-	-
Specialised military assets				
BIOLOGICAL ASSETS	-	-	-	-
Biological assets				
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	-	-	-	-

39,3 Movement for 2019/20

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
HERITAGE ASSETS	-	-	-	-	-
Heritage assets					
MACHINERY AND EQUIPMENT	104 139	-	3 161	30	107 270
Transport assets					
Computer equipment	47 211		2 407		49 618
Furniture and office equipment	7 984		197	17	8 164
Other machinery and equipment	48 944		557	13	49 488
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets					
BIOLOGICAL ASSETS	-	-	-	-	-
Biological assets					
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	104 139	-	3 161	30	107 270

Notes to the Annual Financial Statements

39.3.1 Prior period error	Note	2019/20 R'000
Nature of prior period error		-
		-
Relating to 2019/20		-
Total		-

39.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	744	-	15 033	-	15 777
Value adjustments						-
Additions				30		30
Disposals		744		688		1 432
TOTAL MINOR ASSETS	-	-	-	14 375	-	14 375
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	-	-	-
Number of minor assets at cost				7 328		7 328
TOTAL NUMBER OF MINOR ASSETS	-	-	-	7 328	-	7 328

Minor Capital Assets under investigation

Included in the above total of the minor capital assets per the asset register are assets that are under investigation:

	Number	Value R'000
Specialised military assets		
Intangible assets		
Heritage assets		
Machinery and equipment	1 506	2 944
Biological assets		

Assets that could not be verified are classified as under investigation.

Due to COVID 19 the 2020/21 annual asset verification was completed through an alternative approach as a result it was impracticable to perform 100% verification
Minor Intangible assets that have reached the end of their useful life were written-off

The under investigation assets will be resolved through the annual asset verification confirming the existence and/non existence thereof

Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	744	-	14 140	-	14 884
Prior period error	-	-	-	709	-	709
Additions	-	-	-	265	-	265
Disposals	-	-	-	81	-	81
TOTAL MINOR ASSETS	-	744	-	15 033	-	15 777
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	-	-	-
Number of minor assets at cost				7 306		7 306
TOTAL NUMBER OF MINOR ASSETS	-	-	-	7 306	-	7 306

39.4.1 Prior period error	Note	2019/20 R'000
Nature of prior period error		709
Compluter laptops fair valued		709
		-
Relating to 2019/20		-
Total		709

Computer laptops procured through a finance lease were fair valued and included in the asset register

Notes to the Annual Financial Statements

39,5 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2021

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off				136		136
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	136	-	136

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2020

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

Computer equipment assets were written off in the current year

39,6 S42 Movable Capital Assets

MAJOR ASSETS TO BE TRANSFERRED IN TERMS OF S42 OF THE PFMA - 31 MARCH 2021

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
No of Assets						-
Value of the asset (R'000)						-

MINOR ASSETS TO BE TRANSFERRED IN TERMS OF S42 OF THE PFMA - 31 MARCH 2021

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
No of Assets				193		193
Value of the asset (R'000)				552		552

MAJOR ASSETS TO BE TRANSFERRED IN TERMS OF S42 OF THE PFMA - 31 MARCH 2020

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
No of Assets	-	-	-	39	-	39
Value of the asset (R'000)	-	-	-	961	-	961

MINOR ASSETS TO BE TRANSFERRED IN TERMS OF S42 OF THE PFMA - 31 MARCH 2020

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
No of Assets	-	-	-	75	-	75
Value of the asset (R'000)	-	-	-	128	-	128

40 Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
SOFTWARE	3 836	-	-	3 836	-
MASTHEADS AND PUBLISHING TITLES	-	-	-	-	-
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	-	-	-	-
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-	-	-	-	-
SERVICES AND OPERATING RIGHTS	-	-	-	-	-
TOTAL INTANGIBLE CAPITAL ASSETS	3 836	-	-	3 836	-

Major Intangible assets that have reached the end of their useful life and unusable were written-off

Intangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the intangible capital assets per the asset register are assets that are under investigation:		

Software
 Mastheads and publishing titles
 Patents, licences, copyright, brand names, trademarks
 Recipes, formulae, prototypes, designs, models
 Services and operating rights

Notes to the Annual Financial Statements

40,1 ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash	Non-cash	(Development work-in-progress current costs)	Received current, not paid (Paid current year, received prior year	Total
	R'000	R'000	R'000	R'000	R'000
SOFTWARE					-
MASTHEADS AND PUBLISHING TITLES					-
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS					-
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS					-
SERVICES AND OPERATING RIGHTS					-
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	-	-	-	-	-

Major Intangible assets that have reached the end of their usefull life and unusable were written-off

Disposals

40,2 DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash	Non-cash disposal	Total disposals	Cash received Actual
	R'000	R'000	R'000	R'000
SOFTWARE		3 836	3 836	
MASTHEADS AND PUBLISHING TITLES			-	
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS			-	
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS			-	
SERVICES AND OPERATING RIGHTS			-	
TOTAL DISPOSAL OF INTANGIBLE CAPITAL ASSETS	-	3 836	3 836	-

Major Intangible assets that have reached the end of their usefull life and unusable were written-off

