

Financial Year 2016/17

ANNUAL REPORT

Vote No. 10



tourism

Department
Tourism
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

"A Re Yeng Bokone Bophirima"

South Africa
NORTH WEST PROVINCE





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Part A: General Information



Financial Year 2016-17



1. DEPARTMENT GENERAL INFORMATION

NORTH WEST DEPARTMENT OF TOURISM

PHYSICAL ADDRESS : 2nd Floor NWDC Building
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2. LIST OF ABBREVIATIONS/ACRONYMS

A

AFS	-	Annual Financial Statement
AG	-	Auditor General
APP	-	Annual Performance Plan
AGSA	-	Auditor-General of South Africa

B

BAS	-	Basic Accounting System
BTO	-	Budget and Treasury Office

C

CATA	-	Culture Arts and Traditional Affairs
CBP	-	Community Based Planning
COSATMA	-	Community Safety and Transport Management

D

DESD	-	Department of Education and Sports Development
DGDS	-	District Growth and Development Strategy
DM	-	District Municipality
DMC	-	Departmental Management Committee
DOT	-	Department of Tourism
DPC	-	Departmental Procurement Committee
DPSA	-	Department of Public Service and Administration
DPWR	-	Department of Public Works and Roads
Dr KK	-	Dr Kenneth Kaunda District Municipality
Dr RSM	-	Dr Ruth Segomotsi Mompati District Municipality
DTI	-	Department of Trade and Industry

E

EAP	-	Employee Assistance Programme
ECGA	-	Economic Cluster on Governance and Administration
EEA	-	Employment Equity Act
EEP	-	Employment Equity Programme
EIDC	-	Economic and Infrastructure Development Cluster
EMC	-	Executive Management Committee
EXCO	-	Executive Committee

F

FDI	-	Foreign Direct Investment
FY	-	Financial Year

G

GCIS	-	Government Communications Information Services
GRAP	-	Generally Recognized Accounting Practices
GVA	-	Gross Value Added
GDP	-	Gross Domestic Product

H

HDI	-	Historically Disadvantaged Individuals
HoD	-	Head of Department
HRD	-	Human Resource Development
HRM	-	Human Resource Management



HRP	-	Human Resource Planning
I		
ICT	-	Information Communication Technology
IDP	-	Integrated Development Planning
IGR	-	Inter-Governmental Relations
K		
KRA	-	Key Result Area
L		
LED	-	Local Economic Development
LTB	-	Local Tourism Bureaux
M		
MEC	-	Member of Executive Council
MICE	-	Meetings, Incentives, Conferences & Events
MFMA	-	Municipal Finance Management Act
MINMEC	-	Minister & MEC
M&E	-	Monitoring & Evaluation
MTEF	-	Medium Term Expenditure Framework
MTSF	-	Medium Term Strategic Framework
MSP	-	Municipal Services Partnerships
MUNIMEC	-	Municipalities & MEC
N		
NDP	-	National Development Plan
NDT	-	National Department of Tourism
NGO	-	Non-Governmental Organization
NMMDM	-	Ngaka Modiri Molema District Municipality
NSDP	-	National Spatial Development Perspective
NSDS	-	National Spatial Development Strategy
NT	-	National Treasury
NTSS	-	National Tourism Sector Strategy
NWPB	-	North West Parks Board
NWTB	-	North West Tourism Board
O		
OD	-	Organizational Development
OHSA	-	Occupational Health and Safety Act
OHS	-	Occupational Health & Safety
OOP	-	Office of the Premier
P		
PA	-	Performance Agreement
PAC	-	Performance Audit Committee
PDP	-	Provincial Development Plan
PEC	-	Provincial Executive Council
PFMA	-	Public Finance Management Act
PGDS	-	Provincial Growth and Development Strategy
PMDS	-	Performance Management Development System
PMS	-	Performance Management System
PPPFA	-	Preferential Procurement Policy Framework Act



P	-	Public Service Act
PSDF	-	Provincial Spatial Development Framework
PSR	-	Public Service Regulations
PTSS	-	Provincial Tourism Sector Strategy
Q		
QPR	-	Quarterly Performance Report
R		
RHR	-	Reconciliation Healing and Renewal
S		
SCM	-	Supply Chain Management
SDA	-	Skills Development Act
SDBIP	-	Service Delivery Budget Implementation Plan
SDF	-	Skills Development Facilitator
SEDA	-	Small Enterprise Development Agency
SLA	-	Service Level Agreement
SME	-	Small Medium Enterprises
SMME	-	Small, Medium and Micro Enterprises
SONA	-	State of the Nation Address
SOPA	-	State of the Province Address
SWOT	-	Strengths, Weaknesses, Opportunities and Threats
T		
TBCSA	-	Tourism Business Council of South Africa
TGSA	-	Tourism Grading Council of South Africa
TOR	-	Terms of Reference
TSA	-	Tourism Satellite Account
V		
VTSD	-	Villages, Townships and Small Dorpies
W		
WSP	-	Workplace Skills Plan



3. FOREWORD BY MEC

The 2016/17 financial year was generally characterised by a slow growing economy of 30.9% and consequent unemployment of 28.1%, on the one hand and on the other hand the tourism sector was beginning to show potential signs of growth.

According to SA Tourism statistics 2016, the province has from quarter 3 of 2015 grown from 5.1% of total share of international tourists to 9.4% in quarter 3 of 2016.

In the previous 2 financial years we have experienced an increase in domestic tourism attracting about 243 554 people with an estimated revenue of approximately R664 466 200. It should be noted that these achievements account only for six areas viz Bloemhof, Hartebeespoort Dam, Moretele, Pilanesberg, Sun City and Taung.

Whilst at the quantitative level we require resources for tourism infrastructure related projects, at the qualitative level we need to sharpen the capability of the state machinery so that we respond and not only timeously but appropriately as well to challenges brought about transformation of the economy. The department has despite there hurdles managed to register on impact within the industry.

Over and above these, the highlights of our achievement has been our constant interaction and engagements with our key and strategic stakeholders within the industry. These engagement have assisted the department to appreciate its strength, weaknesses, opportunities and of course threats.

Our strategic partnership with neighbouring SADC states such as Botswana and Lesotho bears testimony.

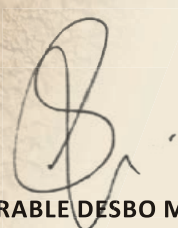
Moving forward in this regard, we need to use these experiences to unlock more economic opportunities within the BRICS community as we seek to particularly implement radical economic transformation particularly within the VTSD's.

Our Provincial Tourism Strategy and related policies are firmly in place, although are yet to be subjected to an empirical test.

In line with the Provincial Strategic objective of streamlining tourism within the villages, Townships, Small dorpiess (VTSD) we had on overall occupancy rate of about 40% of beds in these areas with a combined estimated revenue of R169 193 400.

The departmental 2017/18 budget speech capture these milestones succinctly. The challenge is still huge in terms of accelerating the momentum and consolidating these gains.

In particular we need to deal with challenges that are confronting the economy and have therefore result in negative social consequences, like unemployment and poverty.

HONOURABLE DESBO MOHONO

MEC FOR THE DEPARTMENT OF TOURISM

DATE: 31 MAY 2017



4. REPORT OF THE ACCOUNTING OFFICER

Almost three years since the establishment of the stand-alone Department of Tourism and we are seeing the light at the end of the tunnel:

- a. The 2016/17 financial year was characterised by institutional consolidation. At the beginning of 2016 a substantive head of department was appointed thereby bringing about relative stability, particularly in terms of coordination of key policy imperatives overall cohesion and synergy.
- b. The appointment of the CEO of the North West Tourism Board was finalised thus giving the structure administrative muscle and direction;
- c. All government policies that is, Supply Chain Bid Committees, Risk committees' ethics policies and ICT policies and strategies were developed and are being implemented;



The Department and the North West Tourism Board as the departmental strategic delivery agency still faced challenges, amongst others in filling critical vacant positions within the agency and finding space to operate from. Despite these challenges, the Department continued to strive to achieve its mandate and make an impact on the tourism landscape.

The department performed fairly well in terms of the MPAT 1.6 scoring an aggregate of 1.9 out of 4 noting the fact that the introduction of the assessment tool coincided with the reconfiguration process in 2014/15 and 2015/16. The department had no prior record nor baseline information to fit immediately into the MPAT criteria and required standards.

Through the leadership of the MEC and Head of Department, the department managed to refine the Annual Performance Plan (2015/2016) to align it to the Strategic Plan (2015-2020) and other equally key policy directives emanating from State of the Province Address (SOPA) and the National Development Plan. This is an ongoing task that requires significant change management and ensuring that we remain focussed.

Despite these hurdles the department managed to produce traceable achievements in terms of its key strategic objectives. The performance information for instance as captured in details herein was validated by both the MPAT and the reporting system done by the Office of the Premier. We have striven to use resources allocated to us optimally and this called for prudent financial management.

The Department remains committed to promoting clean governance and prudent use of resources allocated to it whilst using Tourism as an economic vehicle to transform Villages, Townships and Small Dorpies. This will require all hands on deck and we are confident that the Province will pull through and position North West as the preferred destination for leisure and business travel.

ADV NEO SEPHOTI

HEAD OF DEPARTMENT

DATE: 31 MAY 2017



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

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

All information and amounts disclosed throughout the Annual Report are consistent.

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

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

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

The Accounting officer is responsible for the preparation of the Annual Financial Statements and for the judgments made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control and that has been designed to provide reasonable assurances and as to integrity and reliability of the performance information the human resource information and the Annual Financial Statements.

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

Yours faithfully

Adv. Neo Sephoti

Accounting Officer

Date: 31 May 2017



6. STRATEGIC OVERVIEW

6.1 Vision

Leading a dynamic, sustainable, diversified and vibrant tourism sector for the North West Province

6.2 Mission

To lead and grow a dynamic, sustainable, diversified and vibrant tourism sector for the North-West Province through:

- Promoting partnerships and collaboration with all key stakeholders, in particular the private sector ;
- Promoting cultural and heritage tourism in the North West;
- Strengthening institutional capacity;
- Promote good corporate and cooperative governance; and
- Branding and marketing of North West province as a tourism destination; and
- Creativity and innovation.

6.3 Values

The following values, some of which are derived from the Constitution, underpin the activities of the Department of Tourism.

a) Responsive

The department shall inculcate the culture of **responsiveness** in executing its mandate. This will be achieved through much improved turnaround in the provision of services.

b) Fairness

The Department will at all times act in a **fair** manner towards executing its responsibilities. This means that the managers and officials will not be biased when dealing with business issues relating to their work.

c) Equity

The Department is committed to treating all clients and employees **equitably** in all respects.

d) Accessibility

The Department will strive to be **accessible** to stakeholders and role players in the course of executing its responsibilities.

e) Transparency

The Department undertakes to be **transparent** in the conduct of its core tourism business.

f) Accountability

The department will at all-time take full **accountability** for its business actions and decisions.

g) Participation

The Department will continue to **participate** fully in all areas of its responsibility to satisfy the needs of our clients and tourism stakeholder

h) Excellence

The Department will strive for **excellence** both in the execution of its responsibilities as well as to ensure that service excellence becomes a norm within the provincial tourism sector.

i) Creativity and Innovation

The Department undertakes to ensure that **creativity and innovation** becomes part of its culture in order to achieve the provincial tourism goals.

7. LEGISLATIVE AND OTHER MANDATES

The mandate of the Department is to accelerate the tourism development, skills development, marketing and promotion in the Province. To fulfil this mandate, the department will:

- Provide leadership and administrative support towards Tourism Development and Growth in accordance with legislative imperatives and other relevant policies.
- Contribute to economic growth through a transformed and sustainable tourism sector that will assist to create decent works and sustainable livelihoods.

7.1 Constitutional mandate

Tourism is a core functional area of concurrent national and provincial competence. It is aligned to Schedule 4A of the Constitution of the Republic of South Africa 1996. Schedule 4B of the Constitution identifies Local Tourism as a local government functional area to the extent set out in sections 155(6) (a) and (7). The Constitution of South Africa seeks to heal the divisions of the past and establish a society based on democratic values, social justice and fundamental human rights. Furthermore, it strives to lay the foundations for a democratic and open society in which government is based on the will of the people and every citizen is equally protected by law. Central to the notion of equality is the need to improve the quality of life of all citizens and free the potential of each person; and build a united and democratic South Africa. It is within this context that we want to engage with the Reconciliation, Healing and Renewal (RHR) process in advancing the Five Provincial concretes.

7.2 Legislative mandate

7.2.1. The National Tourism Act No 3 of 2014

The Act was passed in April 2014 to provide for the development and promotion of sustainable tourism in the country to the benefit of residents and its visitors. It also provides for the continued existence of the South African Tourism Board, the establishment of the Tourism Grading Council as well to regulate the tourist guide profession, amongst others. It aims to achieve the following, namely to:

- Promote the practising of responsible tourism,
- Provide for the effective domestic and international marketing of South Africa as a tourist destination;
- Promote quality tourism products and services;
- Promote growth in and development of the tourism sector; and
- Enhance cooperation and coordination between all spheres of government in developing and managing tourism.

The Act describes responsible tourism as a sector which achieves the following:

- Seeks to avoid negative economic, environmental and social impact
- Generates greater economic benefits for local people, enhances the well-being of host communities and improves working conditions and access to the tourism sector;
- Involves local people in decisions that affect their lives;
- Makes positive contributions to the conservation of natural and cultural heritage and to the maintenance of the world's diversity;
- Provides enjoyable experiences for tourists through meaningful connections with local people and a greater understanding of local cultural, social and environmental issues;
- Provides access for physically challenged people; and



- (h) Is culturally sensitive, engenders respect between tourists and hosts, and builds local pride and confidence.

7.2.2 The North West Tourism Board Act 2 of 2015

The North West Tourism Board Act 2 of 2015 has been promulgated following the reconfiguration and governance review processes. The North West Executive Council approved the repeal of the North West Parks and tourism Board Act of 1997. The repeal of the North West Parks and Tourism Board Act resulted in the establishment of two entities namely:

- The North West Parks Board
- North West Tourism Board

The North West Parks Board is responsible for the conservation management functions and reports to the Department of Rural Environment and Agricultural Development (READ) and the North West Tourism Board is responsible for Tourism destination marketing and Tourism skills development and reports to the Department of Tourism.

7.2.3 The Public Finance Management Act, 1999, as amended

The Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999) (as amended) is one of the most important pieces of legislation passed. The Act promotes the objective of good financial management in order to maximize service delivery through the effective and efficient use of the limited resources. The key objectives of the Act are to:

- Modernize the system of financial management in the public sector;
- Enable public sector managers to manage, but at the same time be held more accountable;
- Ensure the timely provision of quality information; and
- Eliminate the waste and corruption in the use of public assets.

The Act, which came into effect from 1 April 2000, gives effect to sections 213 and 215 to 219 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) for the financial management and governance of national and provincial spheres of government. These sections require national legislation to establish a National Treasury, to:

- Introduce uniform treasury norms and standards,
- Prescribe measures to ensure transparency and expenditure control in all spheres government

The Act is part of a broader strategy on improving financial management in the public sector.

7.2.4 Policy mandates

The mandate of the Department of Tourism is derived from the existing national and provincial policy frameworks towards tourism growth and development in the North West Province. These are:

7.2.4.1 The White Paper on Transformation of the Public Service Delivery

(Batho Pele) 1997

The White Paper on the Transformation of the Public Service (WPTPS) published on 24 November 1995, sets out eight transformation priorities, amongst which Transforming Service Delivery is key.

7.2.4.2 The National Development Plan (2011)

The National Development Plan is an adopted national strategy intended to eliminate poverty and reduce inequality by 2030 through uniting South Africans in actioning government's broader plans that touch on all aspects of development and better service delivery

The NDP stipulates that unemployment rate should fall from 24.9 percent in June 2012 to 14 percent by 2020 and to 6 percent by 2030. It directs that total employment should rise from 13 million to 24 million and that South Africa should strategically position itself to attract offshore business services and build on the advantage provided by its telecommunications, banking and retail firms operating in other countries. Rural economies must be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining sector commitments to social investment, and tourism investments.

The Department is therefore in line and consistent with the National Development Plan (NDP) and focuses its resources on the following key aspects in order to stimulate Tourism infrastructure and product development in the North West Province:

- Facilitate and initiate the Tourism development in and around Marikana in realisation of the five Provincial concretes particularly on Reconciliation, Healing and Renewal (RHR). The benefit of this initiative is to change the negative perception about Marikana and at the same time promote "A re yeng Bokone Bophirima" brand property.
- Contribute towards the Improvement of signage in the North West Province with the involvement of District Municipalities and Public Works and Roads that would assist with easy identification of tourism facilities. This will involve conducting status quo and audit of signage particularly in Villages, Townships and Small Dorpies that are not visible or non-existent;
- Department will also contribute to the improvements on grading of accommodation establishments ; and
- Facilitate Game Tourism (Hunting and Animal tracking/tour guiding) becomes a draw card of the Tourism value chain. The historically disadvantaged communities need to be encouraged to pursue and explore opportunities in the gaming industry .e.g. Taxi Derm; Game breeding, Game tracking and Tourist guiding.
- The Department in collaboration with Department of Education and Sports Development will support the Sporting events through exploration of Strategic Partnerships which seek to put the province on the map(e.g. COSAFA Under 20 Cup etc);
- The Department will explore other critical areas of Tourism and Heritage products such as Agricultural Tourism and Education Tourism through the Inter-Governmental Relations (IGR) forum including LED structures in municipalities.

Furthermore the Department has developed the Departmental Ten Point Plan to give a practical expression to both the SOPA and its strategic focus:

1. Mobilize Social and Commercial Investment to expand our Tourism Estate to serve as a
2. Catalyst for Job creation, poverty eradication and the inequality reduction in growing the Tourism Economy of the Province;
3. Develop a Tourism Airlift Strategy aimed at increasing both Domestic and International Arrivals in destination North West;
4. Increase Marketing Resources in order to attract tourists into the province whilst inculcating a culture of travel within Villages, Townships and Small Dorpies even from our own citizens of Bokone Bophirima
5. Establish 5 Marketing offices in South Africa and the BRICS market;
6. Establish a Convention Bureau to increase our market Share within the National and International MICE (Meetings, Incentives, Conferencing and Exhibitions);
7. Develop JMAs (Joint Marketing Agreements) with Tour Operators, Media and Tourism Trade within the BRICS Markets;
8. Recapitalization and Commercialization of Key Heritage Infrastructure assets to drive Tourism Enterprise Development and Job creation targeting Youth and Special Groups;
9. Redefine the Policy and legal Mandate of the North West Tourism Board and its Subsidiary Entities to drive both Tourism Enterprise and Product Development in Villages, Townships and Small Dorpies;
10. Redefine the Policy and Legal Mandate of the Hotel School through the Tourism Board, to drive Tourism skills Development in the Destination targeting Youth and Women in the Villages, Townships and Small Dorpies; and Create Tourism Heritage



and Culture Events Brand Properties to generate sufficient Tourism traffic in villages, Townships and Small Dorpies.

7.2.4.3 The North West Provincial Development Plan and Priorities

The Provincial Development Plan (PDP) 2030 was formulated using the strategic framework provided by the NDP as a point of departure.





8. ORGANISATIONAL STRUCTURE

Management Pictures



Hon. MEC Desbo Mohono



Adv. Neo Sephoti
Head of Department



Mr M Moiloayane
Chief Financial Officer



Ms S Manone
Chief Director: Tourism Growth,
Development & Transformation



Mr I Kgokong
Chief Director: Tourism Planning



Mr Kabelo Nonyana
Director: MEC Support



Ms Dineo Lolokwane
Director: Corporate
Communications & IT



Ms Bella Gumede
Director: Tourist Guiding &
Regulatory Services



Ms Tshegofatso Sewedi
Director Finance



Mr Basil Jonkers
Director: Planning &
Industry Performance



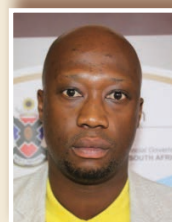
Ms Lerato Marakalla
Director: Policy
Development & Research



Mr Thapelo Phatudi
Director: Human
Resource Management



Mr Jabulane Radebe
Director: Strategic Planning
Monitoring & Evaluation



Mr Nthatisi Tlhopane
Director: Tourism Growth &
Development



Ms Milicent Tumane
Director: Supply Chain
Management



9. PUBLIC ENTITIES REPORTING TO THE MEC

Tourism Board

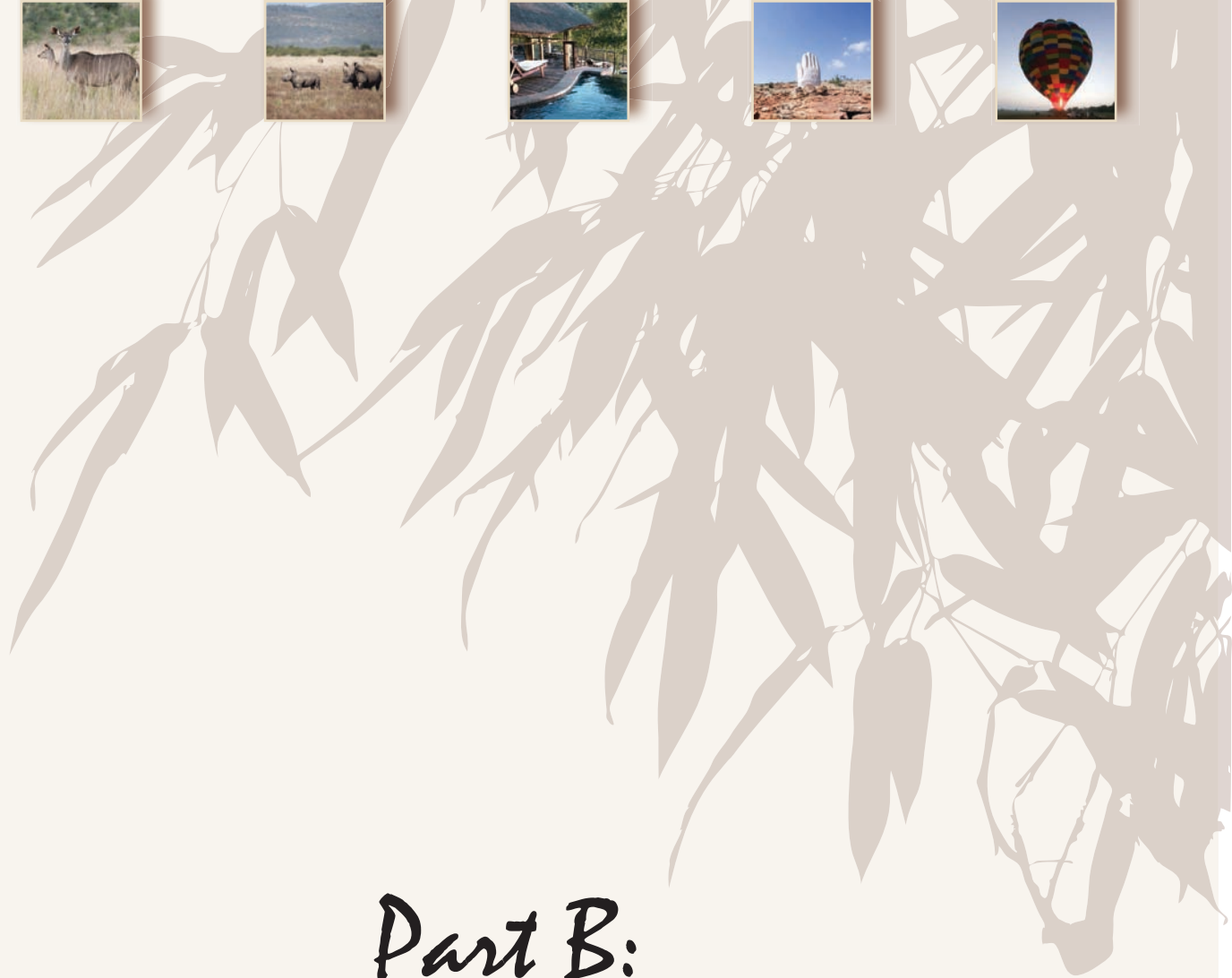
Name of Entity	Legislative mandate	Financial Relationship	Nature of Operation
North West Tourism Board	<p>The North West Tourism Board Act 2 of 2015 has been promulgated following the reconfiguration and governance review processes. The North West Executive Council approved the repeal of the North West Parks and Tourism Board Act of 1997. The approval of the North West Tourism Board Act resulted in the established of the Tourism Board.</p> <p>The North West Tourism Board is responsible for Tourism destination marketing and Tourism Skills development and reports to the Department of Tourism.</p>	For the financial year under review the Tourism Board budget is still within the Department of Tourism.	The Tourism Board is responsible for Tourism destination marketing and Tourism skills development and is accountable to the Department of Tourism.





tourism

Department
Tourism
North West Provincial Government
REPUBLIC OF SOUTH AFRICA



Part B:

Performance Information

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

Refer to page 74 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 SERVICE DELIVERY ENVIRONMENT

Global Tourism Trends

According to Stats SA report on Tourism, the international tourist arrivals grew by 13% in 2016, a record of 1.2 billion arrivals representing a total of 10 044 163 million international tourist arrivals in South Africa representing an additional 1.1 million international tourists arrival.

The highest number of tourist arrivals from African markets came from Zimbabwe (2 028 881), followed by Lesotho (1 757 058) and Mozambique (1 268 258).

Lesotho was the fastest growing African source market in 2016, recording an increase of 26% over the previous year.

The monthly distribution pattern of African tourist arrivals indicates a peak in March 2016, due mainly to the Easter holiday falling in March last year.

The United Kingdom remained the leading source market for overseas arrivals to South Africa in 2016 (447 840 arrivals) followed by the USA (345 013) and Germany (311 832).

China remained the leading growth market, with year-on-year growth recorded at 38%. Arrivals from India grew by 22%.

"The growth in tourist arrivals from China and India has been consistent over the year, following improvements in the visa application processes in those countries.

The latest Tourism Satellite Account indicates that tourism supported 711 746 jobs directly in 2015. The total number of jobs from tourism in 2015 (including direct, indirect and induced jobs) was estimated at 1.55 million, according to the World Travel and Tourism Council.

Provincial Tourism Performance

North West province continues to be the 7th visited destination in South Africa in terms of domestic trips and International arrivals out of a total of 9 provinces. The following events have among other things played a major role in contributing towards the performance in the Province;

1. Bray July:

The Bray July is the only horse racing event in the North West province and biggest bush race in South Africa. The District municipality is South Africa's largest beef producing, with Hereford cattle the most popular, hence proclaimed the "Texas of South Africa". The red sands of the Kalahari, the natural horse race turf, safari camping experience and farm workers used as jockeys... like no other makes Bray July a worthwhile experience.

With over 4000 patrons annually, the event attracts enthusiasts from across South Africa and neighbouring countries like Namibia, Botswana and Lesotho the community directly and indirectly benefits from the economic spin offs. The event also presents an opportunity for social cohesion for people of the North West and the country to come together for a unique get-



together which many years ago would not have been possible.

2. Lilizela Awards

They are an initiative of the National Department of Tourism (NDT) and managed and delivered by the Tourism Grading Council of South Africa (TGCSA), the only official and formal quality assurance body and a business unit of South African Tourism. Following a successful 3 years of the Lilizela Tourism Awards Programme, South African Tourism embarked on a review of the programme. The aim of the review was to understand from entrants and the industry at large how satisfied they are with the current programme and if any changes were suggested. Over 200 respondents gave valuable feedback on the recent survey and those results will be used to improve elements of the awards.

3. Sun City

Sun City is one of Africa's premier vacation destinations, Sun City in South Africa is internationally recognized for its superb resort offering of hotels, attractions and world-class events. From the lavish opulence of The Palace of the Lost City to the casual elegance of the Cascades, the glamour of the annual Nedbank Golf Challenge to the tropical thrills of the Valley of Waves, Sun City delivers plenty to see and do in a beautiful malaria-free landscape.

4. Vredefort Dome

The Vredefort Dome is currently the largest and one of the oldest known meteor impact sites in the world. It is South Africa's seventh World Heritage Site.

Despite the importance of impact sites to the planet's history, geological activity on the Earth's surface has led to the disappearance of evidence from most of them, and Vredefort is the only example to provide a full geological profile of an astrobleme below the crater floor.

The Vredefort Dome has an exceptional tourism potential. Attractions and things to do at the Dome are:

4x4	Birding
Quadbiking	River rafting
Abseiling	Hiking
Tours	Game Drives
Hors Trails	Wildlife
Flying	Hot Air Ballooning
Fishing	Paintball
Mountain biking	Picnic
Mampoer tasting	Swimming pool
Day visitors	Canoeing
Zip Line	

5. Magaliesburg Biosphere Hiking Trail

This Guided Hike is a unique opportunity to experience the beauty of the Magaliesberg and Hartbeespoort Dam for anyone 12 years and older with a healthy level of fitness. The Hike is scheduled for departure every last Sunday of the month 08:00 am from the Ostrich Manor. Limited spaces available so bookings are essential! Other dates and times are available upon request for a minimum of 4 hikers.

6. Nature Reserves

A visit to the North West Province in South Africa is hardly complete without a visit to one or more of its game or nature reserves. The famous game reserves include the Madikwe Game Reserve and the Pilanesberg National Park (near Sun City).

Both these game reserves are home to the “Big Five”. Madikwe Game Reserve is a malaria-free reserve and is home to the second largest population of elephants in South Africa whilst Pilanesberg National Park, which covers some 55 000 hectare, is the fourth largest in southern Africa. This malaria-free park is perched on the eroded vestiges of an alkaline volcanic crater - one of only three such craters in the world.

The newly established Tourism Board together with the Department will in the next five years be executing its legislative mandate by focusing on the following key priority areas as part of marketing Domestic Tourism in the Province:

- **Conceptualization of the Destination Marketing Strategy;**
- **Development of Domestic Marketing Strategy;**
- **Development of the BRICS Marketing Strategy;**
- **Establishment of the Convention Bureau;**
- **Being part of the Joint Marketing Agreement (JMA) regime;**
- **Development of the Brand Architecture and positioning strategy;**
- **Increasing the Hotel School footprint in the province;**
- **Market Intelligence focused development.**

In conclusion, given the above scenario Tourism in the Province has not decreased and will in the next five years continue to expand and create job opportunities.

2.2 SERVICE DELIVERY IMPROVEMENT PLAN

The department has completed a Service Delivery Improvement Plan. The table 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
Ensuring the registration of tourist guides and tourism enterprises in compliance with existing legislations and regulation	Tourism products Tourist guides Tour Operators	Tourism board Inspectors Low enforcement agencies Parks Board	To assist 08 tourism business in registration and grading Provide information and services to 20 illegal tourists guides by end of October 2016	The target was achieved, however current statistics still need to be verified. Covered a third of names listed in the provincial register to verify their operating status.

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired Arrangements	Actual achievements
<input type="checkbox"/> Conducted district meetings for populating planning and reporting templates. <input type="checkbox"/> Workshop for clients per district	Tourism business Tourist guides	Consulting took place through local municipality and departmental District



Service delivery information tool

Current/actual information tool	Desired Information tools	Actual achievements
<input type="checkbox"/> Workshop for local Tourism Forum members <input type="checkbox"/> Tourism Lilizela plenary meetings and briefing sessions for local Tourism business owners <input type="checkbox"/> Conducted tourism product inspections and shared the outcome report. <input type="checkbox"/> Workshop for clients on tourism opportunities.		<input type="checkbox"/> Capacitated products owners on Lilizela processes <input type="checkbox"/> Tourism products complying with legislation.

Complaints mechanism

Complaints Mechanism	Desired complaints mechanism	Actual achievements
Complain handling system based in district <input type="checkbox"/> Made a submission for suggestion box, service charter and complaints / compliments register books to be placed at registry and entrance points <input type="checkbox"/> Made a submission for Name tag for front and back office staff <input type="checkbox"/> Made a submission for signage boards to be placed at strategic points.		<input type="checkbox"/> Completed the departmental Service Charter and uploaded it on the website. <input type="checkbox"/> Conducted Batho Pele workshops for frontline staff

2.3 ORGANISATIONAL ENVIRONMENT

The above is an interim organisational structure awaiting final approval by the Department of Public Service and Administration.

The North West Tourism Board was established and enacted into law by November 2015 and it is currently fine tuning its operations through the Development of 2016/17 Annual performance Plan and the corresponding 5 year strategic plan. Since its inception following the reconfiguration process in 2014 the Department has been working towards strengthening its organisational structure for effective operation and service delivery. The interim structure has to date been filled with all strategic senior management posts. The filling of these posts brought about a paradigm shift in the Employment equity statistics of the departmental management committee.

Key posts in this structure have been funded and filled; and this will enable the department to function at least optimally pending the final structure.

Challenges

The Department is fine tuning its structure and striving to fill all posts on the interim structure to maximise its performance. The department is currently experiencing challenges with office accommodation which has slowed down the rate of filling of vacant positions. There is not enough office space to accommodate all posts on the structure and until suitable office accommodation is found, the department fills positions on a priority basis.

It took some time for the North West Tourism Board to be registered in terms of the PFMA which then meant that the department carried some of the mandate of the Tourism Board, e.g. marketing initiatives. It pleases us to report that the entity has since been registered by National Treasury as a section 3 (c) entity and it is poised to take its rightful place and play a meaningful role in the tourism industry.

i) **Administration**

Purpose: To provide corporate support to the entire department as well as strategic administrative and political direction through the offices of the Head of the Department and Executing Authority respectively.

ii) **Tourism Planning**

Purpose: To facilitate the development and growth of the tourism sector in the North West Province.

The programme is intended to focus on the following:

- a) The development and implementation of tourism development policies and strategies;
- b) The development of enablers towards transformation, growth and capacity building for the tourism sector in the Province;
- c) The regulation and implementation of developed norms and standards towards responsible and sustainable tourism practices, including tourist guiding;

The Department has prioritized the filling of vacant SMS pots within the core programmes.

iii) **Tourism Growth, Development and Transformation**

Purpose: To manage Tourism growth and Development through Tourist Guiding, Tourism Business registration, Transformation and Education and quality assurance programmes.

It will also be recognized that the new Executive Council has ruled that responsibilities relating to the environmental and biodiversity services that were vested with the North West Parks and Tourism Board should now be delegated to the newly formed Department of Rural, Environment and Agricultural Development.

2.4 KEY POLICY DEVELOPMENT AND LEGISLATION CHANGE

The following policies were developed in the periods under review.

- Sexual Harassment
- Suspension Policy
- Labour Relations
- Housing Allowance
- Recruitment & Selection
- Fraud Prevention
- Management of Abscondment
- Management of Grievances
- Cell Phone
- PMDS
- Allowance and Tariffs



3. STRATEGIC OUTCOME ORIENTED GOALS

In pursuing the Departmental mandate the following five years strategic goals were developed:

- To provide corporate support to the entire department as well as strategic administrative and Political direction through the offices of the Head of the Department and Executing Authority.
- To facilitate the development and growth of the tourism sector in the North West Province.
- To manage Tourism growth and development.

Outcome 12: "An efficient, effective and development oriented public service"

Outcome 4: "Decent employment through inclusive economic growth"

To provide corporate support to the entire department as well as strategic administrative and political direction through the offices of the Head of the Department and Executing Authority.

The following are milestones achieved under the above mentioned strategic goal:

- Annual Performance Plan 2017/18 have been developed and submitted to Legislature for tabling.
- Reports on implementation of Human Resource Management policies.
- Annual Report 2015/16 has been produced and submitted to Legislature for tabling.
- Implementation of the Service Delivery Improvement Plan (SDIP).
- MPAT 1.6 self-assessment has been completed.
- 2016/17 financial year adjustment budget prepared and submitted to Provincial Treasury
- Risk register has been produced.
- The Risk Management Plan and Fraud Prevention Plan were implemented.

To facilitate the development and growth of the tourism sector in the North West Province.

The following are milestones achieved under the above mentioned strategic goal:

- The Provincial Tourism Bill has been developed.
- Provincial integrated Tourism Development framework has been developed.
- Trade and Tourism Investment Strategy has been developed.
- Conducted three research studies to support Tourism Growth.
- Strategic partnership created
- Implemented Tourism Strategies
- Tourism Spatial Plan developed
- M & E report of Tourism Sector

To manage Tourism growth and development.

- 97 tourist guides were registered.
- Assisted 32 Tourism businesses

- Tourism Capacity Building workshop was conducted at Vuselela TVET college and 81 SMMEs attended
- Graded 72 establishments
- Conducted Service Excellence workshop held at Bakgatla Resorts in Rustenburg.
- Conducted Universal Accessibility (AU) workshop in Dr. Kenneth Kaunda District Municipality.
- Community Tourism projects facilitated and supported
- We managed to compile report on the following:-
- Tourism businesses registered
- Implementation of BBBEE Tourism Codes
- Hotel and Tourism management school established

Other additional milestones worth reporting are:

- Launched the Tourism Incubator centre in Moruleng - this initiative was supported by National Department of Tourism.
- Managed to provide training on Customer Care for 52 hospitality Professionals from Dirapeng Group (Madikwe River Lodge, Mafikeng Cookes Lake, Christiana All Seasons Resorts, Bakgatla Resort and Manyane Resorts held at Bakgatla Resorts in Rustenburg. This was done in partnership with SEDA NW.
- As a result of the above, the Minister of Tourism was able to launch the Service Excellence Legacy Project Team made up of 28 dedicated men and women in the Tourism sector for the province at Madikwe River Lodge.
- Successfully hosted the Lilizela Awards.
- Engaged service providers for infrastructure development at Taung Hotel School.
- Successful exhibition at Indaba 2016 with the Tourism Board (NW) winning 2nd place for the best stall.
- Organised and hosted "Gogo's on Tour" where the elderly were taken into Pilanesburg for game drive
- Domestic Tourism campaigns which encouraged locals to travel within the Province (Shapa Roundo).
- Successfully hosted the 4th instalment of the Inter Tourism Games in Bojanala (Botswana, Lesotho, Swaziland and South Africa represented by the North West Province).
- The Department has exceeded its target of 50% female representation at senior management level.
- 0% on labour relations issues and grievances.
- 74% of vacancies have been filled.
- Successfully hosted the North West Tourism Trade and Investment Lekgotla following successful District Makgotla in all regions of the Province.
- The Department hosted the DJ Nation Annual Bash in Taung on the 28th of December 2016.
- On 16 September 2016 the department hosted the Annual Tourism Lilizela awards in Bojanala.
- Successfully hosted the Bray July in Bray on the 16th of July 2016 in Dr. Ruth Segomotsi Mompati District.
- 44 Students graduated at Mahikeng Hotel School.
- 11 Students registered in Taung Hotel School and in Mahikeng 101 students registered.



EVENTS HOSTED AS PART OF PROMOTING DOMESTIC TOURISM DURING 2016/17 FIANCIAL YEAR.

Name of Event	Date	District (VTSD)
Utilising BB born artists to celebrate their major events in the Province. DJ Nation event supported	28 December 2016	Dr. Ruth Segomotsi Mompati -Taung Village
Ikgate Motlhala	24 – 29 April 2016	Dr.Kenneth Kaunda District Municipality
Bray July	16 July 2016	Dr. Ruth Segomotsi Mompati – Bray Village
Annual Tourism Lilizela Awards	16 October 2016	Bojanala District Municipal in Sun City (Mog-wase Village)
Cape Town Jazz Festival	April 2016	Cape Town – Western Cape

4. PERFORMANCE INFORMATION

4.1 PROGRAMME 1: ADMINISTRATION

The purpose of this programme is:

- a) To provide a political leadership as relating to the mandate of the Department.
- b) To provide an effective organizational financial management to the Department.