Movement for 2019/20

40,3 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
SOFTWARE	3 836	-	-	-	3 836
MASTHEADS AND PUBLISHING TITLES	-	-	-	-	-
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	-	-	-	-
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-	-	-	-	-
SERVICES AND OPERATING RIGHTS	-	-	-	-	-
TOTAL INTANGIBLE CAPITAL ASSETS	3 836	-	-	-	3 836

40.3.1 Prior period error

Nature of prior period error
Relating to 20WW/XX (affecting the opening balance)

Note

2019/20
R'000

Relating to 2019/20

Total

Notes to the Annual Financial Statements

41 Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	1 770	-	-	-	1 770
Dwellings	-	-	-	-	-
Non-residential buildings	1 770	-	-	-	1 770
Other fixed structures	-	-	-	-	-
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
LAND AND SUBSOIL ASSETS	-	-	-	-	-
Land	-	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	1 770	-	-	-	1 770

Immovable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the immovable tangible capital assets per the asset register are assets that are under investigation:		
Buildings and other fixed structures		
Heritage assets		
Land and subsoil assets		

Additions

41,1 ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash R'000	Non-cash R'000	(Capital work-in-progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	-	-	-	-
Dwellings	-	-	-	-	-
Non-residential buildings	-	-	-	-	-
Other fixed structures	-	-	-	-	-
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
LAND AND SUBSOIL ASSETS	-	-	-	-	-
Land	-	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-	-
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	-	-	-	-	-

Disposals

41,2 DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash received Actual R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	-	-	-
Dwellings	-	-	-	-
Non-residential buildings	-	-	-	-
Other fixed structures	-	-	-	-
HERITAGE ASSETS	-	-	-	-
Heritage assets	-	-	-	-
LAND AND SUBSOIL ASSETS	-	-	-	-
Land	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-
TOTAL DISPOSAL OF IMMOVABLE TANGIBLE CAPITAL ASSETS	-	-	-	-

Notes to the Annual Financial Statements

Movement for 2019/20

41.3 MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	1 770	-	-	-	1 770
Dwellings	-	-	-	-	-
Non-residential buildings	1 770	-	-	-	1 770
Other fixed structures	-	-	-	-	-
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
LAND AND SUBSOIL ASSETS	-	-	-	-	-
Land	-	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	1 770	-	-	-	1 770

41.3.1 Prior period error

Note

2019/20
R'000

Nature of prior period error
Relating to 20WW/XX (affecting the opening balance)

-

Relating to 2019/20

-

Total

-

Capital Work-in-progress

41.4 CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2021

Note	Opening Balance 1 April 2020 R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing Balance 31 March 2021 R'000
Annexure 7				
Heritage assets	-	-	-	-
Buildings and other fixed structures	5 003	-	5 003	-
Machinery and equipment	-	-	-	-
Specialised military assets	-	-	-	-
Intangible assets	-	-	-	-
TOTAL	5 003	-	5 003	-

The MRRRP projects for Cultural Villages was terminated

Age analysis on ongoing projects	Number of projects		2020/21
	Planned, construction not started	Planned, construction started	Total R'000
0 to 1 year			
1 to 3 year(s)			
3 to 5 years			
Longer than 5 years			
Total	-	-	-

Payables not recognised relating to Capital WIP

2020/21
R'0002019/20
R'000

[Amounts relating to progress certificates received but not paid at year end
and therefore not included in capital work-in-progress]

-

Total

-

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2020

Note	Opening Balance R'000	Prior period error R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing Balance 31 March 2020 R'000
Annexure 7					
Heritage assets	-	-	-	-	-
Buildings and other fixed structures	5 003	-	-	-	5 003
Machinery and equipment	-	-	-	-	-
Specialised military assets	-	-	-	-	-
Intangible assets	-	-	-	-	-
TOTAL	5 003	-	-	-	5 003

The Office did not incur any expenditure relating to WIP in the 2019/20 financial year, the total expenditure of R5 003 000 work in progress related to MRRRP projects for the cultural villages plans, the expenditure was incurred in the 2015/16 financial year

Notes to the Annual Financial Statements

Age analysis on ongoing projects	Number of projects		2019/20 Total R'000
	Planned, construction not started	Planned, construction started	
0 to 1 year	-	-	-
1 to 3 year(s)	-	-	-
3 to 5 years	-	-	-
Longer than 5 years	-	-	-
Total	-	-	-

Immovable assets written off

41,5 IMMOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2021

	Buildings and other fixed structures R'000	Heritage assets R'000	Land and subsoil assets R'000	Total R'000
Immovable assets written off	-	-	-	-
TOTAL IMMOVABLE ASSETS WRITTEN OFF	-	-	-	-

IMMOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2020

	Buildings and other fixed structures R'000	Heritage assets R'000	Land and subsoil assets R'000	Total R'000
Immovable assets written off	-	-	-	-
TOTAL IMMOVABLE ASSETS WRITTEN OFF	-	-	-	-

S42 Immovable assets

41,6 Assets to be transferred in terms of S42 of the PFMA - 2020/21

BUILDINGS AND OTHER FIXED STRUCTURES

Dwellings
Non-residential buildings
Other fixed structures

HERITAGE ASSETS

Heritage assets

LAND AND SUBSOIL ASSETS

Land
Mineral and similar non-regenerative resources

TOTAL

No of Assets	Value of Assets R'000
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-

Assets to be transferred in terms of S42 of the PFMA - 2019/20

BUILDINGS AND OTHER FIXED STRUCTURES

Dwellings
Non-residential buildings
Other fixed structures

HERITAGE ASSETS

Heritage assets

LAND AND SUBSOIL ASSETS

Land
Mineral and similar non-regenerative resources

TOTAL

No of Assets	Value of Assets R'000
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-

Notes to the Annual Financial Statements

		<i>Note</i>	2020/21	2019/20
41,7 Immovable assets additional information				
a Unsurveyed land	Estimated completion date	Annexure 9	Area	Area
				-
b Properties deemed vested		Annexure 9	Number	Number
Land parcels				-
Facilities				-
Schools				-
Clinics				-
Hospitals				-
Office buildings				-
Dwellings				-
Storage facilities				-
Other				-
c Facilities on unsurveyed land	Duration of use	Annexure 9	Number	Number
Schools				-
Clinics				-
Hospitals				-
Office buildings				-
Dwellings				-
Storage facilities				-
Other				-
d Facilities on right to use land	Duration of use	Annexure 9	Number	Number
Schools				-
Clinics				-
Hospitals				-
Office buildings				-
Dwellings				-
Storage facilities				-
Other				-
e Agreement of custodianship		Annexure 9	Number	Number
Land parcels				-
Facilities				-
Schools				-
Clinics				-
Hospitals				-
Office buildings				-
Dwellings				-
Storage facilities				-
Other				-
42 Principal-agent arrangements				
42,1 Department acting as the principal			2020/21	2019/20
			R'000	R'000
				-
				-
				-
				-
				-
				-
				-
				-
				-
Total			-	-

The Office did not enter into any Principal-agent arrangement during the period under review

Notes to the Annual Financial Statements

Payables

	Opening balance R'000	Expenses incurred on behalf of principal R'000	Cash paid on behalf of principal R'000	Closing balance R'000
Name of entity				-
				-
				-
				-
				-
TOTAL	-	-	-	-

Reconciliation of carrying amount of receivables and payables - 2019/20

Receivables

	Opening balance R'000	Revenue principal is entitled to R'000	Less: Write- offs/settlements/w aivers R'000	Cash received on behalf of principal R'000	Closing balance R'000
Name of entity					-
					-
					-
					-
					-
TOTAL	-	-	-	-	-

Payables

	Opening balance R'000	Expenses incurred on behalf of principal R'000	Cash paid on behalf of principal R'000	Closing balance R'000
Name of entity				-
				-
				-
				-
				-
TOTAL	-	-	-	-

43 Change in accounting estimate

During the year the following changes were made to the estimations employed in the accounting for transactions, assets, liabilities, events and circumstances

	Value derived using the original estimate	Value derived using the amended estimate	R-value impact of change in estimate
Accounting estimate change 1: Provide a description of the change in estimate			
Line item 1 affected by the change			
Line item 2 affected by the change			
Line item 3 affected by the change			
Line item 4 affected by the change			
Line item 5 affected by the change			
Not Applicable			

Notes to the Annual Financial Statements

	Value derived using the original estimate	Value derived using the amended estimate	R-value impact of change in estimate
<i>Accounting estimate change 2: Provide a description of the change in estimate</i>			
Line item 1 affected by the change			
Line item 2 affected by the change			
Line item 3 affected by the change			
Line item 4 affected by the change			
Line item 5 affected by the change			

Not Applicable

	Value derived using the original estimate	Value derived using the amended estimate	R-value impact of change in estimate
<i>Accounting estimate change 3: Provide a description of the change in estimate</i>			
Line item 1 affected by the change			
Line item 2 affected by the change			
Line item 3 affected by the change			
Line item 4 affected by the change			
Line item 5 affected by the change			

Not Applicable

44 Prior period errors

	Note	Amount bef error correction R'000	2019/20 Prior period error R'000	Restated amount R'000
44.1 Correction of prior period errors				
<i>Revenue: (e.g. Annual appropriation, Departmental revenue, Aid assistance, etc.)</i>				
Statement of Changes in Net Assets		22 800	82	22 882
Debt Recovered		-	82	82
				-
Statement of Position				-
Non current Assets		35 249	82	35 331
Recoverable Revenue		22 800	82	22 882
				-
Receivables	15			-
Non current Assets		835	82	917
				-
				-
Net effect		81 684	410	82 094
<i>These accounts were understated by an amount of R 82k as Accrued Interest receivable earned from Departmental Debtors which was disclosed erroneously in previous years and corrected in the current year.</i>				
<i>Expenditure: (e.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)</i>				
CoE	5	348 647	834	349 481
Interest and rent on land	7	2 716	-834	1 882
Computer services -SITA computer services	6	41 909	-24 391	17 518
Computer services -External computer service providers	6	3 844	24 391	28 235
				-
				-
				-
				-
Net effect		397 116	-	397 116

Notes to the Annual Financial Statements

The Office Overstated Interest charged on overdue account and Fruitless & wasteful expenditure, and understated CoE by 834k which relates to PAYE for previous years in 2019/2020 financial year.