4.1 Office of the MEC

4.2 Office of the HoD

4.3 Office of the CFO

4.3.1 Financial Management

4.3.2 Supply Chain Management

Strategic objectives, performance indicators, planned targets and actual achievements

4.1 OFFICE OF THE MEC-STRATEGIC OBJECTIVES

Strategic Objective 1: To provide a political leadership as relating to the mandate of the Department

Strategic objective	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
To provide a political leadership as relating to the mandate of the Department.	3	4	2	3 rd and 4 th quarter meetings did not take place.	Two meetings were postponed. The last MINMEC was scheduled for the 1 st quarter of the new financial year by the Office of the Minister.
	4	4	3	Outreach programme planned for 1 st quarter did not take place	Outreach programme planned for 1 st quarter was not conducted as a result of the planning of the Local Government Elections within communities
	3	4	3	Report for the 3 rd quarter was not submitted	Question posed was withdrawn from the order paper
	N/A	4	3	MUNIMEC meeting planned for 1 st quarter did not take place	Meetings did not materialise due to the planning of the Local Government Elections.



4.1 Office of the MEC-Performance Indicators

Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Number of MINMEC meetings held with the national department/agencies.	N/A	3	3	4	2	3 rd and 4 th quarter meeting did not take place.	Two meeting was postponed to the 1 st quarter of the new financial year by the Office of the Minister.
Number of outreach programmes.	N/A	8	4	4	3	Outreach programme planned for 1 st quarter did not take place	Outreach programme planned for 1 st quarter was not conducted as a result of the planning of the Local Government Elections within communities
Number of Parliamentary reports on questions raised.	N/A	N/A	3	4	3	Report for the 3 rd quarter was not submitted	Question raised was withdrawn from the order paper
Number of MUNIMEC meetings held	N/A	N/A	N/A	4	3	MUNIMEC meeting planned for 1 st quarter did not take place	Meetings did not materialise due to the planning of the Local Government Elections.
Number of reports on MISS services rendered	N/A	N/A	N/A	4	4	None	None

Strategy to overcome areas of under performance

The administration components focus mainly on development of internal controls and policies and governance issues. There is an overall strategy to overcome and improve on these areas ranging from fast-tracking the development of policies to improving the MPAT, and putting governance systems in place.

Changes to planned targets

There were no changes to planned targets during the year.

Linking performance with budgets

Programme Expenditure

	2015/2016			2016/2017		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	12 217	10 928	1 289	9 345	8 316	1 029
Total	12 217	10 928	1 289	9 345	8 316	1 029

4.2 Office of the HoD

Strategic Objective 1: To provide administrative leadership to the Department

Strategic objective	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016//2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
To provide administrative leadership in the Department	4	4	4	None	None
	4	4	4	None	None

4.2 Office of the HoD – Performance Indicators

Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016//2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Number of reports on program performance submitted	N/A	50%	4	4	4	None	None
Implementation of the Risk Management Plan and Fraud Prevention Plan	N/A	N/A	4	4	4	None	None

Strategy to overcome areas of under performance

The administration components focus mainly on development of internal controls and policies and governance issues. There is an overall strategy to overcome and improve on these areas ranging from fast-tracking the development of policies to improving the MPAT, and putting governance systems in place.

Changes to planned targets

There were no changes to planned targets during the year.

Linking performance with budgets

Programme Expenditure

Sub- Programme Name	2015/2016			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the HoD	11 318	9 228	2 090	6 596	5 236	1 350
Total	11 318	9 228	2 090	6 596	5 236	1 350



4.3 Financial Management Services

4.3.1 Financial Accounting and Administration-Strategic Objective

Strategic Objective: To provide an effective organizational financial management to the Department

Strategic objective	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016//2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
To provide effective and efficient financial management services within the Department	11	11	11	None	None
	3	3	3	None	None
	-	1	1	None	None
	4	11	11	None	None

4.3.1 Financial Accounting and Administration – Performance Indicators

Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Financial management report produced	N/A	2	11	11	11	None	None
Interim Financial Statements produced	N/A	1	3	3	3	None	None
Annual Financial Statements produced	N/A	1	-	1	1	None	None
BAS system closure reports	N/A	22	4	11	11	None	None

4.3.2 Supply Chain Management–Strategic Objective

Strategic objective	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
To provide effective and efficient Financial management services within the Department	4	1	1	None	None
	4	12	12	None	None
	4	12	12	None	None
	N/A	12	12	None	None

4.3.2 Supply Chain Management –Performance Indicators

Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Number of reports on the implementation of the procurement plan	N/A	N/A	4	4	1	None	None
Number of Assets register reconciliations performed	N/A	N/A	4	12	12	None	None
Number of report prepared on payments made within 30 days	N/A	N/A	4	12	12	None	None
Number of expenditure reports prepared on VTSD spending.	N/A	N/A	N/A	12	12	None	None

Strategy to overcome areas of under performance

The administration components focus mainly on development of internal controls and policies and governance issues. There is an overall strategy to overcome and improve on these areas ranging from fast-tracking the development of policies to improving the MPAT, and putting governance systems in place.

Changes to planned targets

There were no changes to planned targets during the year.

Linking performance with budgets

Programme Expenditure

	2015/2016			2016/2017		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Financial Management	20 368	20 886	518	24 611	22 607	2 004
Total	20 368	20 886	518	24 611	22 607	2 004

4.4 Corporate services

4.4.1 Human Resource Management Development – Strategic Objective

Strategic objective	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016//2017	Deviation from planned target to actual achievement 2016/2017	Comments on devi- ations
To provide corporate service to the Department by 2019	4	4	4	None	None
	4	4	4	None	None
	4	4	4	None	None
	1	4	4	None	None
	4	4	4	None	None



4.4.1 Human Resources Management Development – Performance Indicators

Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Implementation of PMDS	N/A	N/A	4	4	4	None	None
Management of departmental labour relations services	N/A	N/A	4	4	4	None	None
Implementation of Human Resource Plan	N/A	N/A	4	4	4	None	None
Implementation of workplace Skills Plan	N/A	N/A	4	4	4	None	None
Reports on the implementation of Employee, Health and Wellness	N/A	N/A	4	4	4	None	None

4.4.2 Strategic Planning and Monitoring & Evaluation – Strategic Objective

Strategic objective	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Coordinate the strategic planning, performance monitoring and Evaluation process in the department.	1	1	1	None	None
	1	4	3	The Performance review was not conducted	The Performance Review was conducted on the 10 th and 11 th of October 2016 due to commitment of Senior Management on the attendance of reporting system workshop.
	3	1	1	None	None
	1	4	4	None	None
	4	1	1	None	None
	1	4	3	The report planned for 4 th quarter was not submitted	Report planned for 4 th quarter was submitted late
	1	1	1	None	None
	4	1	1	None	None

4.4.2 Strategic Planning and Monitoring & Evaluation – Performance Indicators

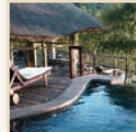
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016//2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Review of Strategic Plan	N/A	N/A	1	1	1	None	None
Departmental performance reviewed	N/A	N/A	1	4	3	The Performance review was not conducted	The Performance Review was conducted on the 10 th and 11 th of October 2016. due to commitment of Senior Management on the attendance of reporting system workshop
Annual Performance Plan produced	N/A	N/A	1	1	1	None	None
Monitoring and Evaluation reports produced in line with the APP.	N/A	N/A	4	4	4	None	None
Annual Report produced	N/A	N/A	1	1	1	None	None
Implementation of the departmental SDIP	N/A	N/A	1	4	3	The report planned for 4 th quarter was not submitted	Report planned for 4 th quarter was submitted late
Job Access strategy developed	N/A	N/A	N/A	1	1	None	None
Gender Equality Strategy developed	N/A	N/A	4	1	1	None	None

4.4.3 Legal services– Strategic Objective

Strategic objective	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Provide Legal support to the Department.	4	4	4	None	None

4.4.3 Legal Services– Performance Indicators

Performance Indicators	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Legal services provided in the Department.	N/A	N/A	4	4	4	None	None
<input type="checkbox"/> Litigation support							
<input type="checkbox"/> Contract management							
<input type="checkbox"/> Litigation Management							



4.4.4 Information Communications Technology– Strategic Objective

Strategic objective	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Provide communication through profiling and marketing the Department as well as promoting and supporting ICT business processes	1	1	0	The Department has been operating on a draft plan.	The strategy is still being assessed by the HoD for approval.
	4	4	187	Media related issues exceeded the expected coverage on the Departmental programme.	None
	4	1	1	None	None

4.4.4 Information Communications Technology– Performance Indicators

Performance Indicators	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Communication strategy developed.	N/A	N/A	1	1	0	The Department has been operating on a draft plan.	The strategy is still being assessed by the HoD for approval
Media relations programmes implemented.	N/A	N/A	4	4	187	Media related issues exceeded the expected coverage on the Departmental programme.	None
Implementation of the departmental ICT strategy	N/A	N/A	4	1	1	None	None

Strategy to overcome areas of under performance

The administration components focus mainly on development of internal controls and policies and governance issues. There is an overall strategy to overcome and improve on these areas ranging from fast-tracking the development of policies to improving the MPAT, and putting governance systems in place.

Changes to planned targets

There were no changes to planned targets during the year.

Linking performance with budgets

Programme Expenditure

Sub- Programme Name	2015/2016			2016/2017		
	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
Corporate Services	39 728	34 256	5 472	34 631	30 351	4 279
Total	39 728	34 256	5 472	34 631	30 351	4 279

4.5 PROGRAMME 2: TOURISM PLANNING

Purpose: To facilitate the development and growth of the tourism sector in the North West Province.

The programme comprises of the following sub-programmes:

4.5.1 Research and Policy Development – Strategic Objective

Strategic objective	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
To create an enabling environment for tourism growth through planning, research, legislation, policy and strategy development.	1	1	1	None	None
	4	1	1	None	None
	2	1	1	None	None
	-	2	3	None	None
	2	5	3	None	None

4.5.1 Research and Policy Development– Performance Indicators

Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Provincial Tourism Bill developed	N/A	N/A	1	1	1	None	None
Provincial integrated Tourism development framework developed	N/A	N/A	4	1	1	None	None
Trade and Tourism Investment Strategy developed	N/A	N/A	2	1	1	None	None
Research studies conducted to support Tourism Growth	N/A	N/A	-	2	3	None	None
Number of Tourism Makgotla hosted	N/A	3	2	5	3	None	None

4.5.2 Planning and Sector Performance– Strategic Objective

Strategic objective	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
To plan, monitor and evaluate Tourism sector performance by 2019	1	4	4	None	None
	4	4	4	None	None
	2	4	4	None	None
	-	4	4	None	None



4.5.2 Planning and Sector Performance– Performance Indicators

Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016//2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Implementation of Tourism Infrastructure development plan	N/A	N/A	0	4	4	None	None
Implementation of Tourism Spatial Development Plan	N/A	N/A	0	4	4	None	None
Monitoring and Evaluation of the Tourism Sector Performance	N/A	N/A	0	4	4	None	None
Implementation of Tourism strategies	N/A	N/A	4	4	4	None	None

Strategy to overcome areas of under performance

The programme has in the main achieved all its targets and managed to focus on its mandate and objectives as per the 5 year strat plan.

Changes to planned targets

There were no changes to planned targets during the year.

Linking performance with budgets

Programme Expenditure

Sub- Programme Name	2015/2016			2016/2017		
	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
Research and Policy Development	1 791	2 311	(520)	5 267	5 502	(235)
Planning and Sector Performance	11 297	8 445	2 852	5 937	3 489	2 448
Total	13 088	10 756	3 372	11 204	8 291	1 460

4.6 PROGRAMME 3: TOURISM GROWTH, DEVELOPMENT AND TRANSFORMATION

Purpose: To manage Tourism growth and development.

4.6.1 Tourist Guiding and Regulatory Services– Strategic Objective

Strategic Objective	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
To ensure the registration of Tourist guides and Tourism enterprise in compliance with existing legislation and regulations	4	100	97	03 tourists guides were not registered	03 tourists' guides paid their registration fee but did not meet the requirements.
	N/A	160	196	The annual target is exceeded by 14 inspections.	More inspections were conducted.
	N/A	80	151	The annual target is exceeded by 12	More Tourists guides and tour operators were supported

4.6.1 Tourist Guiding and Regulatory Services– Performance Indicators

Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Number of Tourist guides registered for compliance		4	4	100	97	03 tourists guides were not registered	03 tourists' guides paid their registration fee but did not meet the requirements.
Number of Tourist Guiding compliance inspections conducted		4	N/A	160	196	The annual target is exceeded by 14 inspections.	More inspections were conducted
Number of Tourists guides and tour operators supported for registration compliance (Financial and non-financial)			N/A	80	151	The annual target is exceeded by 12	More Tourists guides and tour operators were supported

4.6.2 Tourism Sector Transformation and Education– Strategic Objective

Strategic Objective	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
To create awareness about the total value-chain of Tourism Sector and resultant opportunities amongst the communities of the North West Province.	N/A	5	6	One more capacity building workshop was conducted	Over performance due to participating at the NDT capacity building workshop
	N/A	45	45	None	None
	N/A	40	72	27	A total of 45 establishments were graded in the 4th in order to account for deficit in targets for 1st & 2nd which was caused by the late payments to TGCSA
	N/A	5	5	5	None



4.6.2 Tourism Sector Transformation and Education – Performance Indicators

Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016//2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Tourism capacity building workshops conducted in VTSD areas	N/A	N/A	N/A	5	6	One more capacity building workshop was conducted	Over performance due to participating at the NDT capacity building workshop
Recruitment of learners attending Annual National Tourism careers Expo from schools in VTSD areas	N/A	N/A	N/A	45	45	None	None
Facilitation of Tourism establishments grading	N/A	N/A	N/A	40	72	27	A total of 45 establishments were graded in the 4th in order to account for deficit in targets for 1st & 2nd which was caused by the late payments to TGCSA
Service excellence workshops conducted	N/A	4	N/A	5	5	None	None

4.6.3 Tourism Growth and Development– Strategic Objective

Strategic Objective	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016//2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
To create and promote a conducive environment for Tourism investment, infrastructure development, hospitality training , capacity building and destination marketing in the North West Province	94	2	2	None	None
	3	2	3	None	None

4.6.3 Tourism Growth and Development – Performance Indicators

Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target for 2016/2017	Actual Achievement 2016//2017	Deviation from planned target to actual achievement 2016/2017	Comments on deviations
Number of Tourism Trade and investment promotion initiatives undertaken	N/A	18	94	2	2	None	None
Hotel and Tourism management schools infrastructure development supported in Taung and Orkney	N/A	2	3	2	3	None	None

Strategy to overcome areas of under performance

- Proper planning and execution of programmes as per plan
- Ensure that budget is spent as per projections
- Timeous re-prioritisation if funds will not be spent as budgeted for
- Planned targets meetings with IDT to ensure proper planning and reporting

Changes to planned targets

There were no changes to planned targets during the year.

Linking performance with budgets

Programme Expenditure

	2014/2015			2015/2016		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Tourism Guiding and Regulatory	4 510	1 495	3 015	4 751	3 291	1 460
Tourism Sector and Transformation	5 931	5 012	919	5 333	6 438	895
Tourism Growth and Development	26 890	25 107	1 783	133 052	124 376	8 676
Total	37 331	31 614	5 717	145 136	134 105	11 031

Transfer Payments

Transfer payments to Public Entities

Transfer payment to all organisations other than public entities

Conditional Grants

Conditional grants and earmarked funds paid

Conditional grants and earmarked funds received

Donor Funds

Donor Funds Received

i. Capital Investment

Capital investment, maintenance and asset management plan



Part C: Governance



1. INTRODUCTION

The Department is committed to clean governance and intending to maintain the highest level of integrity in its dealing with the public and other organs of state whilst at the same time ensuring that fraud and corruption are detected and dealt with decisively.

To this end various policies were developed and are being publicised to all members of staff.

2. RISK MANAGEMENT: 2016/17

2.1 The Risk Management unit operates in accordance with the Public Sector Risk Management Framework, which is adopted provincially.

The following were done for the implementation of the approved Risk Management Plan:-

- KRA of Senior Management's Performance Agreement was received and approved by the HOD in order to ensure that risk management activities were incorporated.
- The following 2016/17 policies were reviewed, recommended and approved by the HoD :
 3. Risk Management Policy
 4. Risk Management Strategy with Implementation plan
 5. Anti-Corruption & Fraud and prevention policy
 6. Anti-corruption & Fraud Prevention strategy & plan
 7. Whistle blowing policy & Plan
 8. Risk Management Charter
 9. Ethics Procedure Manual

Risk Management unit support and facilitated the process of financial disclosure for all SMS.

Strategic Risk Assessment –

- Reviewed and updated the strategic risk register with new emerging risks for the 1st and 4th Quarter.
- Strategic Risk Register updated in the 1st and 4th Quarter.
- Monitoring the implementation of the identified treatment plan was done in the 4th quarterly
- Training through workshop/presentation on risk management on risk process was done to senior management during the 1st quarter of the previous financial year.

Operational Risk Management:-

- Workshops, education and training on risk Management processes and policies was done for all officials during the 1st quarter.
- Operational risk register was updated accordingly.
- Monitoring of the implementation of the control measure was done in the 1st, 2nd and 3rd.
- Reviewed and updated the operational risk register with new emerging risks for the 2nd, 3rd and 4th quarter.

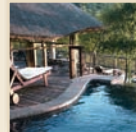
MPAT: All information under Governance and Accountability were collected, checked and uploaded.

RISK, FRAUD PREVENTION & ETHICS MANAGEMENT COMMITTEE

- Committee members with the inclusion of the independent Chairperson and 2 members from the board were appointed as Risk, Fraud Prevention & Ethics Management Committee for the 2016/17 financial year.
- The committee set in the 1st, 3rd and 4th quarter
- Training and education of the committee members was done in the 1st quarter of the 2016/17 financial year.

3. FRAUD AND CORRUPTION

- Fraud awareness was done in the 3rd quarter
- Fraud risk register was updated in the 3rd quarter.



- 2 fraud cases were reported by the Public Service Commission but were closed as the 2 reported cases related to the Department of Economic Development Environmental Affairs & Tourism
- Fraud Register

Challenges:-

- Strategic Risk Assessment not concluded at the planning session of the Department.
- Risk Management process not prioritized, as level of commitment is very low.
- Risk Appetite was not set by Senior Management of the Department.
- Risk Management was not fully capacitated in the 1st, 2nd and 3rd quarter as the Risk Manager was the only appointed official in the unit.
- Non implementation of the Treatment plan.

1. MINIMISING CONFLICT OF INTEREST

The conflict of interest issue and management thereof is dealt with at the level of SCM Committees.

Members of different committees are urged to declare their interests in writing.

2. CODE OF CONDUCT

The Code of Conduct is enforced through the Labour Relations processes.

3. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The overall health and safety environment in the Department is not completely conducive. The status quo has not changed, there is still lack of office space for employees of Tourism Department thus creating congestion and affecting overall productivity.

It should be noted that the building under which the Department resides is managed by the

Department of Public Works. This arrangement create lot of challenges ranging from the provision of

cleaning material to security of people and government assets.

4. PORTFOLIO COMMITTEES

EVENT/ ACTIVITY	PURPOSE OF THE MEETING	DATE
Meeting	Briefing by support staff on the 1 st quarterly report and 1 st draft APP	19/08/16
Presentation	Presentation of the 1 st draft APP and 1 st quarterly report	19/08/16
Meeting	Women and traditional leaders Sectoral Parliament	19/08/16
Oversight	Visit to Tshimo ya kgosi	24/08/16
Meeting	Stakeholder meeting with Donkey Breeders	06/09/16
Oversight	To assess the status of the Rhino Poaching in the Province	09/09/16
Public Meeting	O re bone re go bone campaign	13/09/16
Oversight	Visit to Vredefort Dome to assess the state and operations of the facility	14/09/16
Public meeting	O re bone re go bone campaign	14/09/16
Meeting	Academia and Energy Sectoral Parliament	16/09/16
Meeting	Sectoral Parliament	30/09/16
Meeting	Tabling of the 2 nd Quarter Report 2016	24/10/16
Briefing	Presented Annual Report 2015/16 to the portfolio committee	25/10/16
Meeting	Provincial Public Accounts Committee	03/11/16
Meeting	Briefing on the A Re Yeng Bokone Bophirima Concept and DJ Nation´	25/11/16

5. SCOPA RESOLUTIONS

The Select Committee on Public Accounts has interacted with the Department on the Annual Report and raised issues that were subsequently responded to and the report was adopted by the Legislature.