Assets: (e.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)

Minor computer laptops	39.4	14 324	709	15 033
				-
				-
				-
				-
				-
				-
				-
				-
				-
Net effect		14 324	709	15 033

Computer laptops procured through a finance lease were fair valued and included in the asset register

Liabilities: (e.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)

Employee benefits: Performance awards	28	1 976	988	2 964
				-
				-
				-
				-
				-
				-
				-
				-
				-
Net effect		1 976	988	2 964

The 2019/20 performance award provision was calculated on 0,5% instead of 0,75% resulting in an understatement of R988 000

Other: (e.g. Irregular expenditure, fruitless and wasteful expenditure, etc.)
Fruitless & Wasteful Expenditure

	Note 32			
Opening Balance (Telkom) 2017 - 2019		6 476	-781	5 695
(Telkom) 2019/20		2 716	-426	2 290
(SARS) 2019/20			-834	-834
AGSA		7 810	-61	7 749
				-
Net effect		17 002	-2 102	14 900

Telkom contract was deemed Irregular from 2017/18 financial year and Interest charged on overdue invoices from 2017/18 disclosed under Fruitless & Wasteful expenditure was removed from the Fruitless & Wasteful expenditure register. The Office Overstated Interest charged on overdue account and

45 INVENTORIES (Effective from date determined in a Treasury instruction)
45,1 Inventories for the year ended 31 March 2021

Note	Insert major category R'000	Insert major category R'000	Insert major category R'000	Insert major category R'000	Total R'000
Annexure 6					
Opening balance					-
Add/(Less): Adjustments to prior year balances					-
Add: Additions/Purchases - Cash					-
Add: Additions - Non-cash					-
(Less): Disposals					-
(Less): Issues					-
Add/(Less): Received current, not paid (Paid current year received prior year)					-
Add/(Less): Adjustments					-
Closing balance					-

Notes to the Annual Financial Statements`

Not Applicable

Inventories for the year ended 31 March 2020

	Insert major category				Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	-	-
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases - Cash	-	-	-	-	-
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	-	-	-	-	-
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	-	-	-	-	-

Not Applicable

45,2 Land parcels held for Human Settlement

	2020/21 R'000	2019/20 R'000
Opening balance	-	-
Add/(Less): Adjustments to prior year balances	-	-
Add: Additions/Purchases - Cash	-	-
Add: Additions - Non-cash	-	-
(Less): Disposals	-	-
(Less): Issues	-	-
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-
Add/(Less): Adjustments	-	-
Closing balance	-	-

Not Applicable

45,3 Work in progress for the year ended 31 March 2021

	Opening balance R'000	Additions during year R'000	(Ready for use / Suspended) R'000	Closing balance R'000
Clearing	-	-	-	-
Infrastructure	-	-	-	-
Structure of houses	-	-	-	-
Adjustments	-	-	-	-
Total	-	-	-	-

Not Applicable

Work in progress for the year ended 31 March 2020

	Opening balance R'000	Additions during year R'000	(Ready for use / Suspended) R'000	Closing balance R'000
Clearing	-	-	-	-
Infrastructure	-	-	-	-
Structure of houses	-	-	-	-
Adjustments	-	-	-	-
Total	-	-	-	-

Not Applicable

45,4 Houses ready for use

	Quantity R'000	2020/21 R'000	Quantity R'000	2019/20 R'000
Opening balance	-	-	-	-
Add/(Less): Adjustments to prior year balances	-	-	-	-
Add: Ready for use in current year	-	-	-	-
Less: Issued to beneficiaries	-	-	-	-
Add/(Less): Adjustments	-	-	-	-
Closing balance	-	-	-	-

Not Applicable

Notes to the Annual Financial Statements

46 TRANSFER OF FUNCTIONS AND MERGERS

46 Transfer of functions

Provide a brief description of the functions transferred or acquired and the reason for undertaking the transaction or event.

46.1.1 Statement of Financial Position	Note	Balance before transfer date	Functions received from Department of Social Development	Functions (transferred) / received Dept name (Specify)	Functions (transferred) / received Dept name (Specify)	Balance after transfer date
		R'000	R'000	R'000	R'000	R'000
ASSETS						
Current Assets						
Unauthorised expenditure		-	-	-	-	-
Fruitless and wasteful expenditure						-
Cash and cash equivalents						-
Other financial assets						-
Prepayments and advances						-
Receivables						-
Loans						-
Aid assistance receivable						-
Non-Current Assets						
Investments		-	-	-	-	-
Receivables						-
Loans						-
Other financial assets						-
TOTAL ASSETS		-	-	-	-	-
LIABILITIES						
Current Liabilities						
Voted funds to be surrendered to the Revenue Fund		-	-	-	-	-
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund						-
Bank overdraft						-
Payables						-
Aid assistance repayable						-
Aid assistance unutilised						-
Non-Current Liabilities						
Payables		-	-	-	-	-
TOTAL LIABILITIES		-	-	-	-	-
NET ASSETS		-	-	-	-	-
46.1.2 Notes						
		Balance before transfer date	Functions received from Department of Social Development	Functions (transferred) / received Dept name (Specify)	Functions (transferred) / received Dept name (Specify)	Balance after transfer date
		R'000	R'000	R'000	R'000	R'000
Contingent liabilities						-
Contingent assets						-
Capital commitments						-
Accruals						-
Payables not recognised						-
Employee benefits						-
Lease commitments - operating lease						-
Lease commitments - finance lease						-
Lease commitments - operating lease revenue						-
Accrued departmental revenue						-
Irregular expenditure						-
Fruitless and wasteful expenditure						-
Impairment						-
Provisions						-
Movable tangible capital assets						-
Immovable tangible capital assets						-
Intangible capital assets						-

Notes to the Annual Financial Statements

46 Mergers

Provide a brief description of the merger and the reason for undertaking the transaction or event.

46.1.1 Statement of Financial Position	Note	Balance bef merger date	Balance bef merger date	Balance bef merger date	Balance after merger date
		Combining Dept (Specify)	Combining Dept (Specify)	Combining Dept (Specify)	Combined Dept (Specify)
		R'000	R'000	R'000	R'000
ASSETS					
Current Assets					
Unauthorised expenditure		-	-	-	-
Fruitless and wasteful expenditure		-	-	-	-
Cash and cash equivalents		-	-	-	-
Other financial assets		-	-	-	-
Prepayments and advances		-	-	-	-
Receivables		-	-	-	-
Loans		-	-	-	-
Aid assistance receivable		-	-	-	-
Non-Current Assets					
Investments		-	-	-	-
Receivables		-	-	-	-
Loans		-	-	-	-
Other financial assets		-	-	-	-
TOTAL ASSETS		-	-	-	-
LIABILITIES					
Current Liabilities					
Voted funds to be surrendered to the Revenue Fund		-	-	-	-
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund		-	-	-	-
Bank overdraft		-	-	-	-
Payables		-	-	-	-
Aid assistance repayable		-	-	-	-
Aid assistance unutilised		-	-	-	-
Non-Current Liabilities					
Payables		-	-	-	-
TOTAL LIABILITIES		-	-	-	-
NET ASSETS		-	-	-	-
46.1.2 Notes					
		R'000	R'000	R'000	R'000
Contingent liabilities		-	-	-	-
Contingent assets		-	-	-	-
Capital commitments		-	-	-	-
Accruals		-	-	-	-
Payables not recognised		-	-	-	-
Employee benefits		-	-	-	-
Lease commitments - operating lease		-	-	-	-
Lease commitments - finance lease		-	-	-	-
Lease commitments - operating lease revenue		-	-	-	-
Accrued departmental revenue		-	-	-	-
Irregular expenditure		-	-	-	-
Fruitless and wasteful expenditure		-	-	-	-
Impairment		-	-	-	-
Provisions		-	-	-	-
Movable tangible capital assets		-	-	-	-
Immovable tangible capital assets		-	-	-	-
Intangible capital assets		-	-	-	-

Notes to the Annual Financial Statements

47 STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2019/20	
	Division of Revenue Act/Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (overspending)	% of available funds spent by dept	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000

Departments are reminded of the DORA requirement to certify that all transfers in terms of this Act were deposited into the primary bank account of the province or, where appropriate, into the CPD account of a province.

Not Applicable

48 STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

NAME OF PROVINCE/GRANT	GRANT ALLOCATION				TRANSFER			SPENT				2019/20	
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by dept	Division of Revenue Act	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Summary by province													
Eastern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
Free State	-	-	-	-	-	-	-	-	-	-	-	-	-
Gauteng	-	-	-	-	-	-	-	-	-	-	-	-	-
KwaZulu-Natal	-	-	-	-	-	-	-	-	-	-	-	-	-
Limpopo	-	-	-	-	-	-	-	-	-	-	-	-	-
Mpumalanga	-	-	-	-	-	-	-	-	-	-	-	-	-
Northern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
North West	-	-	-	-	-	-	-	-	-	-	-	-	-
Western Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL													
Summary by grant													

Annexures to the Annual Financial Statements

**Annexure 1A
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2019/20	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Total	-	-	-	-	-	-	-	-	-	-	-	-	-

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a municipality or, where appropriate, into the CPD account of a municipality as well as indicate the funds utilised for the administration of the receiving officer.

Not Applicable

**ANNEXURE 1B
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENT/AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2019/20
	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Youth Enterpreneurship Services Fund			103	103	103	100%	-
Total	-	-	103	103	103	-	-

**ANNEXURE 1C
STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS**

INSTITUTION NAME	TRANSFER ALLOCATION				TRANSFER			2019/20
	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Amount not transferred	% of Available funds transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Total	-	-	-	-	-	-	-	-

Not Applicable

**ANNEXURE 1D
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES**

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2019/20
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Capital	Current	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public corporations									
Transfers	103	-	(103)	-	-	-	-	-	-
Youth Enterpreneurship Services Fund	103	-	(103)	-	-	-	-	-	-
Subsidies	-	-	-	-	-	-	-	-	-
Sub total: Public corporations	<u>103</u>	<u>-</u>	<u>(103)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Private enterprises									
Transfers	-	-	-	-	-	-	-	-	-
Subsidies	-	-	-	-	-	-	-	-	-
Sub total: Private enterprises	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL	<u>103</u>	<u>-</u>	<u>(103)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Annexures to the Annual Financial Statements

ANNEXURE 1E
STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT / INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE		2019/20
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers					-		
					-		
					-		
					-		
Subsidies					-		
					-		
					-		
					-		
Total					-		

Not Applicable

ANNEXURE 1F
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2019/20
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers					-		
					-		
					-		
					-		
Subsidies					-		
					-		
					-		
					-		
Total					-		