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)

6. PRIOR MODIFICATIONS TO AUDIT REPORTS

- The Department has an audit action plan in place and has kept to the schedule as per agreed plan with Internal Audit.
- The Department submitted updated action plan as directed.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in cleaning/resolving the matter

7. INTERNAL CONTROL UNIT

The Department appointed a Deputy Director for Internal Control and this augurs well for management of issues raised by both the AGSA and Provincial Internal Audit. To this end, Internal Control Unit has an action plan where all exception raised by both AGSA (Auditor General) and PIA (Provincial Internal Audit) are captured, of which 80% have been cleared.

1. The Departmental Management Committee which oversees the performance of the department.
2. The Departmental Procurement Committee which is in charge of advising the Accounting Officer on procurement matters.

8. INTERNAL AUDIT AND AUDIT COMMITTEES

The Key activities and objectives of the internal audit

9. AUDIT COMMITTEE REPORT

Refer to page 69 of this Annual Report



Part D: Human Resource Management

Financial Year 2016-17

1. INTRODUCTION

The Department still operates with an interim organizational structure and the proposed structure was submitted to DPSA for pre/initial technical consultations and was presented to Departmental Management Committee whereat it was resolved that it be taken through a benchmarking process with at least two departments and same is anticipated to be complete by end of the first quarter in the current financial year. In relation to Senior Management Service Establishment, all posts excluding two (2) have been filled and the recruitment process thereof is at completion stage as they are awaiting approval appointment. HR Policies have been developed for implementation, monitoring, evaluation and review where necessary.

2. OVERVIEW OF HUMAN RESOURCES

The status of human resources in the department

- Finalization of the consulted upon organizational structure and filling of all vacant unoccupied funded vacancies.
- HR Delegations of Powers and DPSA amendments thereof have been finalized and implemented along with all other developed HR policies and procedure manuals to ensure compliance with the applicable legislative framework.
- Adherence to Public Service Acts/Regulations and departmental policies.
- Achieve the set EE Targets in terms of race, gender and disability.
- Implementation of EHWP, improvement of employer- employee relations, as well as development and training of employees.

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

The Department has more females than males in its organogram/establishment, that is sixty-five males and eighty three females out of a workforce establishment of one hundred and forty-eight. The Department needs to attract more males as well as people of other races to balance the demographics.

Employee performance management:

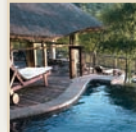
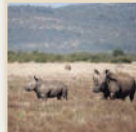
All SMS Members have signed their Performance Agreements for the 2016/2017 cycle, however assessments for 2015/2016 still have to be concluded, and same applies to Levels 2—12, which results in PMDS backlogs. Proper implementation of the PMDS policy is crucial to ensure consistency and fairness.

Employee Wellness Programmes:

Four EHWP operational plans have been developed for implementation, monitoring and evaluation and were sent to DPSA, and the EHWP events that were planned for have been successfully conducted.

Highlight achievements and challenges faced by the department, as well as future human resource plans /goals:

- Thirty nine posts were advertised, twenty four appointed permanently and forty-five contract employees appointed.
- Nineteen management jobs/posts (level 9 to 14) in the core programme were evaluated but awaiting moderations prior to finalization and the process is to be completed by end of first quarter.
- The department has achieved the mandatory 50% target in terms of women in Senior Management positions and also the 2% target of people living with disabilities, but remains with a challenge of meeting the race and gender balance.
- The main challenge for the department is still lack of office space with departmental staff accommodated in various separate buildings thus contributing to security risk for departmental staff records.
- Officials do not submit their training needs in time, thus their training needs end up not been incorporated into their training plans and workplace skills plan.
- Department experiences non-adherence to PMDS calendar and implementation and management thereof is stifled.
- There is insufficient number of officials attending employee health and wellness events especially from management.



3. Human Resource Oversight Statistics

1.1 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 expenditure by programme for the period 01 April 2016 and 31 March 2017

Programme	No. of Employees as at 31 March 2015	Personnel Expenditure (excl. Good & Services)	% of Total Personnel Cost	Average Personnel Cost per Employee (R)
49589990 ADMINISTRATION	113	R 48 341 m	75	R 427 799
49639990 TOURISM DEVELOPMENT	38	R 15 870m	25	R 417 630
TRANSFERS (RECONFIGURATION)				
Grand Total	151	R 64 211m	100	R 425 240

Table 3.1.2 Personnel costs by salary band for the period 01 April 2016 and 31 March 2017

SALARY BANDS	No. of Employees as at 31 March 2015	Personnel Expenditure (excl. Good & Services)	% of Total Personnel Cost	Average Personnel Cost per Employee (R)
Lower skilled (Levels 1-2)	13	R1 690 122.70	3	R 130 009.00
Skilled (Levels 3-5)	39	R5 689 077.07	9	R 145 874.00
Highly skilled production (Levels 6-8)	29	R10 127 142.86	16	R 349 212.00
Highly skilled supervision (Levels 9-12)	44	R25 380 234.77	40	R 576 824.00
Senior and Top Management (Level 13-16)	13	R14 049 296.94	22	R 1 080 715.00
Contracts (Level 1-16)	13	R 7 275 312.06	11	R 2 461 709.00
Periodical Remuneration		R0.00	0	R0.00
Abnormal Appointment		R0.00		R0.00
Grand Total	151	R 64 211 186.40	100	R 425 240.00

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 01 April 2016 and 31 March 2017

PROGRAMME	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	SALARIES VIA PERSAL	Salaries as % of Personnel Cost	OVERTIME	Overtime as % of Personnel Cost	HOUSE OWNERS ALLOWANCE	HOA as % of Personnel Cost	MEDICAL FU NDS	Medical Ass. as % of Personnel Cost
49589990 ADMINISTRATION	R 33 875 119.34	70	R 17 529.92	0	R 958 932.00	2	R 1 771 666.83	4
49639990 TOURISM DEVELOPMENT	R 11 403 112.12	72	R 5 346.96	0	R 339 258.00	2	R 307 586.00	2
TRANSFERS (RECONFIGURATION)								
Grand Total	R45 278231.46	71	R 22876.88	0	R 1 298190.00	2	R2 079252.83	3

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 01 April 2016 and 31 March

SALARY BANDS	Salaries		Overtime		Home Owners Allowance		Medical Assistance		Personnel Expenditure (excl Good & Services)
	SALARIES VIA PERSAL	Salaries as % of Personnel Cost	OVERTIME	Overtime as % of Personnel Cost	HOUSE OWNERS ALLOWANCE	HOA as % of Personnel Cost	MEDICAL FUND	Medical Ass. as % of Personnel Cost	
Lower skilled (Levels 1-2)	R 1 133 793.75	67		0	R 115 200.00	7	R 203 164.00	12	R 1 690 122.70
Skilled (Levels 3-5)	R 4 150 126.99	73	R 11 569.38	0	R 273 300.00	5	R 451 419.75	8	R 5 689 077.07
Highly skilled production (Levels 6-8)	R 7 316 056.90	72		0	R 304 200.00	3	R 585 046.00	6	R 10 127 142.86
Highly skilled supervision (Levels 9-12)	R 18 636 499.72	73	R 11 307.50	0	R 432 654.00	2	R 682 333.08	3	R 25 380 234.77
MEC & Senior Management (Level 13-16)	R 8 987 555.25	64		0	R 172 836.00	1	R 157 290.00	1	R 14 049 296.94
Contracts	R 5 054 198.85	70							R 7 275 312.06
Periodical Remuneration									
Abnormal Appointment									
Grand Total	R 45 278 231.46	71	R 22 876	0	R 1 298 190	2	R 2 079 252	3	R 64 211 186.40

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

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

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

PROGRAMME	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
49589990 ADMINISTRATION	138	112	19	3
49639990 TOURISM DEVELOPMENT	63	38	40	0
Grand Total	201	150	25	3

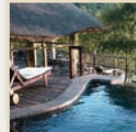


Table 3.2.2 Employment and vacancies by salary band as on 31 March 2017

SALARY BAND	Number of posts on approved Establishment	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2)	3	3	0	3
Skilled (Levels 3-5)	60	53	12	
Highly skilled production (Levels 6-8)	45	30	33	
Highly skilled supervision (Levels 9-12)	77	49	36	
MEC & Senior management (Levels 13-16)	16	15	6	
Grand Total	201	150	25	3

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

Critical Occupation	Number of posts on approved Establishment	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
ADMINISTRATIVE RELATED	3	1	67	
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	17	17	0	
FINANCE AND ECONOMICS RELATED	2	2	0	
FINANCIAL CLERKS AND CREDIT CONTROLLERS	20	13	35	
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	1	1	0	
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	34	26	24	
LEGAL RELATED	2	1	50	
LIGHT VEHICLE DRIVERS	1	1	0	
MATERIAL-RECORDING AND TRANSPORT CLERKS	1	1	0	
MESSENGERS PORTERS AND DELIVERERS	9	8	11	
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	82	57	31	3
OTHER OCCUPATIONS	1	1	0	
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	15	9	40	
SENIOR MANAGERS	13	12	8	
Grand Total	201	150	25	3

Notes:

The CORE classification, as prescribed by the DPSA, should be used for completion of this table

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 2017

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Head of Department					
Salary Level 16	1	1	100	0	0
Salary Level 15	1	1	100	0	0
Salary Level 14	3	3	100	0	0
Salary Level 13	11	9	82	2	18
Total	16	14	87	2	13

Table 3.3.2 SMS post information as on 30 September 2016

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/Head of Department					
Salary Level 16	1	1	100	0	0
Salary Level 15	1	1	100	0	0
Salary Level 14	3	3	100	0	0
Salary Level 13	11	7	73	4	27
Total	16	12	75	4	25

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

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Head of Department					
Salary Level 16	1	1	100	0	0
Salary Level 15	1	1	100	0	0
Salary Level 14	3	3	100	0	0
Salary Level 13	11	9	82	2	18
Total	16	14	87	2	13

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

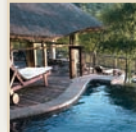
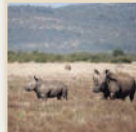
Reasons for vacancies not advertised within six months
Existing challenge of attracting and retaining critical skill for core programs of the Department
Office space challenges
Reasons for vacancies not filled within twelve months
The other SMS post became vacant during the financial year after the incumbent of the post resigned

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

Reasons for vacancies not advertised within six months
Initially the Department observed the flexible moratorium imposed in the filling of vacant posts and considered people
Other government departments who expressed an interest in joining the department. Due to the requirements of the job, we
Eventually opted to advertise these posts widely and thus the delay in advertising within 6 months of vacancies coming up
Reasons for vacancies not filled within six months
Same as above

Notes

In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A(1) or (2) of the Public Service Act.



3.4 Job Evaluation

Table 3.4.1 Job Evaluation by Salary band

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)	13	0	0	0	0	0	0
Skilled (Levels 3-5)	47	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	44	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	76	0	0	0	0	0	0
Senior Management Service Band A	11	0	0	0	0	0	0
Senior Management Service Band B	5	0	0	0	0	0	0
Senior Management Service Band C	1	0	0	0	0	0	0
Senior Management Service Band D	0	0	0	0	0	0	0
Contract (Levels 1-2)	3	0	0	0	0	0	0
Contract (Levels 3-5)	0	0	0	0	0	0	0
Contract (Levels 6-8)	0	0	0	0	0	0	0
Contract (Levels 9-12)	0	0	0	0	0	0	0
Contract (Band A)	0	0	0	0	0	0	0
Contract (Band B)	0	0	0	0	0	0	0
Contract (Band C)	0	0	0	0	0	0	0
Contract (Band D)	0	0	0	0	0	0	0
Total	200	0	0	0	0	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 of 1 April 2016 – 31 March 2017

Beneficiary	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability					0

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 of 1 April 2016 – 31 March 2017

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Director -	0	0	0	0
Deputy Directors-	0	0	0	0
Assistant Director	0	0	0	0
Other levels	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation				
Percentage of total employed				0

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 of 1 April 2016 – 31 March 2017

Beneficiary	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability	0	0	0	0	0
Total Number of Employees whose remuneration exceeded the grade determined by job evaluation in 2013/14					0

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 2016 and 31 March 2017

Salary Band	Number of employees at beginning of period 1 April 2016	Appointments Transfers into the Department	Terminations Transfers out of the Department	Turnover rate
Lower skilled (Levels 1-2)	13			0
Skilled (Levels 3-5)	23	18	2	9
Highly skilled production (Levels 6-8)	30	3	4	13
Highly skilled supervision (Levels 9-12)	42	6	4	10
Senior Management Service Band A (Level 13)	8	1	2	25
Senior Management Service Band B (Level 14)	4			0
Senior Management Service Band C (Level 15)				0
MEC & Senior Management Service Band D (Level 16)	1			0
Contracts	24	22	34	142
Periodical Remuneration				0
Abnormal Appointment		0	0	0
TOTAL	145	50	46	32

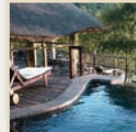


Table 2.4.2 Annual turnover rates by critical occupation for the period 1 April 2016 and 31 March 2017

Critical Occupation	Number of employees at beginning of 1 April 2016	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover rate
ADMINISTRATIVE RELATED	12	1		8
AGRICULTURE RELATED	0	0	0	0
BUILDING AND OTHER PROPERTY CARETAKERS	0			0
BUS AND HEAVY VEHICLE DRIVERS	1			0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	17			0
COMMUNICATION AND INFORMATION RELATED	1			0
FINANCE AND ECONOMICS RELATED	10	1	3	30
FINANCIAL AND RELATED PROFESSIONALS	3		1	33
FINANCIAL CLERKS AND CREDIT CONTROLLERS	10	2	3	30
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	1	1	1	100
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	1			0
HUMAN RESOURCES CLERKS	10		7	70
HUMAN RESOURCES RELATED	7			0
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	1			0
LIBRARY MAIL AND RELATED CLERKS	2			0
LIGHT VEHICLE DRIVERS	1	1	1	100
LOGISTICAL SUPPORT PERSONNEL	1			0
MATERIAL-RECORDING AND TRANSPORT CLERKS	1			0
MESSENGERS PORTERS AND DELIVERERS	6			0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	31	33	27	19
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	7	1	1	14
OTHER OCCUPATIONS	1			0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	4	7	1	25
SENIOR MANAGERS	10	2	2	20
GRAND TOTAL	137	49	47	1

Notes

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

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

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

Termination Type	Number	% of Total Resignations
1 RETIREMENT - SECTION 16(1)(A) PUBLIC SERVICE ACT	2	5
2 DECEASED	1	2
3 RESIGNATION	10	23
30 DISMISSAL (DISCHARGED)	1	2
8 CONTRACT EXPIRY	29	67
TOTAL	43	100
99 TRANSFER OUT OF PERSAL	1	2
INTER DEPARTMENTAL TRANSFER (WITHIN NWPG)	2	4
TOTAL INCLUDING TRANSFERS OUT OF PERSAL	46	100

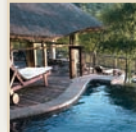
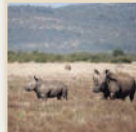


Table 3.5.4 Promotions by critical occupation for the period 1 April 2016 and 31 March 2017

OCCUPATION	Employees as on 1 April 2014	Promotions to another salary level	Salary Level Promotions as a % of employees by occupation	Progression to another notch within a salary level	Notch progressions as a % of employees by occupation
ADMINISTRATIVE RELATED	12	0	0	8	67
BUS AND HEAVY VEHICLE DRIVERS	1	0	0	3	300
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	17	0	0	19	112
COMMUNICATION AND INFORMATION RELATED	1	0	0	0	0
FINANCE AND ECONOMICS RELATED	10	1	10	9	90
FINANCIAL AND RELATED PROFESSIONALS	3	0	0	4	133
FINANCIAL CLERKS AND CREDIT CONTROLLERS	10	0	0	4	40
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	1	0	0	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	10	3	30	10	100
HUMAN RESOURCES CLERKS	7	0	0	10	143
HUMAN RESOURCES RELATED	6	0	0	7	117
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	1	0	0	4	400
LEGAL RELATED	1	0	0	1	100
LIBRARY MAIL AND RELATED CLERKS	2	0	0	2	100
LIGHT VEHICLE DRIVERS	1	0	0	0	0
LOGISTICAL SUPPORT PERSONNEL	1	0	0	0	0
MATERIAL-RECORDING AND TRANSPORT CLERKS	1	0	0	0	0
MESSENGERS PORTERS AND DELIVERERS	6	0	0	1	17
MOTOR VEHICLE DRIVERS	1	0	0	2	200
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	31	3	10	12	39
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	7	0	0	6	86
OTHER OCCUPATIONS	1	0	0	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	4	0	0	4	100
SENIOR MANAGERS	10	0	0	1	10
TOTAL	145	7	5	107	74

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

SALARY BAND	Employees as on 1 April 2016	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progression to another notch within a salary level	Notch progressions a % of employees by salary bands
Lower skilled (Levels 1-2)	13	0	0	15	115
Skilled (Levels 3-5)	23	0	0	25	109
Highly skilled production (Levels 6-8)	30	0	0	35	117
Highly skilled supervision (Levels 9-12)	42	7	17	31	74
Senior management (Levels 13-16)	13	0	0	1	8
Contracts	24	0	0	0	0
Periodical Remuneration		0	0	0	0
Abnormal Appointment		0	0	0	0
TOTAL	145	7	5	107	74



3.6 Employment Equity

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

Occupational category	Male				Femalej				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Top Management	0	0	0	0	2	0	0	0	2
Senior Managers	6	1	0	0	7	0	0	0	14
Professionally qualified and experienced specialists and management (13-14)	13	0	0	0	11	0	0	1	25
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents (9-12)	20	0	0	0	30	1	0	1	52
Semi-skilled and discretionary decision making (4-8)	23	0	0	0	17	0	0	0	40
Unskilled and defined decision making	3	0	0	0	13	0	0	0	16
Total	65	1	0	0	80	1	0	2	149
Employees with disabilities	3				1				4

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

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management					1				1
Senior Management	5	1			6				12
Professionally qualified and experienced specialists and mid-management	23				19	1		1	44
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	6				22			1	29
Semi-Skilled and discretionary decision making	22				17				39
Unskilled and defined decision making	2				11				13
Total	58	1	0	0	76	1	0	2	138



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

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									
Senior Management	1								1
Professionally qualified and experienced specialists and mid-management	2				2				4
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents					1				1
Semi-Skilled and discretionary decision making	6				12				18
Unskilled and defined decision making									
Contracts	7			1	14				22
Periodical Remuneration									
Abnormal Appointment									
Total	16	0	0	1	29	0	0	0	46
TRANSFERS TO THE DEPARTMENT	2				1	1			4
TOTAL INCLUDING TRANSFERS TO DEPARTMENT	18	0	0	1	30	1	0	0	50
Employees with disabilities									0

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

Occupational Bands	Male				Female				Grand Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									
Senior Management									
Professionally qualified and experienced specialists and mid-management	4				3				7
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents									
Semi-Skilled and discretionary decision making									
Unskilled and defined decision making									
Contracts									
Total	4	0	0	0	3	0	0	0	7
Employees with disabilities	1								1

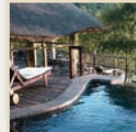


Table 3.6.5 Terminations for the period 1 April 2016 and 31 March 2017

Occupational Bands	Male				Female				Grand Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									
Senior Management					2				2
Professionally qualified and experienced specialists and mid-management	1				3				4
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents					3				3
Semi-Skilled and discretionary decision making									
Unskilled and defined decision making									
Contracts	11			1	22				34
Periodical Remuneration									
Abnormal Appointment									
Total Terminations	12	0	0	1	30	0	0	0	43
TRANSFER OF A PERSON TO ANOTHER PERSAL BUREAU						1			1
INTER DEPARTMENTAL TRANSFER (WITHIN NWPG)	1				1				2
TOTAL INCLUDING TRANSFERS OUT OF PERSAL	13	0	0	1	31	1	0	0	46
Employees with disabilities									0

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

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	0	0	0	0	0	0	0	0	0

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

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	0	0	0	0	2	0	0	0	2
Professionals	6	0	0	0	9	0	0	0	15
Technicians and associate professionals	3	0	0	0	11	0	0	0	14
Clerks	1	0	0	0	0	0	0	0	1
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	8	0	0	0	16	0	0	0	24
Total	18	0	0	0	38	0	0	0	56
Employees with disabilities	0	0	0	0	0	0	0	0	0



1.7 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 2017

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
Head of Department				
Salary Level 16				
Salary Level 15				
Salary Level 14				
Salary Level 13				
Total				

Notes

In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2017.