Not Applicable

ANNEXURE 1G
STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2019/20
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Leave Gratuity	1 546		271	1 817	1 788	98%	976
Bursaries (Non-Employees)	18 863			18 863	18 130	96%	32 733
Payment/Refund & Rem-ACT/grace	100			100	35	35%	130
Injury on duty	200		(28)	172	173	101%	247
Donations & Gifts (Cash)	100		(16)	84	84	100%	-
Subsidies							
Total	20 809	-	227	21 036	20 210		34 086

Annexures to the Annual Financial Statements

ANNEXURE 1H
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2020/21	2019/20
		R'000	R'000
Received in cash			
Subtotal		-	-
Received in kind			
Subtotal		-	-
TOTAL		-	-
Not Applicable			

ANNEXURE 1I
STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE	REVENUE	EXPENDITURE	PAID BACK ON/BY 31 MAR	CLOSING BALANCE
		R'000	R'000	R'000	R'000	R'000
Received in cash						
Subtotal		-	-	-	-	-
Received in kind						
Subtotal		-	-	-	-	-
TOTAL		-	-	-	-	-
Not Applicable						

ANNEXURE 1J
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2020/21	2019/20
	R'000	R'000
Made in kind		
Décor for Ms Sophy Maine's Funeral	9	
PA system for Ms Sophy Maine's funeral	7	
AVBOB Funeral service on behalf of Ms Sophy Maine's funeral	27	
Funeral service on behalf of Ms Sophy Maine's funeral	41	
TOTAL	84	-
The funeral Ms Sophy Maine was declared as a Special Provincial Official Funeral Category 2 by the The Presidency		

Annexures to the Annual Financial Statements

ANNEXURE 1K
STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

GRANT TYPE	APRIL	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	TOTAL
	2020	2020	2020	2020	2020	2020	2020	2020	2020	2021	2021	2021	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Old age													-
War veterans													-
Disability													-
Grant in aid													-
Foster care													-
Care dependency													-
Child support grant													-
Other													-
Total													-

Not Applicable

Annexure 1L
STATEMENT OF INDIRECT GRANTS BETWEEN NATIONAL DEPARTMENTS AND MUNICIPALITIES

NAME OF GRANT	GRANT ALLOCATION				SPENT
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Amount spent
	R'000	R'000	R'000	R'000	R'000
					-
					-
					-
					-
Total					-

Not Applicable

ANNEXURE 2A
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

Name of public entity	State Entity's PFMA Schedule type (state year end if not 31 March)	% of shares held		Number of shares held		Cost of investment R'000		Net Asset Value of investment R'000		Profit/(Loss) for the year R'000		Losses guaranteed
		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	Yes/No
National/Provincial Public Entity												
Subtotal												
Other												
Subtotal												
TOTAL												

Not Applicable

Annexures to the Annual Financial Statements

ANNEXURE 2B
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (continued)

Name of public entity	Nature of business	Cost of investment R'000		Net Asset Value of investment R'000		Amounts owing to Entities R'000		Amounts owing by Entities R'000	
		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Controlled entities									
Subtotal									
Non-controlled entities									
Associate									
Subtotal									
Joint ventures									
Subtotal									
Other non-controlled entities									
Subtotal									
TOTAL									

Not Applicable

ANNEXURE 3A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2021 - LOCAL

GUARANTOR INSTITUTION	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2020	Guarantees draw downs during the year	Guaranteed repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2021	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2021
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles								
	Subtotal								
	Housing								
	Subtotal								
	Other								
	Subtotal								
	Total								

ANNEXURE 3A (continued)
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2021 - FOREIGN

GUARANTOR INSTITUTION	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2020	Guarantees draw downs during the year	Guaranteed repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2021	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2021
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles								
	Subtotal								
	Housing								
	Subtotal								
	Other								
	Subtotal								
	Total								

Not Applicable

Annexures to the Annual Financial Statements

ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2021

NATURE OF LIABILITY	Opening balance 1 April 2020	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2021
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Dispute arising with: Khanyisa Mogale	4 874				4 874
Rescission of Cour Order: Moseithi Mathaku	2 283				2 283
Dispute arising with: Valor IT	146 474				146 474
Contractual Settlement dispute: KL Sebege	3 445				3 445
Contractual dispute: Iron Mountain	439				439
Civil claim: Friendly Hand Trading Projects	905				905
Civil claim: Nepo Data Dynamics	170 806	26 475			197 281
					-
Subtotal	329 226	26 475	-	-	355 701
Environmental liability					-
					-
Subtotal	-	-	-	-	-
Other					-
					-
Subtotal	-	-	-	-	-
TOTAL	329 226	26 475	-	-	355 701

ANNEXURE 3B (continued)
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2021

Nature of liabilities recoverable		Details of liability and recoverability	Movement during the year	Closing balance 31 March 2021
	R'000		R'000	R'000
				-
				-
				-
Total	-		-	-

The claims against the department are as follows:

1. Labour matter - Contractual Settlement dispute: KL Sebege - R3 444 852
2. Dispute arising from failure to pay for legal services rendered on behalf of Kgosi Mogale of Bapo Ba Mogale: Khanyisa Mogale Inc - R4 874 475
3. Rescission of Court Order 50/15 for the taxation which was submitted for the amount of R2 283 467 Premier is 2nd Respondent, while the NW Commission of Inquiry is the first Respondent: George Pogisho Moseithi Mathaku
4. Civil claim for services rendered: Friendly Hand Trading Projects - R905 110
5. Civil claim - Application to declare an Arbitration Award an Order of Court: Nepo Data Dynamics (Pty) Ltd - R197 281
6. Third application for rescission of constitutional court judgement by Valor IT - R146 473 747.
7. Contractual dispute - Claim for services rendered: Iron Mountain - R438 881 The Office has entered notice to Appeal.

ANNEXURE 4
CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2020/21*	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
SOCIAL DEVELOPMENT	3 073				3 073			
HEALTH	4 754				4 754			
PROVINCIAL TREASURY	79				79			
COGTA	25				25			
PUBLIC WORKS AND ROADS				12 522		12 522		
GCIS	342			1	342	1		
	8 273	-	-	12 523	8 273	12 523		
OTHER GOVERNMENT ENTITIES								
VENTERSDORP MUNICIPALITY				83		83		
				83		83		
Total	8 273	-	-	12 606	8 273	12 606		

Annexures to the Annual Financial Statements

ANNEXURE 5
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2020/21*	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
National Department of Justice			10 793		10 793			-
Social Development	71				71			-
Department of Community Safety & Transport Management			139		139			-
Department of Health	1 041				1 041			-
Subtotal	1 112	-	10 932	-	12 044	-		-
Non-current								
								-
								-
Subtotal	-	-	-	-	-	-		-
Total Departments	1 112	-	10 932	-	12 044	-		-
OTHER GOVERNMENT ENTITY								
Current								
TELKOM	1 933				1 933			-
SITA	161		630		791			-
SAQA	9				9			-
Subtotal	2 103	-	630	-	2 733	-		-
Non-current								
								-
								-
Subtotal	-	-	-	-	-	-		-
Total Other Government Entities	2 103	-	630	-	2 733	-		-
TOTAL INTERGOVERNMENTAL PAYABLES	3 215	-	11 562	-	14 777	-		-

ANNEXURE 6
INVENTORIES

INVENTORIES FOR THE YEAR ENDED 31 MARCH 2020	Note	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	TOTAL R'000
Opening balance		-	-	-	-	-
Add/(Less): Adjustments to prior year balances		-	-	-	-	-
Add: Additions/Purchases - Cash		-	-	-	-	-
Add: Additions - Non-cash		-	-	-	-	-
(Less): Disposals		-	-	-	-	-
(Less): Issues		-	-	-	-	-
Add/(Less): Received current, not paid (Paid current year, received prior year)		-	-	-	-	-
Add/(Less): Adjustments		-	-	-	-	-
Closing balance		-	-	-	-	-
INVENTORIES FOR THE YEAR ENDED 31 MARCH 2020	Note	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	TOTAL R'000
Opening balance		-	-	-	-	-
Add/(Less): Adjustments to prior year balances		-	-	-	-	-
Add: Additions/Purchases - Cash		-	-	-	-	-
Add: Additions - Non-cash		-	-	-	-	-
(Less): Disposals		-	-	-	-	-
(Less): Issues		-	-	-	-	-
Add/(Less): Received current, not paid (Paid current year, received prior year)		-	-	-	-	-
Add/(Less): Adjustments		-	-	-	-	-
Closing balance		-	-	-	-	-

Annexures to the Annual Financial Statements

ANNEXURE 7

Movement in Capital Work-in-Progress

MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-
Heritage assets				
MACHINERY AND EQUIPMENT	-	-	-	-
Transport assets				
Computer equipment				
Furniture and office equipment				
Other machinery and equipment				
SPECIALISED MILITARY ASSETS	-	-	-	-
Specialised military assets				
BIOLOGICAL ASSETS	-	-	-	-
Biological assets				
BUILDINGS AND OTHER FIXED STRUCTURES	5 003	-	5 003	-
Dwellings				
Non-residential buildings	5 003		5 003	
Other fixed structures				
LAND AND SUBSOIL ASSETS	-	-	-	-
Land				
Mineral and similar non-regenerative resources				
COMPUTER SOFTWARE	-	-	-	-
Computer Software				
MASTHEADS AND PUBLISHING TITLES	-	-	-	-
Mastheads and publishing titles				
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	-	-	-
Patents, Licences, Copyright, Brand names, Trademarks				
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-	-	-	-
Recipes, formulae, prototypes, designs, models				
SERVICES AND OPERATING RIGHTS	-	-	-	-
Services and operating rights				
TOTAL	5 003	-	5 003	-

The MRRRP projects for Cultural Villages was terminated

Annexures to the Annual Financial Statements

HERITAGE ASSETS						
Heritage assets						
MACHINERY AND EQUIPMENT						
Transport assets						
Computer equipment						
Furniture and office equipment						
Other machinery and equipment						
SPECIALISED MILITARY ASSETS						
Specialised military assets						
BIOLOGICAL ASSETS						
Biological assets						
BUILDINGS AND OTHER FIXED STRUCTURES	5 003	-	-	-	5 003	
Dwellings						
Non-residential buildings	5 003				5 003	
Other fixed structures						
LAND AND SUBSOIL ASSETS						
Land						
Mineral and similar non-regenerative resources						
COMPUTER SOFTWARE						
Computer Software						
MASTHEADS AND PUBLISHING TITLES						
Mastheads and publishing titles						
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS						
Patents, Licences, Copyright, Brand names, Trademarks						
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS						
Recipes, formulae, prototypes, designs, models						
SERVICES AND OPERATING RIGHTS						
Services and operating rights						
TOTAL	5 003	-	-	-	5 003	