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

Reasons

Notes

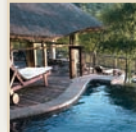
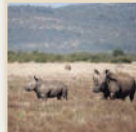
The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

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

Reasons

Notes

The reporting date in the heading of this table should be aligned with that of Table 3.7.1.



3.8 Performance Rewards

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

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

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Male	18	66	27%	R309,282-27	R17,182-30
Asian, Male	0	0	0	0	0
Coloured Male	0	1	0	0	R0,00
White Male	0	0	0	0	0
African Female	25	92	27%	R395,215-98	R15,808-60
Asian Female	0	0	0	0	R0,00
Coloured Female	0	1	0	0	R0.00
White Female	3	150	2%	R57,654-03	R19,218-00
Total	46	162	56%	R762,152-28	R16,568

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

Salary Band	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower Skilled (Levels 1-2)	0	13	0	R0.00	R0.00	0
Skilled (level 3-5)	0	11	0	0	0	0
Highly skilled production (level 6-8)	0	32	0	0	R0	0
Highly skilled supervision (level 9-12)	0	47	0	R0	R0	0
Total	0	103	0	0	0	0

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

Critical Occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative Related	0	15	0	0	0
Finance & Economic Related	0	8	0	0	0
Financial and Related Professionals	0	11	0	0	R0,00
Financial Clerks & Credit Controllers-	0	1	0	0	R0,00
Head of Department/Executive Officer	0	1	0	0	R00,00
HR & Organizational Development Related	0	2	0	0	0
HR Clerks	0	0	0	0	0
HR Related	0	15	0	0	0
Language Practices	0	0	0	R0	R0
Legal Related	0	2	0	R0	R0
Library Mail & Related Clerks	0	2	0	R0	R0
Light Vehicle Drivers	0	0	0	R00,00	R00,00
Logistical Support Personnel	0	5	0	R00,00	R00,00
Material Recording & Transport Clerks	0	2	0	R00,00	R00,00
Messengers, Porters and Delivers	0	1	0	R00,00	R00,00
Motor Vehicle Drivers	0	7	0	R00,00	R00,00
Other Administrative & Related Clerks & Organizers	0	7	0	R00,00	R00,00
Other Administrative Policy & Related Officers	0	15	0	0	0
Other Occupations	-	19	0	R00,00	R00,00
Secretaries & other Keyboard Operating Clerks	0	7	0	0	0
Senior Managers	0	13	0	0	0
TOTAL:	0	133	0	0	0

Notes

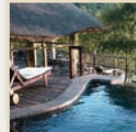
The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

Critical occupations are defined as occupations or sub-categories within an occupation –

- in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
- for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
- where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees;

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

Salary Band	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Band A	0	8	0	0	0	0
Band B	0	3	0	0	0	0
Band C	0	1	0	0	0	0
Band D	0	1	0	0	0	0
Total	0	13	0	0	0	0



1.9 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 2016 and 31 March 2017

Salary Band	01 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	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	0	0	0	0	0	0

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

Major Occupation	01 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% Change
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	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 2016 to 31 December 2016

SALARY BANDS	Total days	% days with medical certification	No. of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost
Lower skilled (Levels 1-2)	97	99	9	11	11	R 44 415.33
Skilled (Levels 3-5)	82	88	11	13	7	R 59 328.75
Highly skilled production (Levels 6-8)	221	87	26	30	9	R 271 880.09
Highly skilled supervision (Levels 9-12)	248	85	33	38	8	R 513 420.13
Senior management (Levels 13-16)	25	68	7	8	4	R 90 883.90
Grand Total	673	87	86	100	8	R 979 928

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

SALARY BANDS	Total Days	% days with medical certification	No. 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	
Skilled (Levels 3-5)	8	100	1	50	8	R 6 646.48
Highly skilled production (Levels 6-8)	64	100	1	50	64	R 72 092.16
Highly skilled supervision (Levels 9-12)		0		0	0	
Senior management (Levels 13-16)		0		0	0	
Grand Total	72	100	2	100	36	R 78 738.64

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

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

SALARY BANDS	Total days taken	Number of Employees using Annual Leave	Average days per employee
Lower skilled (Levels 1-2)	252	28	9
Skilled (Levels 3-5)	463	42	11
Highly skilled production (Levels 6-8)	700	38	18
Highly skilled supervision (Levels 9-12)	886	50	18
Senior management (Levels 13-16)	279	14	20
Grand Total	2580	172	15

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

SALARY BANDS	Total days of capped leave taken	No. of Employees using capped leave	Average days per employee	Average capped leave per employee as at 31 March 2016	Total number of capped leave available at 31 March 2016
Lower skilled (Levels 1-2)	0	0	0	6	90
Skilled (Levels 3-5)	0	0	0	7	280.31
Highly skilled production (Levels 6-8)	0	0	0	22	689.23
Highly skilled supervision (Levels 9-12)	0	0	0	9	432.18
Senior management (Levels 13-16)	0	0	0	10	167.86
Grand Total	0	0	0	11	1659.58

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

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

Reason	Total Amount	No. of Employees	Average payment per employee
Leave payout for 2016/17 due to non-utilisation of leave for the previous cycle (LEAVE DISCOUNTING (UNUSED LEAVE CR)	R 36 869.53	1	R 36 870.00
Capped leave payouts on termination of service for 2016/17 (LEAVE GRATUITY)	R 0.00	0	R 0.00
Current leave payout on termination of service for 2016/17 (LEAVE DISCOUNTING \ GRATUITY (UNUSED LEAVE CR)	R 587 679.31	7	R 83 954.00
Grand Total	R 624 548.84	8	R 78 069.00

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

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

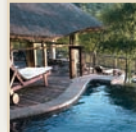


Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

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.	X		MR T K PHATUDI
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		THREE EMPLOYEES
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		<input type="checkbox"/> WELLNESS MANAGEMENTPROGRAMME, <input type="checkbox"/> SAFETY HEALTH ENVIRONMENT RISK QUALITY ASSURANCE MANAGEMENT PROGRAMME, <input type="checkbox"/> HEALTH AND PRODUCTIVITY MANAGEMENT, <input type="checkbox"/> HIV AND AIDS AND TB MANAGEMENT PROFRAMME
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		X	
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.			NEW POLICY, NOT YET REVIEWED
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		NON DICRIMINATION, CONFIDENTIALITY AND DISCLOSURE.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.		x	GEMS HAS CHANGED THEIR OPERATION IN THAT THEY HAVE DECREASED THEIR NUMBER OF PERSONNEL AVAILED ON WELLNESS DAYS
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		SYSTEM MONITORING TOOL

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2016 and 31 March 2017

Total number of Collective agreements	None
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The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review-2015/2016.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2016 and 31 March 2017

Total number of Disciplinary hearings finalised	None
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Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2016 and 31 March 2017

Type of misconduct (based on annexure A)	Number	% of total
Insolent behaviour	0	0
Interest in close corporation	0	0
Absenteeism	0	0
Total	0	0

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

	Number	% of Total
Number of grievances resolved	19	100%
Number of grievances not resolved	0	0
Total number of grievances lodged	19	100

Table 3.12.5 Disputes logged

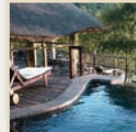
	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	0	0
Total number of disputes lodged	0	0

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

	Number	% of Total
Total number of persons working days lost	0	
Total costs working days lost	0	
Amount (R'000) recovered as a result of no work no pay	R0,00	

Table 3.16.7 Precautionary suspensions for the period 1 April 2016 and 31 March 2017

Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	0
Cost (R'000) of suspension	R0.00



3.13 Skills development

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

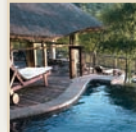
Table 3.13.1 Training needs identified for the period 1 April 2016 and 31 March 2017

Occupational Category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period								
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total					
Legislators, senior officials and managers			Female	10		0	-EDP Change Management Project Khaedu Theory Project Khaedu Field Assignment Strategic Planning Wamkelekile	0		2 5 3 3 1 2	
Legislators, senior officials and managers											
	Male	8		0		EDP Advanced Computer Change Management Basic Project Management	0	1 1 5 1			
Professionals			Female	21		0	EAPA Conference Basic Project Management MS Project Advanced Computer Advanced Excel Tourism Management Strategic Planning EMDP	0		1 5 3 3 6 2 1 12	
	Male	26		0		Basic Project Management Annual Labour Law Conference EAPA Conference Basic Archives & Record Management MS Project National Development Summit Advanced Computer Advanced Excel Tourism Management Monitoring & Evaluation EMDP	0	2 2 1 1 1 1 3 2 1 1 8			
Technicians and associate professionals			Female	25		0	Govtech Conference Intermediate Archives & Record Management Advanced Excel Annual Labour Law Conference EAPA Conference Basic Project Management Strategic Planning Recruitment & Selection CIP	0		2 1 1 1 1 1 2 1	
	Male	7		0		CIP	0	1			
Clerks			Female	5		0	Tourism Management Supply Chain Management	0		1 2	
	Male	8		0		Strategic Planning Supply Chain Management	0 0	1 1			
Service and sales workers			Female	0		0	0	0	0	0	
	Male	0		0		0	0	0			
Skilled agriculture and fishery workers			Female	0		0	0	0	0	0	
			Male	0		0	0	0	0	0	
Craft and related trades workers			Female	0		0	0	0	0	0	
			Male	0		0	0	0	0	0	
Plant and machine operators and assemblers			Female	0		0	0	0	0	0	
			Male	0		0	0	0	0	0	
Elementary occupations			Female	13		0	CIP	0	8		
			Male	12		0	CIP	0	1		
Sub Total			Female	0		0	0	0	0	0	
			Male	0		0	0	0	0	0	
Total				0		0	0	0	0	0	



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

Occupational Category	Gender	Number of employees as at 1 April 2016	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	-	-	Project Khaedu Theory Project Khaedu Field Assignment	-	3 3
	Male	-	-	-	-	-
Professionals	Female	-		EAPA Conference Basic Project Management MS Project	-	1 2 2
	Male	0	0	Basic Project Management Annual Labour Law Conference EAPA Conference Basic Archives & Record Management MS Project National Development	0	1 2 1 1 1 1
Technicians and associate professionals	Female	0	0	Intermediate Archives & Record Management Annual Labour Law Conference EAPA Conference Basic Project Management	0	1 1 1 1
	Male	0	0	0	0	0
Clerks	Female	0	0	0	0	0
	Male	0	0	0	0	0
		0	0	0	0	0
Service and sales workers	Female	0	0	0	0	0
	Male	0	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	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	0	0	0	0	0
	Male	0	0	0	0	0
Sub Total	Female	0	0	15	0	15
	Male	0	0	7	0	7
Total		0	0	15	22	22



3.14 Injury on duty

The following tables provide basic information on injury on duty.

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

Nature of injury on duty	Number	% of total
Required basic medical attention only	3	2%
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	0	0

3.15 Utilisation of Consultants

Table 3.15.1 Report on consultant appointments using appropriated funds

Project Title		Total Number of consultants that worked on project		Duration Work days		Contract value in Rand
Job Evaluation for levels 9 to 15						
0	0	0	0			
Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand			
0	0	0	0			

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2016 and 31 March 2017

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
0	0	0	0
0	0	0	0

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2016 and 31 March 2017

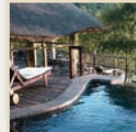
Project Title		Total Number of consultants that worked on project		Duration Work days		Donor and Contract value in Rand
0		0		0		0
0		0		0		0
Total number of projects	Total individual consultants	Total duration Work days				
0	0	0				0
0	0	0				0

**Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2016 and 31 March 2017**

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
0	0	0	0
0	0	0	0

Severance Packages**Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2016 and 31 March 2017**

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)				
Skilled Levels 3-5)				
Highly skilled production (Levels 6-8)				
Highly skilled supervision(Levels 9-12)				
Senior management (Levels 13-16)				
Total				



REPORT OF THE PROVINCIAL AUDIT COMMITTEE

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

Audit Committee Members and Attendance

The Audit Committee consists of the members listed hereunder and should meet at least four (4) times per annum as the Central Audit Committee and also four (4) times per annum as the Cluster Audit Committee as per its approved terms of reference. During the current year four (4) meetings were held by the Central Audit Committee and five (5) meetings were held by the Cluster Audit Committee.

Central Audit Committee

Name	Role	Scheduled Meetings		Special Meetings	
		Held	Attended	Held	Attended
Mr. M. Mohohlo	Chairperson	4	4	3	3
Ms. P. Mzizi	External Member	4	2	3	3
Ms. N. Mtebele	External Member	4	3	3	3
Mr. P. Tjie	External Member	4	4	3	3
Mr. F. Gondwe	External Member	4	4	3	2
Mr. M. Mokgobinyane	External Member	4	1*	3	Na
Ms. O. Bodigelo-Nyezi	Internal Member	4	1*	3	Na
Mr. N. Kunene	Ex Officio Member	4	3	3	Na
Mr. G. Paul	Ex Officio Member	4	1	3	Na
Mr. M. Bogosi	Ex Officio Member	4	1**	3	Na
Ms. H. Kasirivu	Ex Officio Member	4	1**	3	Na

*Co-opted for specific meetings.

**On behalf of Ex Officio Members.

Cluster Audit Committee

Name	Role	Scheduled Meetings	
		Held	Attended
Mr M.P. Tjie	Chairperson	5	5
Mr P.Z.R. Zwane	External Member	5	2
Ms J. Brown	External Member	5	4
Dr A. Robinson	Internal Member	5	3
Ms B. Mofokeng**	Internal Member	5	0
Mr F.C. Gondwe*	External Member	5	3

*Co-opted for specific meetings.

**Term of office ended 31 August 2016.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1) (a) (ii) of the PFMA and Treasury Regulation 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.

The effectiveness of internal control

In line with the PFMA, 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 Regulation 3.1.12.

From the various reports of the Internal Auditors and the audit report of the Auditor General South Africa it was noted that matters were reported indicating deficiencies in the system of internal controls in areas pertaining to annual financial statements and compliance with laws and regulations and material deficiencies in reporting on pre-determined objectives.

Through our analysis of audit reports and engagement with the Department we can report that the system on internal control for the period under review was adequate and effective except for the above mentioned.

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 Department does not have an adequate and effective action plan management system to address internal and external audit findings and the Audit Committee and Internal Audit have recommended specific improvements in this regard.

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

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

In-Year Management and Quarterly Reporting

The Provincial Treasury has confirmed that the Department has reported to the Treasury as is required by the PFMA. The quality of the in-year financial and performance reporting including interim financial statements are however a concern to the Audit Committee.

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 the Internal Audit and Audit Committee are fully addressed prior to submission of the annual financial statements to the Auditor General South Africa. Subsequently the material misstatements identified during the external audit process were corrected and were also reviewed when the management report of the Auditor General South Africa was discussed with the Audit Committee.

Evaluation of reporting on pre-determined objectives

The information on predetermined objectives to be included in the annual report was not submitted to enable the Audit Committee to perform its review.

The Audit Committee has discussed the external audit outcomes on the reporting on predetermined objectives to be included in the annual report with the Auditor General South Africa and the Accounting Officer.

Compliance with laws and regulations

Throughout the year under review the Audit Committee has remained concerned with the status of compliance with all applicable legislation and regulations relating to financial matters, financial management and other related matters, specifically supply chain management. If the Department does not implement an adequate and effective compliance framework system, non compliance will continue to occur.

Internal Audit

The Audit Committee is satisfied that the Internal Audit function operated effectively during the year under review.

Auditor General South Africa

We have reviewed the department's implementation plan for audit issues raised in the previous year and we are not satisfied that all the matters have been adequately resolved. Based on our interaction with the Department we conclude that the Department does not have an adequate and effective action plan management system to address external audit findings and



the Audit Committee and Internal Audit have recommended specific improvements in this regard
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.

Signed on behalf of the Cluster Audit Committee by:

Chairperson of the
Cluster Audit Committee

P. Tjie

Date 31 July 2017

The above report was presented to, considered and approved by the Central Audit Committee at a meeting held on 30 July 2017 and is signed by:

Chairperson of the
Provincial Audit Committee

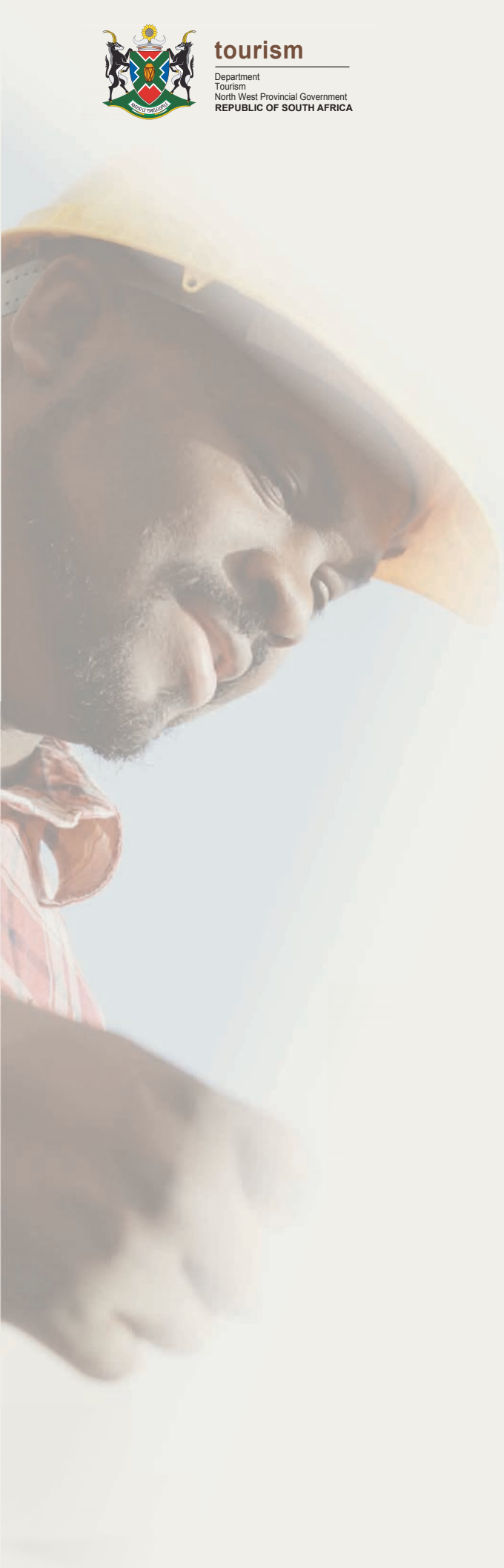
M.M. Mohohlo

Date 31 July 2017



tourism

Department
Tourism
North West Provincial Government
REPUBLIC OF SOUTH AFRICA





Part E: *Financial Information*



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Report of the auditor-general to the North West provincial legislature on vote no. 10: the Department of Tourism

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Tourism set out on pages 81 to 119, which comprise the appropriation statement, the statement of financial position as at 31 March 2017, and the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Tourism as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2016 (Act No. 3 of 2016) (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 my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) together with the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Irregular expenditure

7. As disclosed in note 23 to the financial statements, irregular expenditure of R9 257 000 was incurred in the current year and irregular expenditure in respect of prior years of R18 478 000 has not yet been resolved.