The Office did not incur any expenditure relating to WIP in the 2019/20 financial year, the total expenditure of R5 003 000 work in progress related to MRRRP projects for the cultural villages plans, the expenditure was incurred in the 2015/16 financial year

ANNEXURE 8A
INTER-ENTITY ADVANCES PAID (note 14)

ENTITY	Confirmed balance		Unconfirmed balance		Total	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Subtotal	-	-	-	-	-	-
PROVINCIAL DEPARTMENTS						
Subtotal	-	-	-	-	-	-
PUBLIC ENTITIES						
Subtotal	-	-	-	-	-	-
OTHER INSTITUTIONS						
Subtotal	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

Annexures to the Annual Financial Statements

ANNEXURE 8B
INTER-ENTITY ADVANCES RECEIVED (note 21 AND note 22)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Current						
					-	-
Subtotal	-	-	-	-	-	-
Non-Current						
					-	-
Subtotal	-	-	-	-	-	-
PROVINCIAL DEPARTMENTS						
Current						
					-	-
Subtotal	-	-	-	-	-	-
Non-Current						
					-	-
Subtotal	-	-	-	-	-	-
PUBLIC ENTITIES						
Current						
					-	-
Subtotal	-	-	-	-	-	-
Non-Current						
					-	-
Subtotal	-	-	-	-	-	-
OTHER INSTITUTIONS						
Current						
					-	-
Subtotal	-	-	-	-	-	-
Non-Current						
					-	-
Subtotal	-	-	-	-	-	-
TOTAL						
Current	-	-	-	-	-	-
Non-current	-	-	-	-	-	-

Annexures to the Annual Financial Statements

**ANNEXURE 9
IMMOVABLE ASSETS ADDITIONAL DISCLOSURE**

Refer to the Illustrative Guidance for Immovable Asset Additional Disclosure document for further assistance on what to insert into this Annexure.

The suggested wording and tables in the above-mentioned document are for illustrative purposes only and departments can therefore adapt or improve wording to suit their specific circumstances in order to comply with the Immovable Asset Guide

The detail for note 41.7 should be included in this annexure.

In addition to the detail for note 41.7 the department should address the information regarding

1. Surveyed but unregistered land parcels and
2. Contingent assets.

ONLY TO BE COMPLETED BY HUMAN SETTLEMENTS DEPARTMENTS**ANNEXURE 10** *Annexure effective from 1 April 2020**DEPARTMENT OF HUMAN SETTLEMENTS - HOUSING RELATED EXPENDITURE CLASSIFICATION**

	31/03/2021	31/03/2020
	R'000	R'000
Inventories		
<i>List the items for correct expenditure</i>		
Subtotal	-	-
Expenditure for capital assets		
<i>List the items for correct expenditure</i>		
Subtotal	-	-
Transfers and subsidies		
<i>List the items for correct expenditure</i>		
Subtotal	-	-
TOTAL	-	-
Capital commitments		
<i>Specify class of asset</i>		
Total	-	-

Annexures to the Annual Financial Statements

ANNEXURE 11
COVID 19 RESPONSE EXPENDITURE
Per quarter and in total

Expenditure per economic classification	APRIL	MAY	JUN	Subtotal	JUL	AUG	SEPT	Subtotal	OCT	NOV	DEC	Subtotal	JAN	FEB	MAR	Subtotal	2020/21	2019/20
	2020	2020	2020	Q1	2020	2020	2020	Q2	2020	2020	2020	Q3	2021	2021	2021	Q4	TOTAL	TOTAL
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	-	-	286	286	410	529	138	1 077	139	633	-	772	-	-	101	101	2 236	-
Goods services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Please list all the applicable SCOA level 4 items:</i>																		
COMMUNICATIONS	-	-	-	-	-	212	-	212	-	-	-	-	-	-	-	-	-	212
CONS SUPPLIES	-	-	237	237	-	256	-	256	139	4	-	143	-	-	101	101	737	-
PROPERTY PAYMENTS	-	-	-	-	410	61	138	609	-	629	-	629	-	-	-	-	-	1 238
OPERATING PAYMENTS	-	-	49	49	-	-	-	-	-	-	-	-	-	-	-	-	-	49
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Please list all the applicable SCOA level 4 items:</i>																		
Expenditure for capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Please list all the applicable SCOA level 4 items:</i>																		
Other expenditure not listed above	-	-	-	-	-	-	-	-	-	-	-	-	-	22	-	22	22	-
<i>Please list all the applicable SCOA level 4 items:</i>																		
TRAVEL & SUBSISTENCE	-	-	-	-	-	-	-	-	-	-	-	-	-	22	-	22	22	-
TOTAL COVID 19 RESPONSE EXPENDITURE	-	-	286	286	410	529	138	1 077	139	633	-	772	-	22	101	123	2 258	-