Material underspending of the vote

8. As disclosed in note 4 to the appropriation statement, the department has materially underspent the budget on Programme 1: Administration by R8 673 000, Programme 2: Tourism planning by R2 213 000 and Programme 3: Tourism growth, development and transformation by R11 013 000.

Restatement of corresponding figures

9. As disclosed in note 32 to the financial statements, the corresponding figures for 31 March 2016 have been restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2017.

Other matter

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

Unaudited supplementary schedules

11. The supplementary information set out on pages 120 to 124 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of accounting officer

12. 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 the 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.
13. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless there is an intention to liquidate the department or to cease operations, or there is realistic alternative but to do so.

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

14. 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.
15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

Report on the audit of the annual performance report

Introduction and scope

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



17. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
18. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2017:

Programme	Pages in the annual performance report
Programme 3 □ Tourism growth, development and transformation	38 □ 40

19. 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.
20. The material findings in respect of the usefulness and reliability of the selected programme are as follows:

Programme 3 □ Tourism growth, development and transformation

Various indicators

21. I was unable to obtain sufficient appropriate audit evidence for the reported achievement relating to the following indicators. This was due to limitations placed on the scope of my work. Furthermore, I was unable to obtain sufficient appropriate audit evidence to support the reported reason for the variance, as required by the *Annual report guide for national and provincial departments* for these indicators. I was unable to confirm the reported achievement or reasons for variances by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements or reason for the variance reported as follows:

Indicator	Reported achievement
Number of Tourist guides registered for compliance	97
Number of Tourist guiding compliance inspections conducted	196
Number of Tourist guides and tour operators supported for registration compliance (financial and non-financial)	151

Indicator: Tourism capacity building workshops conducted in VTSD areas

22. The reported achievement for the indicator was misstated as the evidence provided indicated 5 and not 6 as reported. Furthermore, I was unable to obtain sufficient appropriate audit evidence to support the reported reason for the variance, as required by the *Annual report guide for national and provincial departments*. This was due to limitations placed on the scope of my work. I was unable to confirm the reason for the variance by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reason for the variance as reported.



Various indicators

23. I was unable to obtain sufficient appropriate audit evidence for the reported achievement relating to the following indicators. This was due to limitations placed on the scope of my work. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement as follows:

Indicator	Reported achievement
Recruitment of learners attending annual national tourism careers expo from schools in VTSD areas	45
Service excellence workshops conducted	5

Indicator: Facilitation of tourism establishments grading

24. The target for the indicator was not specific in clearly identifying the nature and required level of performance as required by the FMPPI. In addition, I was unable to obtain sufficient appropriate audit evidence to support the reported reason for the variance, as required by the *Annual report guide for national and provincial departments*. This was due to limitations placed on the scope of my work. I was unable to confirm the reason for the variance by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reason for the variance as reported.

Indicator: Number of tourism infrastructure and amenities projects supported

25. The reported achievement for the indicator was misstated as the evidence provided indicated 2 and not 3 as reported.

Other matters

26. I draw attention to the matter below.

Achievement of planned targets

27. Refer to the annual performance report on pages 28 to 40 for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a significant number 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 21 to 25 of this report.

Report on audit of compliance with legislation

Introduction and scope

28. In accordance with the PAA and the general notice issued in terms thereof I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
29. The material findings in respect of the compliance criteria for the applicable subject matters are as follows:



Annual financial statements

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

Expenditure management

31. Effective steps were not taken to prevent irregular expenditure of R9 257 000 as disclosed in note 23 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 was caused by non-compliance with Treasury Regulation 16A6.1 in the previous year. Included in this amount was irregular expenditure of R8 149 000 that was incurred in the current year on the renovations at the Taung Hotel School.

Other information

32. The accounting officer of department is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report thereon and those selected programmes presented in the annual performance report that have been specifically reported on in the auditor's report.
33. My opinion and findings do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
34. 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.
35. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

36. 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 thereon. 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 annual financial statements included material misstatements, which were subsequently corrected. This is due to the fact that the accounting officer did not implement a proper quality assurance process on the annual financial statements and due to staff that do not fully understand the requirements of the financial reporting framework.
 - Management did not properly review and monitor compliance with supply chain regulations, which resulted in irregular expenditure being incurred. Furthermore, the department does not have policies & procedures in place to ensure that irregular expenditure incurred is timeously identified to enable complete and accurate reporting in the financial statements.



- The department did not have a proper record management system to maintain information that supported the reported performance in the annual performance report. This included information that related to the collection, collation, verification, storing and reporting of actual performance information.

Auditor - General

Rustenburg

31 July 2017



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



Annexure □ Auditor-general 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 department's ability 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 confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and here applicable, related safeguards.



**DEPARTMENT OF TOURISM
VOTE 10
ACCOUNTING POLICIES
for the year ending 31 March 2017**

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.

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. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Modified Cash Standard.

2. GOING CONCERN

The financial statements have been prepared on a going concern basis.

3. PRESENTATION CURRENCY

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

4. ROUNDING

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

5. FOREIGN CURRENCY TRANSLATION

Cash flows arising from foreign currency transactions are translated into South African Rands using the exchange rates prevailing at the date of payment / receipt.

6. CURRENT YEAR COMPARISON WITH BUDGET

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

7. REVENUE

7.1 Appropriated funds

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

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.

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.

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- 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.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

8 EXPENDITURE

8.1 Compensation of employees

8.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

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.

8.2 Other expenditure

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.

8.3 Accrued expenditure payable

Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department.

Accrued expenditure payable is measured at cost.

8.4 Leases

8.4.1 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the notes to the financial statements.

8.4.2 Finance Leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or



- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

9 AID ASSISTANCE

9.1 Aid assistance received

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.

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.

9.2 Aid assistance paid

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.

10 CASH AND CASH EQUIVALENTS

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

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

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

11 PREPAYMENTS AND ADVANCES

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

The Department may however elect to immediately expense the prepayments when the prepayment was budgeted for as an expense in the year in which the actual prepayment was made and recognition in the statement of financial position will have a negative impact on the Appropriation Statement and actual cash flows of the department.

12 LOANS AND RECEIVABLES

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.

13 INVESTMENTS

Investments are recognised in the statement of financial position at cost.

14 IMPAIRMENT OF FINANCIAL ASSETS

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

15 PAYABLES

Loans and receivables are recognised in the statement of financial position at cost.

16 CAPITAL ASSETS

16.1 Immovable capital assets

Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of immovable capital assets cannot be determined accurately, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.

16.2 Movable capital assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined accurately, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

16.3 Intangible assets

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.

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined accurately, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

17 PROVISIONS AND CONTINGENTS

17.1 Provisions

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.

17.2 Contingent liabilities

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.



17.3 Contingent assets

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

17.4 Commitments

Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash

18 UNAUTHORISED EXPENDITURE

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- 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.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

19 FRUITLESS AND WASTEFUL EXPENDITURE

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.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

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.

20 IRREGULAR EXPENDITURE

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the irregularity unless it is impracticable to determine, in which case reasons therefore are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority or transferred to receivables for recovery.

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.

21 CHANGES IN ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND ERRORS

Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

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.

22 EVENTS AFTER THE REPORTING DATE

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.

23 COMPARATIVE FIGURES

Prior year comparative information has been presented in the current year's financial Statements.

24 RECOVERABLE REVENUE

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

25 RELATED PARTY TRANSACTIONS

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions are recorded in the notes to the financial statements when the transaction is not at arm's length.

26 KEY MANAGEMENT PERSONNEL

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

NORTH WEST TOURISM **Appropriation Statement** **for the year ended 31 March 2017**



Appropriation per programme									
	2016/17					2015/16			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
ADMINISTRATION	75 933	-	(750)	75 183	66 510	8 673	88,5%	83 631	75 298
TOURISM PLANNING	10 704	-	500	11 204	8 991	2 213	80,3%	13 088	10 756
TOURISM GROWTH, DEVELOPMENT AND TRANSFORMATION	144 886	-	250	145 136	134 105	11 031	92,4%	37 331	32 019
Programme sub total	231 523	-	-	231 523	209 607	21 916	90,5%	134 050	118 073
Statutory Appropriation	-	-	-	-	-	-	-	-	-
TOTAL	231 523	-	-	231 523	209 607	21 916	90,5%	134 050	118 073
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				310				-	
NRF Receipts				-				-	
Aid assistance				-				-	
Actual amounts per Statement of Financial Performance (Total Revenue)				231 833				134 050	
Add:									
Aid assistance					-				-
Prior year unauthorised expenditure approved without funding									
Actual amounts per Statement of Financial Performance Expenditure					209 607				118 073



NORTH WEST TOURISM
Appropriation Statement
for the year ended 31 March 2017

Appropriation per economic classification		2016/17					2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
CURRENT PAYMENTS	102 651	(1 955)	-	100 696	87 490	13 206	86.9%	109 182	93 289
Compensation of employees	69 238	-	-	69 238	63 641	5 597	91.9%	63 294	53 766
Salaries and wages	61 952	(377)	-	61 575	55 978	5 597	90.9%	56 297	47 142
Social contributions	7 286	377	-	7 663	7 663	0	100.0%	6 997	6 624
Goods and services	33 413	(1 955)	-	31 458	23 849	7 609	75.8%	45 881	39 516
Administrative fees	582	(50)	-	532	280	252	52.7%	439	356
Advertising	1 055	574	-	1 629	1 380	249	84.7%	4 726	4 382
Minor assets	4 263	(1 320)	(2 500)	443	51	393	11.4%	316	48
Audit costs: External	4 027	-	-	4 027	3 668	359	91.1%	2 798	2 718
Bursaries: Employees	46	115	-	161	111	50	69.1%	400	84
Catering: Departmental activities	1 106	40	455	1 601	1 134	467	70.8%	1 300	1 273
Communication (G&S)	1 327	355	-	1 682	1 267	415	75.3%	1 727	1 722
Computer services	200	240	-	440	227	213	51.6%	315	146
Consultants: Business and advisory services	2 750	(1 228)	-	1 522	1 355	167	89.0%	7 013	5 800
Legal services	138	(50)	-	88	-	88	-	888	733
Contractors	1 185	1 397	2 000	4 582	2 462	2 120	53.7%	4 626	4 175
Agency and support / outsourced services	40	-	-	40	-	40	-	36	36
Fleet services (including government motor transport)	2 505	-	-	2 505	2 047	458	81.7%	1 815	1 432
Consumable supplies	870	-	-	870	451	419	51.8%	1 027	339
Consumable: Stationery, printing and office supplies	1 645	(146)	-	1 499	612	887	40.8%	2 164	1 552
Operating leases	2 171	(892)	(300)	979	858	121	87.6%	566	222
Property payments	610	(318)	-	292	27	265	9.4%	1 134	1 109
Transport provided: Departmental activity	-	-	-	-	60	(60)	-	346	267
Travel and subsistence	6 838	(596)	300	6 542	6 340	202	96.9%	11 375	10 032
Training and development	568	(115)	-	453	402	51	88.8%	978	786
Operating payments	670	(570)	-	100	210	(110)	209.9%	664	642
Venues and facilities	817	10	45	872	307	565	35.2%	609	813
Rental and hiring	-	599	-	599	599	0	100.0%	619	849
Interest and rent on land	-	-	-	-	-	-	-	7	7
Rent on land	-	-	-	-	-	-	-	7	7



Appropriation per economic classification									
	2016/17					2015/16			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
TRANSFERS AND SUBSIDIES	94 777	323	-	95 100	95 098	2	100.0%	23 577	1 161
Departmental agencies and accounts	93 427	27	-	93 454	93 453	1	100.0%	22 600	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	93 427	27	-	93 454	93 453	1	100.0%	22 600	-
Households	1 350	296	-	1 646	1 645	1	99.9%	977	1 161
Social benefits	292	-	-	292	319	(27)	109.2%	307	357
Other transfers to households	1 058	296	-	1 354	1 326	28	97.9%	670	804
Payments for capital assets	34 095	1 632	-	35 727	27 019	8 708	75.6%	1 291	23 623
Buildings and other fixed structures	32 000	-	-	32 000	25 435	6 565	79.5%	-	22 912
Buildings	32 000	-	-	32 000	25 435	6 565	79.5%	-	22 912
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 095	1 632	-	3 727	1 584	2 143	42.5%	1 291	711
Transport equipment	-	600	-	600	583	17	97.1%	-	-
Other machinery and equipment	2 095	1 032	-	3 127	1 002	2 125	32.0%	1 291	711
	231 523	-	-	231 523	209 607	21 916	90.5%	134 050	118 073



NORTH WEST TOURISM
Appropriation Statement
for the year ended 31 March 2017

Programme 1: ADMINISTRATION									
	2016/17					2015/16			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
OFFICE OF THE MEC	8 598	747	-	9 345	8 316	1 029	89.0%	12 217	10 928
OFFICE OF THE HOD	6 633	(37)	-	6 596	5 236	1 360	79.4%	11 318	9 228
FINANCIAL MANAGEMENT	26 681	(1 320)	(750)	24 611	22 607	2 004	91.9%	20 368	20 886
CORPORATE SERVICES	34 021	610	-	34 631	30 352	4 279	87.6%	39 728	34 256
	75 933	-	(750)	75 183	66 510	8 673	88.5%	83 631	75 298
Economic classification									
Current payments	72 975	(1 632)	(750)	70 593	63 812	6 781	90.4%	81 839	73 584
Compensation of employees	46 871	-	2 050	48 921	48 096	825	98.3%	47 018	44 876
Salaries and wages	41 174	-	2 050	43 224	42 211	1 013	97.7%	41 303	39 261
Social contributions	5 697	-	-	5 697	5 885	(188)	103.3%	5 715	5 615
Goods and services	26 104	(1 632)	(2 800)	21 672	15 716	5 956	72.5%	34 814	28 701
Administrative fees	375	(10)	-	365	207	158	56.6%	439	356
Advertising	708	120	-	828	693	135	83.7%	4 695	4 351
Minor assets	4 128	(1 290)	(2 500)	338	9	329	2.8%	310	43
Audit costs: External	4 027	-	-	4 027	3 668	359	91.1%	2 798	2 718
Bursaries: Employees	46	115	-	161	111	50	69.1%	400	84
Catering: Departmental activities	392	10	-	402	158	244	39.3%	630	545
Communication (G&S)	885	55	-	940	802	138	85.3%	1 527	1 474
Computer services	200	240	-	440	227	213	51.6%	315	146
Consultants: Business and advisory services	195	(36)	-	159	29	130	17.9%	2 268	2 009
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Legal services	138	(50)	-	88	-	88	-	888	733
Contractors	2 488	885	-	3 373	1 288	2 085	38.2%	1 201	841
Agency and support / outsourced services	40	-	-	40	-	40	-	36	36
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	2 505	-	-	2 505	2 047	458	81.7%	1 815	1 432
Consumable supplies	609	-	-	609	291	318	47.8%	911	259
Consumable: Stationery, printing and office supplies	1 254	(106)	-	1 148	469	679	40.8%	2 041	1 527
Operating leases	2 171	(892)	(300)	979	858	121	87.6%	566	222
Property payments	610	(318)	-	292	9	283	3.2%	1 134	1 109
Transport provided: Departmental activity	-	-	-	-	-	-	-	329	229
Travel and subsistence	4 060	(60)	-	4 000	4 212	(212)	105.3%	10 566	8 992
Training and development	568	(115)	-	453	402	51	88.8%	978	786
Operating payments	270	(170)	-	100	137	(37)	136.9%	591	525
Venues and facilities	435	(10)	-	425	99	326	23.3%	376	284
Interest and rent on land	-	-	-	-	-	-	-	7	7
Rent on land	-	-	-	-	-	-	-	7	7

Appropriation per economic classification									
	2016/17					2015/16			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
TRANSFERS AND SUBSIDIES	1 350	-	-	1 350	1 329	21	98.5%	977	1 161
Households	1 350	-	-	1 350	1 329	21	98.5%	977	1 161
Social benefits	292	-	-	292	272	20	93.2%	307	357
Other transfers to households	1 058	-	-	1 058	1 057	1	99.9%	670	804
Payments for capital assets	1 608	1 632	-	3 240	1 369	1 871	42.3%	815	553
Machinery and equipment	1 608	1 632	-	3 240	1 369	1 871	42.3%	815	553
Transport equipment	-	600	-	600	583	17	97.1%	-	-
Other machinery and equipment	1 608	1 032	-	2 640	786	1 854	29.8%	815	553
	75 933	-	(750)	75 183	66 510	8 673	88.5%	83 631	75 298



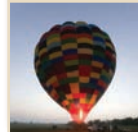


NORTH WEST TOURISM
Appropriation Statement
for the year ended 31 March 2017

Programme 2: TOURISM PLANNING									
	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
RESEARCH AND POLICY DEVELOPMENT	5 217	50	-	5 267	5 502	(235)	104.5%	1 791	2 311
PLANNING AND SECTOR PERFORMANCE	5 487	(50)	500	5 937	3 489	2 448	58.8%	11 297	8 445
	10 704	-	500	11 204	8 991	2 213	80.3%	13 088	10 756
Economic classification									
Current payments	10 562	-	500	11 062	8 978	2 084	81.2%	12 718	10 598
Compensation of employees	6 366	-	-	6 366	5 225	1 141	82.1%	4 938	2 650
Salaries and wages	6 006	-	-	6 006	4 676	1 330	77.9%	4 602	2 418
Social contributions	360	-	-	360	549	(189)	152.5%	336	232
Goods and services	4 196	-	500	4 696	3 753	943	79.9%	7 780	7 948
Administrative fees	97	(40)	-	57	2	55	3.2%	-	-
Advertising	-	556	-	556	513	43	92.2%	-	-
Minor assets	52	(30)	-	22	5	17	21.4%	6	5
Catering: Departmental activities	293	30	455	778	558	220	71.8%	454	513
Communication (G&S)	252	300	-	552	408	144	73.8%	-	29
Consultants: Business and advisory services	2 097	(1 120)	-	977	877	100	89.7%	2 808	2 236
Contractors	49	65	-	114	90	24	78.9%	3 401	3 313
Consumable supplies	32	-	-	32	21	11	65.5%	13	8
Consumable: Stationery, printing and office supplies	140	(40)	-	100	62	38	62.5%	38	16
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	21
Travel and subsistence	557	60	-	617	536	81	86.8%	287	475
Operating payments	400	(400)	-	-	24	(24)	-	-	45
Venues and facilities	227	20	45	292	59	233	20.3%	154	438
Rental and hiring	-	599	-	599	599	0	100.0%	619	849
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	142	-	-	142	14	128	9.6%	370	158
Machinery and equipment	142	-	-	142	14	128	9.6%	370	158
Other machinery and equipment	142	-	-	142	14	128	9.6%	370	158
	10 704	-	500	11 204	8 991	2 213	80.3%	13 088	10 756

Programme 3: TOURISM GROWTH, DEVELOPMENT AND TRANSFORMATION

	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
TOURIST GUIDING AND REGULATORY SERVICES	6 854	(603)	(1 500)	4 751	3 291	1 460	69.3%	4 510	1 495
TOURISM SECTOR AND TRANSFORMATION	8 349	(466)	(550)	7 333	6 438	895	87.8%	5 931	5 012
TOURISM GROWTH AND DEVELOPMENT	129 683	1 069	2 300	133 052	124 376	8 676	93.5%	26 890	25 512
	144 886	-	250	145 136	134 105	11 031	92.4%	37 331	32 019
Economic classification									
Current payments	19 114	(323)	250	19 041	14 700	4 341	77.2%	14 625	9 107
Compensation of employees	16 001	-	(2 050)	13 951	10 320	3 631	74.0%	11 338	6 240
Salaries and wages	14 772	(377)	(2 050)	12 345	9 091	3 254	73.6%	10 392	5 463
Social contributions	1 229	377	-	1 606	1 229	377	76.5%	946	777
Goods and services	3 113	(323)	2 300	5 090	4 379	711	86.0%	3 287	2 867
Administrative fees	110	-	-	110	72	38	65.4%	-	-
Advertising	347	(102)	-	245	174	71	71.1%	31	31
Minor assets	83	-	-	83	37	47	44.0%	-	-
Catering: Departmental activities	421	-	-	421	418	3	99.3%	216	215
Communication (G&S)	190	-	-	190	58	132	30.4%	200	219
Consultants: Business and advisory services	458	(72)	-	386	450	(64)	116.6%	1 937	1 555
Contractors	(1 352)	447	2 000	1 095	1 084	11	99.0%	24	21
Consumable supplies	229	-	-	229	139	90	60.7%	103	72
Consumable: Stationery, printing and office supplies	251	-	-	251	81	170	32.1%	85	9
Property payments	-	-	-	-	18	(18)	-	-	-
Transport provided: Departmental activity	-	-	-	-	60	(60)	-	17	17
Travel and subsistence	2 221	(596)	300	1 925	1 592	333	82.7%	522	565
Operating payments	-	-	-	-	49	(49)	-	73	72
Venues and facilities	155	-	-	155	148	7	95.7%	79	91
TRANSFERS AND SUBSIDIES	93 427	323	-	93 750	93 769	(19)	100.0%	22 600	-
Departmental agencies and accounts	93 427	27	-	93 454	93 453	1	100.0%	22 600	-
Departmental agencies (non-business entities)	93 427	27	-	93 454	93 453	1	100.0%	22 600	-
Households	-	296	-	296	316	(20)	106.6%	-	-
Social benefits	-	-	-	-	47	(47)	-	-	-
Other transfers to households	-	296	-	296	269	27	90.9%	-	-
Payments for capital assets	32 345	-	-	32 345	25 637	6 708	79.3%	106	22 912
Buildings and other fixed structures	32 000	-	-	32 000	25 435	6 565	79.5%	-	22 912
Buildings	32 000	-	-	32 000	25 435	6 565	79.5%	-	22 912
Machinery and equipment	345	-	-	345	202	143	58.4%	106	-
Other machinery and equipment	345	-	-	345	202	143	58.4%	106	-
	144 886	-	250	145 136	134 105	11 031	92.4%	37 331	32 019



NORTH WEST TOURISM

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

ADMINISTRATION

75 183 66 510 8 673 11.54%

Under-Spending is due to non compliance with PMDS policy by non payment of 2014-15 & 2015-16 backlog and also non delivery of Goods and Services.

TOURISM PLANNING

11 204 8 991 2 213 19.75%

Under-Spending is due to Vacant posts in Program.

TOURISM GROWTH, DEVELOPMENT & TRANSFORMATION

145 136 134 105 11 031 7.60%

Under-Spending is due to non compliance with PMDS policy by non payment of 2014-15 & 2015-16 backlog and also the Vacant posts in Program.

(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.)

4.2 Per economic classification:

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

Current expenditure

Compensation of employees	69 238	63 641	5 597	8.08%
Goods and services	31 458	23 849	7 609	24.19%
Interest and rent on land	-	-	-	0.00%

Transfers and subsidies

Public corporations and private enterprises	93 454	93 453	1	0.00%
Foreign governments and international organisations				
Non-profit institutions				
Households	1 646	1 644	2	0.12%

Payments for capital assets

Buildings and other fixed structures	32 000	25 435	6 565	20.52%
Machinery and equipment	3 727	1 584	2 143	57.50%
Heritage assets				
Specialised military assets				
Biological assets				
Land and subsoil assets				
Software and other intangible assets				

Payments for financial assets

Under-Spending is due to non compliance with PMDS policy by non payment of 2014-15 & 2015-16 backlog and also the Vacant posts in Program 02 & 03.

4.3 Per conditional grant

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

The department does not have Conditional Grant.



NORTH WEST TOURISM Statement of Financial Performance

		2016/17 R'000	2015/16 R'000
	Note		
REVENUE			
Annual appropriation	1	231 523	134 050
Statutory appropriation	2	-	-
Departmental revenue	3	310	-
NRF Receipts		-	-
Aid assistance		-	-
TOTAL REVENUE		231 833	134 050
EXPENDITURE			
Current expenditure			
Compensation of employees	4	63 641	53 766
Goods and services	5	23 849	39 516
Interest and rent on land	6	-	7
Aid assistance		-	-
Total current expenditure		87 490	93 289
Transfers and subsidies			
Transfers and subsidies	7	95 098	1 161
Aid assistance		-	-
Total transfers and subsidies		95 098	1 161
Expenditure for capital assets			
Tangible assets	8	27 019	23 623
Intangible assets	8	-	-
Total expenditure for capital assets		27 019	23 623
Unauthorised expenditure approved without funding		-	-
Payments for financial assets		-	-
TOTAL EXPENDITURE		209 607	118 073
SURPLUS/(DEFICIT) FOR THE YEAR		22 226	15 977
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		21 916	15 977
Annual appropriation		-	-
Conditional grants		-	-
Departmental revenue and NRF Receipts	13	310	-
Aid assistance		-	-
SURPLUS/(DEFICIT) FOR THE YEAR		22 226	15 977

NORTH WEST TOURISM

Statement of Financial Position

	Note	2016/17 R'000	2015/16 R'000
ASSETS			
Current Assets		17 346	23 494
Unauthorised expenditure		-	-
Cash and cash equivalents	9	11 437	16 001
Other financial assets		-	-
Prepayments and advances	10	5 812	7 175
Receivables	11	97	318
Loans		-	-
Aid assistance prepayments		-	-
Aid assistance receivable		-	-
Non-Current Assets		-	74
Investments		-	-
Receivables	11	-	74
Loans		-	-
Other financial assets		-	-
TOTAL ASSETS		17 346	23 568
LIABILITIES			
Current Liabilities		17 346	23 568
Voted funds to be surrendered to the Revenue Fund	12	16 916	15 977
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	16	11
Bank overdraft		-	-
Payables	14	414	7 580
Aid assistance repayable		-	-
Aid assistance unutilised		-	-
Non-Current Liabilities		-	-
Payables		-	-
TOTAL LIABILITIES		17 346	23 568
NET ASSETS		-	-
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		-	-
Retained funds		-	-
Revaluation reserves		-	-
TOTAL		-	-



NORTH WEST TOURISM

Statement of Change in Net Assets

	Note	2016/17 R'000	2015/16 R'000
NET ASSETS			
Capitalisation Reserves			
Opening balance		-	-
Transfers:			
Movement in Equity			-
Movement in Operational Funds			-
Other movements			-
Closing balance		<u>-</u>	<u>-</u>
Recoverable revenue			
Opening balance		-	-
Transfers		-	-
Irrecoverable amounts written off	8.3	<div style="border: 1px solid black; width: 100px; height: 100px;"></div>	<div style="border: 1px solid black; width: 100px; height: 100px;"></div> -
Debts revised			-
Debts recovered (included in departmental receipts)			-
Debts raised			-
Closing balance		<u>-</u>	<u>-</u>
Retained funds			
Opening balance		-	-
Transferred from voted funds to be surrendered (Parliament/Legislatures ONLY)			-
Utilised during the year			-
Other			-
Closing balance		<u>-</u>	<u>-</u>
Revaluation Reserves			
Opening balance		-	-
Revaluation adjustment (Housing departments)			-
Transfers			-
Other			-
Closing balance		<u>-</u>	<u>-</u>
TOTAL		<u>-</u>	<u>-</u>

NORTH WEST TOURISM

Cash Flow Statement

		2016/17	2015/16
	Note	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		227 383	134 149
Annual appropriated funds received	1.1	226 523	134 050
Statutory appropriated funds received	2	-	-
Departmental revenue received	3	534	92
Interest received	3.2	326	7
NRF Receipts		-	-
Aid assistance received		-	-
Net (increase)/ decrease in working capital		(5 508)	24 430
Surrendered to Revenue Fund		(16 832)	(46 969)
Surrendered to RDP Fund/Donor		-	-
Current payments		(87 490)	(93 282)
Interest paid	6	-	(7)
Payments for financial assets		-	-
Transfers and subsidies paid		(95 098)	(1 161)
Net cash flow available from operating activities	15	22 455	17 160
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	10	(27 019)	(23 623)
Proceeds from sale of capital assets	3.4	-	-
(Increase)/ decrease in loans		-	-
(Increase)/ decrease in investments		-	-
(Increase)/ decrease in other financial assets		-	-
Net cash flows from investing activities		(27 019)	(23 623)
CASH FLOWS FROM FINANCING ACTIVITIES			
Distribution/dividend received		-	-
Increase/ (decrease) in net assets		-	-
Increase/ (decrease) in non-current payables		-	-
Net cash flows from financing activities		-	-
Net increase/ (decrease) in cash and cash equivalents		(4 564)	(6 463)
Cash and cash equivalents at beginning of period		16 001	22 464
Unrealised gains and losses within cash and cash equivalents		-	-
Cash and cash equivalents at end of period	16	11 437	16 001



NORTH WEST TOURISM

Notes to the Annual Financial Statements

1

1.1 Annual Appropriation	2016/17			2015/16	
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Final Appropriation	Appropriation Received
	R'000	R'000	R'000	R'000	R'000
Programmes					
ADMINISTRATION	75 183	75 183	-	83 631	83 631
TOURISM PLANNING	11 204	11 204	-	13 088	13 088
TOURISM GROWTH, DEVELOPMENT AND TRANSFORMATION	145 136	140 136	5 000	37 331	37 331
Total	231 523	226 523	5 000	134 050	134 050

Provide an explanation for funds not requested/not received

Department was unable to spend all the Budget due to delay or delivery for Goods and Services and also Assets.

	Note	2016/17 R'000	2015/16 R'000
1.2 Conditional grants			
Total grants received	47	-	-
Provincial grants included in Total Grants received			-

(** It should be noted that the Conditional grants are included in the amounts per the Final Appropriation in Note 1.1)

No Conditional Grant.

2 Statutory Appropriation			
0		-	-
0		-	-
Actual Statutory Appropriation received		-	-
Not applicable			

NORTH WEST TOURISM

Notes to the Annual Financial Statements

		2016/17	2015/16
	Note	R'000	R'000
3 Departmental Revenue			
Tax revenue		-	-
Sales of goods and services other than capital assets	3.1	87	92
Interest, dividends and rent on land	3.2	326	7
Transactions in financial assets and liabilities	3.3	447	-
Total revenue collected		860	99
Less: Own revenue included in appropriation	19	550	99
Departmental revenue collected		310	-
3.1 Sales of goods and services other than capital assets	3		
Sales of goods and services produced by the department		86	92
Sales by market establishment		-	-
Administrative fees		-	92
Other sales		86	-
Sales of scrap, waste and other used current goods		1	-
Total		87	92
3.2 Interest, dividends and rent on land	3		
Interest		326	7
Dividends		-	-
Rent on land		-	-
Total		326	7
Interest received from unspent funds held by Independent Development Trust (IDT) as at 31 March 2017.			
3.3 Transactions in financial assets and liabilities	3		
Loans and advances		-	-
Receivables		-	-
Forex gain		-	-
Stale cheques written back		-	-
Other Receipts including Recoverable Revenue		447	-
Gains on GFECRA		-	-
Total		447	-
Interest earned on unspent funds for 2015/16 held by Independent Development Trust (IDT).			



NORTH WEST TOURISM

Notes to the Annual Financial Statements

	Note	2016/17 R'000	2015/16 R'000
4 Compensation of Employees			
4.1 Salaries and wages			
Basic salary		45 318	36 914
Performance award		-	729
Service Based		46	9
Compensative/circumstantial		394	1 009
Periodic payments		-	-
Other non-pensionable allowances		10 220	8 480
Total		55 978	47 141
 4.2 Social Contributions			
Employer contributions			
Pension		5 582	4 734
Medical		2 070	1 882
UIF		-	-
Bargaining council		11	9
Official unions and associations		-	-
Insurance		-	-
Total		7 663	6 625
 Total compensation of employees		63 641	53 766
 Average number of employees		155	144

NORTH WEST TOURISM

Notes to the Annual Financial Statements

	Note	2016/17 R'000	2015/16 R'000
5 Goods and services			
Administrative fees		280	356
Advertising		1 380	4 382
Minor assets	5.1	51	48
Bursaries (employees)		111	84
Catering		1 075	1 273
Communication		1 267	1 722
Computer services	5.2	227	146
Consultants: Business and advisory services		1 355	1 493
Legal services		-	733
Contractors		2 462	8 482
Agency and support / outsourced services		-	36
Audit cost – external	5.3	3 668	2 718
Fleet services		2 047	1 432
Consumables	5.4	1 062	1 891
Operating leases		858	222
Property payments	5.5	26	1 109
Rental and hiring		599	849
Transport provided as part of the departmental activities		60	267
Travel and subsistence	5.6	6 341	10 032
Venues and facilities		366	813
Training and development		402	786
Other operating expenditure	5.7	212	642
Total		23 849	39 516
5.1 Minor assets	5		
Tangible assets		51	48
Buildings and other fixed structures		-	-
Biological assets		-	-
Heritage assets		-	-
Machinery and equipment		51	48
Transport assets		-	-
Intangible assets		-	-
Software		-	-
Mastheads and publishing titles		-	-
Patents, licences, copyright, brand names, trademarks		-	-
Recipes, formulae, prototypes, designs, models		-	-
Services and operating rights		-	-
Total		51	48



NORTH WEST TOURISM

Notes to the Annual Financial Statements

		2016/17 R'000	2015/16 R'000
	Note		
5.2 Computer services	5		
SITA computer services		-	146
External computer service providers		227	-
Total		227	146
5.3 Audit cost – external	5		
Regularity audits		3 668	2 718
Performance audits		-	-
Investigations		-	-
Environmental audits		-	-
Computer audits		-	-
Total		3 668	2 718
5.4 Consumables	5		
Consumable supplies		451	337
Uniform and clothing		23	70
Household supplies		173	177
Building material and supplies		6	5
IT consumables		58	17
Other consumables		191	68
Stationery, printing and office supplies		611	1 554
Total		1 062	1 891
5.5 Property payments	5		
Municipal services		15	-
Other		11	1 109
Total		26	1 109
5.6 Travel and subsistence	5		
Local		6 323	9 882
Foreign		18	150
Total		6 341	10 032
5.7 Other operating expenditure	5		
Resettlement costs		82	153
Other		130	489
Total		212	642

NORTH WEST TOURISM

Notes to the Annual Financial Statements

	Note	2016/17 R'000	2015/16 R'000
6 Interest and Rent on Land			
Interest paid		-	7
Rent on land		-	-
Total		<u>-</u>	<u>7</u>
7 Transfers and Subsidies			
Departmental agencies and accounts	ANNEXURE 1B	-	-
Higher education institutions	ANNEXURE 1C	-	-
Foreign governments and international organisations	ANNEXURE 1E	-	-
Public corporations and private enterprises	ANNEXURE 1D	93 453	-
Non-profit institutions	ANNEXURE 1F	-	-
Households	ANNEXURE 1G	1 645	1 161
Total		<u>95 098</u>	<u>1 161</u>
Unspent funds transferred to the above beneficiaries			
Departmental agencies and accounts		-	-
Total		<u>-</u>	<u>-</u>

Employee Social Benefits R588 000 and Bursaries to Non-Employees studying at various tertiary institutions R1 057 000.

8 Expenditure for capital assets			
Tangible assets		27 019	23 623
Buildings and other fixed structures	30	25 435	22 912
Heritage assets		-	-
Machinery and equipment	29	1 584	711
Specialised military assets	29	-	-
Land and subsoil assets	30	-	-
Biological assets	29	-	-
Intangible assets		-	-
Total		<u>27 019</u>	<u>23 623</u>

Development and improvements to the Infrastructure at Taung Hotel school, Assets acquired during the financial year.

The following amounts have been included as project costs in Expenditure for capital assets:

Compensation of employees	-	-
Goods and services	-	-
Total	<u>-</u>	<u>-</u>



NORTH WEST TOURISM

Notes to the Annual Financial Statements

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

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible assets	27 019	-	27 019
Buildings and other fixed structures	25 435	-	25 435
Heritage assets	-	-	-
Machinery and equipment	1 584	-	1 584
Intangible assets	-	-	-
Total	27 019	-	27 019

Development and improvements to the infrastructure at Taung Hotel School are partly completed and is regarded as work-in-progress.

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

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible assets	23 623	-	23 623
Buildings and other fixed structures	22 912	-	22 912
Heritage assets	-	-	-
Machinery and equipment	711	-	711
Intangible assets	-	-	-
Total	23 623	-	23 623

9 Cash and Cash Equivalents

	Note	2016/17 R'000	2015/16 R'000
Consolidated Paymaster General Account		11 437	16 001
Cash receipts		-	-
Disbursements		-	-
Cash on hand		-	-
Investments (Domestic)		-	-
Investments (Foreign)		-	-
Total		11 437	16 001

NORTH WEST TOURISM

Notes to the Annual Financial Statements

		2016/17 R'000	2015/16 R'000
	Note		
10 Prepayments and Advances			
Staff advances		-	-
Travel and subsistence		-	-
Prepayments (Not expensed)		-	-
Advances paid (Not expensed)	10.1	5 812	7 175
SOCPEN advances		-	-
Total		5 812	7 175
10.1 Advances paid (Not expensed)			
National departments	Annex 8A		-
Provincial departments	Annex 8A		-
Public entities	Annex 8A		-
Other institutions	Annex 8A	5 812	7 175
Total		5 812	7 175
Advance made to IDT for Taung Hotel School infrastructure project			
10.2 Prepayments (Expensed)			
Listed by economic classification			
Goods and services		-	1 653
Interest and rent on land		-	-
Transfers and subsidies			-
Capital assets		-	-
Other		-	-
Total		-	1 653
10.3 Advances paid (Expensed)			
National departments	Annex 8A		-
Provincial departments	Annex 8A		-
Public entities	Annex 8A		-
Other institutions	Annex 8A	5 812	-
Total		5 812	-



NORTH WEST TOURISM

Notes to the Annual Financial Statements

		2016/17			2015/16		
	Note	Current R'000	Non- current R'000	Total R'000	Current R'000	Non- current R'000	Total R'000
11 Receivables							
Claims recoverable		-	-	-	-	-	-
Trade receivables		-	-	-	-	-	-
Recoverable expenditure	11.1	26	-	26	-	74	74
Staff debt		-	-	-	-	-	-
Fruitless and wasteful expenditure		-	-	-	-	-	-
Other debtors	11.2	71	-	71	318	-	318
Total		97	-	97	318	74	392

	Note	2016/17 R'000	2015/16 R'000
11.1 Recoverable expenditure (disallowance accounts)	11		
(Group major categories, but list material items)			
Recoverable expenditure		-	74
Salary :Tax Debt		5	-
Other Debts		21	-
Total		26	74
11.2 Other debtors	11		
(Group major categories, but list material items)			
Pension recoverable		7	13
Salary recoverable		1	98
Debt Account		63	207
Total		71	318

12 Voted Funds to be Surrendered to the Revenue Fund			
Opening balance		15 977	46 861
Prior period error		-	-
As restated		15 977	46 861
Transfer from statement of financial performance (as restated)		21 916	15 977
Add: Unauthorised expenditure for current year		-	-
Voted funds not requested/not received	1.1	(5 000)	-
Transferred to retained revenue to defray excess expenditure (Parliament/Legislatures ONLY)		-	-
Paid during the year		(15 977)	(46 861)
Closing balance		16 916	15 977

NORTH WEST TOURISM

Notes to the Annual Financial Statements

		2016/17	2015/16
	Note	R'000	R'000
	R'000	R'000	R'000
13 Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund			
Opening balance		11	20
Prior period error		-	-
As restated		11	20
Transfer from Statement of Financial Performance (as restated)		310	-
Own revenue included in appropriation		550	99
Transfer from aid assistance		-	-
Transfer to voted funds to defray expenditure (Parliament/ Legislatures ONLY)		-	-
Paid during the year		(855)	(108)
Closing balance		16	11
14 Payables - current			
Amounts owing to other entities		-	-
Advances received		-	-
Clearing accounts	14.1	414	-
Other payables	14.2	-	7 580
Total		414	7 580
14.1 Clearing accounts	14		
(Identify major categories, but list material amounts)			
Unallocated Receipts:30 Day :CL		405	-
PAYE SARS		9	-
Total		414	-
14.2 Other payables	14		
(Identify major categories, but list material amounts)			
North West Tourism Board Infrastructure Project		-	7 580
Total		-	7 580

Funds received from the North West Tourism Board for the Taung infrastructure Project not spent in 2014/15



NORTH WEST TOURISM

Notes to the Annual Financial Statements

	Note	2016/17 R'000	2015/16 R'000
15 Net cash flow available from operating activities			
Net surplus/(deficit) as per Statement of Financial Performance		22 226	15 977
Add back non cash/cash movements not deemed operating activities		229	1 183
(Increase)/decrease in receivables		295	25 441
(Increase)/decrease in prepayments and advances		1 363	(7 175)
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables – current		(7 166)	6 164
Proceeds from sale of capital assets		-	-
Proceeds from sale of investments		-	-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets		27 019	23 623
Surrenders to Revenue Fund		(16 832)	(46 969)
Surrenders to RDP Fund/Donor		-	-
Voted funds not requested/not received		(5 000)	-
Own revenue included in appropriation		550	99
Other non-cash items		-	-
Net cash flow generated by operating activities		22 455	17 160
16 Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		11 437	16 001
Fund requisition account		-	-
Cash receipts		-	-
Disbursements		-	-
Cash on hand		-	-
Cash with commercial banks (Local)		-	-
Cash with commercial banks (Foreign)		-	-
Total		11 437	16 001
17 Contingent liabilities and contingent assets			
17.1 Contingent liabilities			
Liable to	Nature		
Motor vehicle guarantees	Employees	Annex 3A	-
Housing loan guarantees	Employees	Annex 3A	71
Other guarantees		Annex 3A	-
Claims against the department		Annex 3B	1 710
Intergovernmental payables (unconfirmed balances)		Annex 5	-
Environmental rehabilitation liability		Annex 3B	-
Other		Annex 3B	-
Total		-	1 781
Contingent assets			
Nature of contingent asset			
Total		-	-

NORTH WEST TOURISM

Notes to the Annual Financial Statements

	Note	2016/17 R'000	2015/16 R'000
18 Commitments			
Current expenditure			
Approved and contracted		83 647	105 385
Approved but not yet contracted		-	-
		83 647	105 385
Capital Expenditure			
Approved and contracted		-	-
Approved but not yet contracted		-	-
		-	-
Total Commitments		83 647	105 385

Commitments for services on contract with Botaki & Associates, Security Contract for Taung & Mafikeng Hotel School, Goods and Services not delivered and also undelivered movable assets.

19 Accruals and payables not recognised

19.1 Accruals

Listed by economic classification

	30 days	30+ days	Total	Total
Goods and services	629	166	795	1 002
Interest and rent on land	-	-	-	-
Transfers and subsidies	-	-	-	-
Capital assets	-	-	-	-
Other	-	-	-	-
Total	629	166	795	1 002

Listed by programme level

	Note	2016/17 R'000	2015/16 R'000
ADMINISTRATION		735	946
TOURISM PLANNING		19	56
TOURISM GROWTH, DEVELOPMENT AND TRANSFORMATION		41	-
Total		795	1 002

19.2 Payables not recognised

Listed by economic classification

	30 days	30+ days	Total	Total
Goods and services	129	-	129	-
Interest and rent on land	-	-	-	-
Transfers and subsidies	-	-	-	-
Capital assets	-	-	-	-
Other	-	-	-	-
Total	129	-	129	-

Listed by programme level

	Note	2016/17 R'000	2015/16 R'000
ADMINISTRATION		129	-
TOURISM PLANNING		-	-
TOURISM GROWTH, DEVELOPMENT AND TRANSFORMATION		-	-
Total		129	-

Included in the above totals are the following

Confirmed balances with departments	Annex 5	129	-
Confirmed balances with other government entities	Annex 5	-	-
Total		129	-



NORTH WEST TOURISM

Notes to the Annual Financial Statements

	Note	2016/17 R'000	2015/16 R'000
20 Employee benefits			
Leave entitlement		4 012	3 296
Service bonus (Thirteenth cheque)		1 648	1 479
Performance awards		1 039	2 521
Capped leave commitments		1 857	2 218
Other		19	37
Total		8 575	9 551

Included in the Leave entitlement is Negative Leave of R25 852.49 and Long Service Awards is captured under Other. At this stage the department is not able to reliably measure the long term portion of the long service award

21 Lease commitments

21.1 Operating leases expenditure

	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2016/17					
Not later than 1 year	-	-	739	184	923
Later than 1 year and not later than 5 years	-	-	-	103	103
Later than five years	-	-	-	-	-
Total lease commitments	-	-	739	287	1 026
2015/16					
Not later than 1 year	-	-	-	135	135
Later than 1 year and not later than 5 years	-	-	-	126	126
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	261	261

	Note	2016/17 R'000	2015/16 R'000
Rental earned on sub-leased assets		-	-
Total		-	-

21.2 Finance leases expenditure **

	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2016/17					
Not later than 1 year	-	-	-	90	90
Later than 1 year and not later than 5 years	-	-	-	45	45
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	135	135
2015/16					
Not later than 1 year	-	-	-	78	78
Later than 1 year and not later than 5 years	-	-	-	23	23
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	101	101

NORTH WEST TOURISM

Notes to the Annual Financial Statements

	Note	2016/17 R'000	2015/16 R'000
22 Accrued departmental revenue			
Tax revenue		-	-
Sales of goods and services other than capital assets		-	-
Fines, penalties and forfeits		-	-
Interest, dividends and rent on land		97	442
Sale of capital assets		-	-
Transactions in financial assets and liabilities		-	-
Transfers received		-	-
Other		-	-
Total		97	442

Monthly interest from Independent Development Trust (idt) in respect of Bank balances for unspent funds transferred by the department.

	Note	2016/17 R'000	2015/16 R'000
22.1 Analysis of accrued departmental revenue			
Opening balance		442	-
Less: Amounts received		442	-
Add: Amounts recognised		97	442
Less: Amounts written-off/reversed as irrecoverable		-	-
Closing balance		97	442

Monthly interest from Independent Development Trust (idt) in respect of payments made to them.

	Note	2016/17 R'000	2015/16 R'000
23 Irregular expenditure			
23.1 Reconciliation of irregular expenditure			
Opening balance		18 478	1 123
Prior period error			-
As restated		18 478	1 123
Add: Irregular expenditure - relating to prior year		-	-
Add: Irregular expenditure - relating to current year		9 257	17 355
Less: Prior year amounts condoned		-	-
Less: Current year amounts condoned		-	-
Less: Amounts not condoned and recoverable		-	-
Less: Amounts not condoned and not recoverable		-	-
Irregular expenditure awaiting condonation		27 735	18 478
Analysis of awaiting condonation per age classification			
Current year		9 257	17 355
Prior years		18 478	1 123
Total		27 735	18 478
23.2 Details of irregular expenditure – added current year (relating to current and prior years)			R'000
Incident	Disciplinary steps taken/criminal proceedings		
Non compliance to SCM Procedure and Policies.	Investigation on going.		9 257
Total			9 257



NORTH WEST TOURISM

Notes to the Annual Financial Statements

	Note R'000	2016/17 R'000 R'000	2015/16 R'000 R'000
24 Fruitless and wasteful expenditure			
24.1 Reconciliation of fruitless and wasteful expenditure			
Opening balance		76	-
Prior period error			-
As restated		76	-
Fruitless and wasteful expenditure – relating to prior year		-	-
Fruitless and wasteful expenditure – relating to current year		-	127
Less: Amounts resolved		-	(51)
Less: Amounts transferred to receivables for recovery		-	-
Closing balance		76	76
24.2 Analysis of awaiting resolution per economic classification			
Current		76	76
Capital		-	-
Transfers and subsidies		-	-
Total		76	76
24.3 Prior period error			
25 Related party transactions			
Revenue received		-	-
Payments made		-	-
Total		-	-

List related party relationships

North West Tourism Board

North West Tourism Board (NWTB) is a schedule 3C Public Entity of the Department of Tourism. Transactions between the Department and the NWTB were at arms-length

	No. of Individuals	2016/17 R'000	2015/16 R'000
26 Key management personnel			
Political office bearers (provide detail below)	1	2 231	1 941
Officials:			-
Level 15 to 16	1	1 488	1 605
Level 14 (incl CFO if at a lower level)	4	5 032	4 448
			-
Family members of key management personnel	-	-	-
Total		8 751	7 994

NORTH WEST TOURISM

Notes to the Annual Financial Statements

	Note	2016/17 R'000	2015/16 R'000
27 Provisions			
Opening Balance		59	59
Settlement of 2016/17 learnership of 8 unemployed youth at Mahikeng Hotel School for professional cookery NQF level 4 course		(59)	-
Total		<u>-</u>	<u>59</u>

27.1 Reconciliation of movement in provisions - 2016/17	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Provision 4 R'000	Total provisions R'000
Opening balance	59				59
Increase in provision					-
Settlement of provision	(59)				(59)
Unused amount reversed					-
Reimbursement expected from third party					-
Change in provision due to change in estimation of inputs					-
Closing balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Reconciliation of movement in provisions - 2015/16	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Provision 4 R'000	Total provisions R'000
Opening balance	59	-	-	-	59
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	<u>59</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59</u>

Provision made on training of learners at the Institute of Hotel & Tourism (Mahikeng Campus) settled.

28 Non-adjusting events after reporting date	2016/17 R'000
Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made.	

There exist no conditions that may affect reported information subsequent to 31 March 2017



NORTH WEST TOURISM

Notes to the Annual Financial Statements

29 Movable Tangible Capital Assets

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

	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	2 904	-	1 689	218	4 375
Transport assets	-	-	583	-	583
Computer equipment	1 726	-	421	194	1 953
Furniture and office equipment	614	-	-	24	590
Other machinery and equipment	564	-	685	-	1 249
Capital Work-in-progress (<i>Effective 1 April 2016</i>)					-
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	2 904	-	1 689	218	4 375

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	11	-

Eight assets could not be found on the floor during asset verification and three must be verified for correct details

Additions

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

	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	1 584	-	105	-	1 689
Transport assets	583	-	-	-	583
Computer equipment	421	-	-	-	421
Furniture and office equipment	-	-	-	-	-
Other machinery and equipment	580	-	105	-	685
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	1 584	-	105	-	1 689

Finance lease payments on cellphone contracts amount to R104 731.08

NORTH WEST TOURISM

Notes to the Annual Financial Statements

Disposals

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

	Sold for cash	Non-cash disposal	Total disposals	Cash received Actual
	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-
Heritage assets		-	-	
MACHINERY AND EQUIPMENT	-	218	218	1
Transport assets		-	-	
Computer equipment		194	194	1
Furniture and office equipment		24	24	
Other machinery and equipment		-	-	
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	-	218	218	1

29.3 Movement for 2015/16

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

	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	2 904	-	-	-	2 904
Transport assets	-		-	-	-
Computer equipment	1 726		-	-	1 726
Furniture and office equipment	614		-	-	614
Other machinery and equipment	564		-	-	564
Capital Work-in-progress <i>(Effective 1 April 2016)</i>	-		-	-	-
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	2 904	-	-	-	2 904



NORTH WEST TOURISM

Notes to the Annual Financial Statements

29.4 Minor assets

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

	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	-	-	-	1 324	-	1 324
Value adjustments				-		-
Additions				325		325
Disposals				136		136
TOTAL MINOR ASSETS	-	-	-	1 513	-	1 513

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets				-	-	-
Number of minor assets at cost				843	-	843
TOTAL NUMBER OF MINOR ASSETS	-	-	-	843	-	843

Minor Capital Assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Specialised military assets		
Intangible assets		
Heritage assets		
Machinery and equipment	76	
Biological assets		

Eleven assets must still be verified to description and sixty five could not be physically traced

Minor assets

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

	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	-	-	-	1 324	-	1 324
Prior period error	-	-	-	-	-	-
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
TOTAL MINOR ASSETS	-	-	-	1 324	-	1 324

NORTH WEST TOURISM

Notes to the Annual Financial Statements

30 Immovable Tangible Capital Assets

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

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
Capital Work-in-progress (<i>Effective 1 April 2016</i>)	22 912		25 435		48 347
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	22 912	-	25 435	-	48 347

Taung Hotel School infrastructure project still in progress.

Additions

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

	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	25 435	-	(25 435)	-	-
Dwellings					-
Non-residential buildings					-
Other fixed structures	25 435		(25 435)		-
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	25 435	-	(25 435)	-	-

Taung Hotel School infrastructure project under construction.

31 Principal-agent arrangements

31.1 Department acting as the principal

Payments to IDT for Taung Hotel School Infrastructure project

Total

	2016/17 R'000	2015/16 R'000
Fee paid		
	31 247	30 007
Total	31 247	30 007

The Department has prioritized the expansion of the network of hotel schools from 1 to 4 within the MTSF period, as well as addressing the backlog on physical infrastructure as one of its programmes, which is part of the MEC's 10 point plan. Management fees paid for the project amount to R1, 621, 855 equivalent to 5.165% of total monies received. The Department has made an advance payment of R5, 812, 209.98 to IDT, which money was not spent by IDT at end of the financial year, and this amount has been disclosed in the notes to the financial statements as advance paid. In the event that the principal-agent relationship is terminated, IDT shall deliver within 14 days of signature of cession agreement, all pending litigations files and letters of demand relating to the project as well as all records, agreements with project creditors, accounts and other information generated pursuant to this arrangement to the Department. IDT shall also be required to transfer to the Department all uncommitted funds with interest into the project bank account within 30 days of signature of cession agreement. IDT will also be required to inform all project creditors and other relevant parties about the cession of the project within 14 days of signature of the cession, also transfer to the Department any copyright and drawings already prepared by the consultants

The capital assets will be transferred to the Tourism Board on completion of the project.

All assets are categorised under building and other fixed structures.

31.2 Department acting as the agent

31.2.1 Revenue received for agency activities

Total

	2016/17 R'000	2015/16 R'000
	-	-
Total	-	-

31.2.2 Reconciliation of funds and disbursements - 2016/17

	Total funds received R'000	Expenditure incurred against funds R'000
	-	-
Total	-	-

Category of revenue/expenditure per arrangement



NORTH WEST TOURISM

Notes to the Annual Financial Statements

32 Prior period errors

32.1 Correction of prior period errors

Note

2015/16
R'000

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

Commitments 2015/16

96 726

Total

96 726



NORTH WEST TOURISM

Annexures to the Annual Financial Statements

ANNEXURE 1D

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/ PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2015/16
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Capital	Current	Appro- priation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public corporations									
Transfers	93 427	-	27	93 454	93 453	100.0%		-	-
North West Tourism Board	93 427		27	93 454	93 453	100.0%		-	-
				-					
Subsidies	-		-	-	-	-		-	-
				-					
Sub total: Public corporations	93 427	-	27	93 454	93 453	100.0%	-	-	-
Private enterprises									
Transfers	-	-	-	-	-		-	-	-
				-					
Subsidies	-	-	-	-	-		-	-	-
				-					
				-					
Sub total: Private enterprises	-	-	-	-	-		-	-	-
TOTAL	93 427	-	27	93 454	93 453	100.0%	-	-	-

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2015/16
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Appro- priation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Employee Social Benefits	292	-	296	588	588	100%	307
Bursaries-non employees	1 057	-	-	1 057	1 057	100%	690
				-			
	1 349	-	296	1 645	1 645		997
Subsidies	-	-	-	-	-		-
Total	1 349	-	296	1 645	1 645		997

House holds transfers are in respect of ex employees emanating from termination of service while Bursaries to non employees are for students at Taung and Mafikeng Hotel Schools



NORTH WEST TOURISM

Annexures to the Annual Financial Statements

ANNEXURE 3A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2017 - LOCAL

GUARANTOR INSTITUTION	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2016	Guarantees draw downs during the year	Guaranteed repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2017	Guaranteed interest for year ended 31 March 2017	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles								
								-	
								-	
	Subtotal	-	-	-	-	-	-	-	-
	Housing								
ABSA				-				-	
NEDBANK BANK				-				-	
STANDARD BANK OF S.A				-				-	
PEOPLES BANK LIMITED				-				-	
ABSA				-				-	
	Subtotal	-	-	-	-	-	-	-	-
	Other								
	Subtotal	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-

Housing guarantee is for one Personnel, the Bank has confirmed release of the guarantee done in 2009.

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2017

NATURE OF LIABILITY	Opening balance 1 April 2016	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	"Closing balance 31 March 2017
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Marang Inc : Notice in terms section 3 of 40 of 2002	1 710	-	1 710	-	-
Subtotal	1 710	-	1 710	-	-
Environmental liability					
Subtotal	-	-	-	-	-
Other					
Subtotal	-	-	-	-	-
TOTAL	1 710	-	1 710	-	-

The opinion of the state attorney is that the possible case carry no costs since it has not become litigious after a year.



NORTH WEST TOURISM

Annexures to the Annual Financial Statements

ANNEXURE 5 INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Community Safety & Transport Mangement	129				129	-
Subtotal	129	-	-	-	129	-
Non-current						
Subtotal	-	-	-	-	-	-
Total Departments	129	-	-	-	129	-
OTHER GOVERNMENT ENTITY						
Current						
Subtotal	-	-	-	-	-	-
Non-current						
Subtotal	-	-	-	-	-	-
Total Other Government Entities	-	-	-	-	-	-
TOTAL INTERGOVERNMENTAL	129	-	-	-	129	-

Amount due is for the invoiced (invoice No. 0039)official kilometres for the month ended March 2017



NORTH WEST TOURISM

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 2017

	Opening balance R'000	Current Year Capital WIP R'000	Completed Assets R'000	Closing balance R'000
HERITAGE ASSETS	-	-	-	-
Heritage assets				-
MACHINERY AND EQUIPMENT	-	-	-	-
Transport assets				-
Computer equipment				-
Furniture and office equipment				-
Other machinery and equipment				-
BUILDINGS AND OTHER FIXED STRUCTURES	22 912	25 435	-	48 347
Dwellings				-
Non-residential buildings	-			-
Other fixed structures	22 912	25 435		48 347
LAND AND SUBSOIL ASSETS	-	-	-	-
Land				-
Mineral and similar non-regenerative resources				-
TOTAL	22 912	25 435	-	48 347

Funds paid to Independent Development Trust for the development of infrastructure at the Taung Hotel School.

Age analysis on ongoing projects	Number of projects		2016/17 Total R'000
	Planned, construction not started	Planned, construction started	
0 to 1 year			
1 to 3 year(s)		48 347	48 347
3 to 5 years			
Longer than 5 years			
Total	-	48 347	48 347

MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance R'000	Prior period errors R'000	Current Year Capital WIP R'000	Completed Assets R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	-	22 912	-	22 912
Dwellings					-
Non-residential buildings					-
Other fixed structures			22 912		22 912
TOTAL	-	-	22 912	-	22 912



NORTH WEST TOURISM

Annexures to the Annual Financial Statements

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

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	R'000	R'000	R'000	R'000	R'000	R'000
OTHER INSTITUTIONS						
Funds transferred in advance to IDT for Taung					-	-
Hotel School infrastructure project	5 812	7 175			5 812	7 175
					-	-
Subtotal	5 812	7 175	-	-	5 812	7 175
TOTAL	5 812	7 175	-	-	5 812	7 175

Financial Year 2016/17

ANNUAL REPORT

Vote No. 10



tourism

Department
Tourism
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

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