

OFFICE OF THE PREMIER
NORTH WEST

ANNUAL REPORT 2021-2022



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PART A: GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

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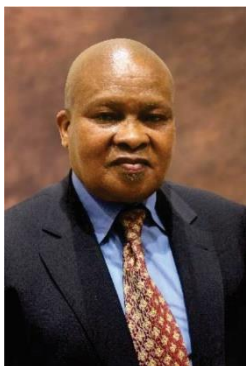
2. LIST OF ABBREVIATIONS/ACRONYMS

AFS	Annual Financial Statement
APP	Annual Performance Plan
AGSA	Auditor General of South Africa
AO	Accounting Officer
AV	Anti-Virus
BBBEE	Broad Based Black Economic Empowerment
BCP	Business Continuity Plan
CD	Chief Director
CDW	Community Development Worker
CHW	Community Health Worker
CFO	Chief Financial Officer
DG	Director General
DDG	Deputy Director General
Dept.	Department
DPSA	Department of Public Service and Administration
DR	Disaster Recovery
EU	European Union
FAR	Fix Asset Register
FEED	Finance, Economy and Enterprise Development
GRAP	General recognised Accounting Practices
ICT	Information and Communication Technology
IDS	Institutional Development and Support
IFS	Interim Financial Statement

IRE	Irregular Expenditure
ISO	Information Security Office
IT	Information Technology
ITSM	Information Technology System Management
MEC	Member of Executive Council
HOD	Head of Department
PFMA	Public Finance Management Act
TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NWPG	North West Provincial Government
NT	National Treasury
PA	Performance Agreement
PAAP	Post Audit Action Plan
PACO	Provincial Advisory Committee
PIAAP	Post Internal Audit Action Plan
PMDS	Performance Management and Development System
POE	Portfolio of Evidence
PT	Provincial Treasury
PSCBC	Public Service Co-ordinating Bargaining Council
PWD	Public Works Department
RACF	Resource Access Control Facility
SLA	Service Level Agreement
SMME	Small Medium and Micro-sized Enterprises

SCM	Supply Chain Management
SITA	State Information Technology Agency
SDIP	Service Delivery Improvement Plan
SSA	State Security Agency
TID	Technical Indicator Description
UPS	Un-interruptible Power Supply

3. FOREWORD BY PREMIER



It gives me pleasure to table the Annual Report 2021/22 of the Office of the Premier.

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

- Coordinated stakeholder engagements on Intergovernmental Relations
- Conducted the assessment of annual performance plans and integrated development plans for alignment to provincial priorities.
- Coordinated Provincial interventions towards achieving National anti-corruption strategy
- Coordinated Labour Relations initiatives to Provincial Departments
- Conducted Training programmes to Provincial training to Provincial Departments
- Moral regeneration interventions coordinated

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

Let me express my sincere gratitude to the Portfolio Committee led by Chairperson Hon Motswana, for their oversight role on the Executive. Further thank Administrator Mr Sibusiso Mpanza and the team for his sterling work, senior management team and all officials within the Office of the Premier.

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

HON K.B MAAPE (MPL)

PREMIER OF THE NORTH WEST PROVINCE

4. REPORT OF THE ACCOUNTING OFFICER



It gives me pleasure to table the Annual Report 2021/22 of the Office of the Premier.

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3

Overview of the financial results of the department:
Departmental receipts

Departmental receipts	2021/2022			2020/21		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts						
Casino taxes						
Horse racing taxes						
Liquor licences						
Motor vehicle licences						
Sale of goods and services other than capital assets	213	184	29	367	289	78
Transfers received						
Fines, penalties and forfeits						
Interest, dividends and rent on land						
Sale of capital assets						
Financial transactions in assets and liabilities	218	218	-	42	58	(16)
Total	431	402	29	409	347	62

The revenue collection is mainly on income from replacement for loss of access cards, Insurance and Garnishee administration.

➤ Programme Expenditure

Programme Name	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	115 597	104 368	11 229	99 481	99 218	263
Institutional Development	249 180	191 397	57 783	276 054	238 808	37 246
Policy and Governance	86 793	79 118	7 675	84 232	77 966	6 266
Total	451 570	374 883	76 687	459 767	415 992	43 775

➤ Virements

Voted funds and Direct charges	Adjusted Appropriation	Shifting of Funds	Virements	Final Appropriation	Actual Expenditure	Variance	% Exp
	R'000	R'000	R'000	R'000	R'000	R'000	%
Administration	115 597	-	-	115 597	104 368	11 229	90,3%
Institutional Development	249 180	-	-	249 180	191 397	57 783	76,8%
Policy and Governance	86 793	-	-	86 793	79 118	7 675	91,2%
Total	451 570	-	-	451 570	374 883	76 687	83,0%

- There was no virement during the period under review.
- Fruitless and wasteful expenditure

The Office has incurred Fruitless and wasteful expenditure to the amount of R 2,000.00 which resulted from the late submission of VMS Log Book. The office has not yet instituted consequence management with regards to the Fruitless and wasteful expenditure, however the office will follow the process as outlined in the fruitless and wasteful expenditure guidelines in the 2022/23 financial year.

- Strategic focus over the short to medium term period

The main strategic focus of the Office is towards ICT Transformation Programme and strengthening provincial communication services.

- Unauthorised Expenditure

The Office did not incur any unauthorised expenditure during the period under review.

- Future plans of the department

The Office plan to continue with the implementation of the planned Provincial Priorities that will ensure the achievement of the five year strategic plan.

- Public Private Partnerships

The Office of the Premier does not have any Private Partnership transactions.

- Discontinued activities / activities to be discontinued

None

- New or proposed activities

None

- Supply chain management

- all unsolicited bid proposals concluded for the year under review

None

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

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

- Challenges experienced in SCM and how they were resolved

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

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

None

- Exemptions and deviations received from the National Treasury

None

- Events after the reporting date

None

- Other

None

Acknowledgement/s or Appreciation

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

Conclusion

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



MR S MPANZA
ACCOUNTING OFFICER
OFFICE OF THE PREMIER

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

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

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

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

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

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

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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2022.

Yours faithfully



MR S MPANZA
ACCOUNTING OFFICER
OFFICE OF THE PREMIER

6. STRATEGIC OVERVIEW

6.1 Vision

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

6.2 Mission

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

6.2 Values

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

- Caring
- Agile
- Responsive
- Excellence

7. LEGISLATIVE AND OTHER MANDATES

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

8. CONSTITUTIONAL MANDATE

The mandate of the Office of the Premier is to support the Premier in the execution of his constitutional responsibilities. The Premier performs executive, legislative and ceremonial functions and responsibilities as stipulated in Chapter 6 of the Constitution. Section 125(2) of the Constitution determines that the Premier exercises the executive authority over the province together with the other members of the Executive Council.

The Premier is also responsible for inter-governmental relations in terms of Chapter 3 of the Constitution. The Premier appoints Members of the Executive Council (MECs) and assigns functions, responsibilities and delegates powers to them.

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

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

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

9. LEGISLATIVE MANDATE

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

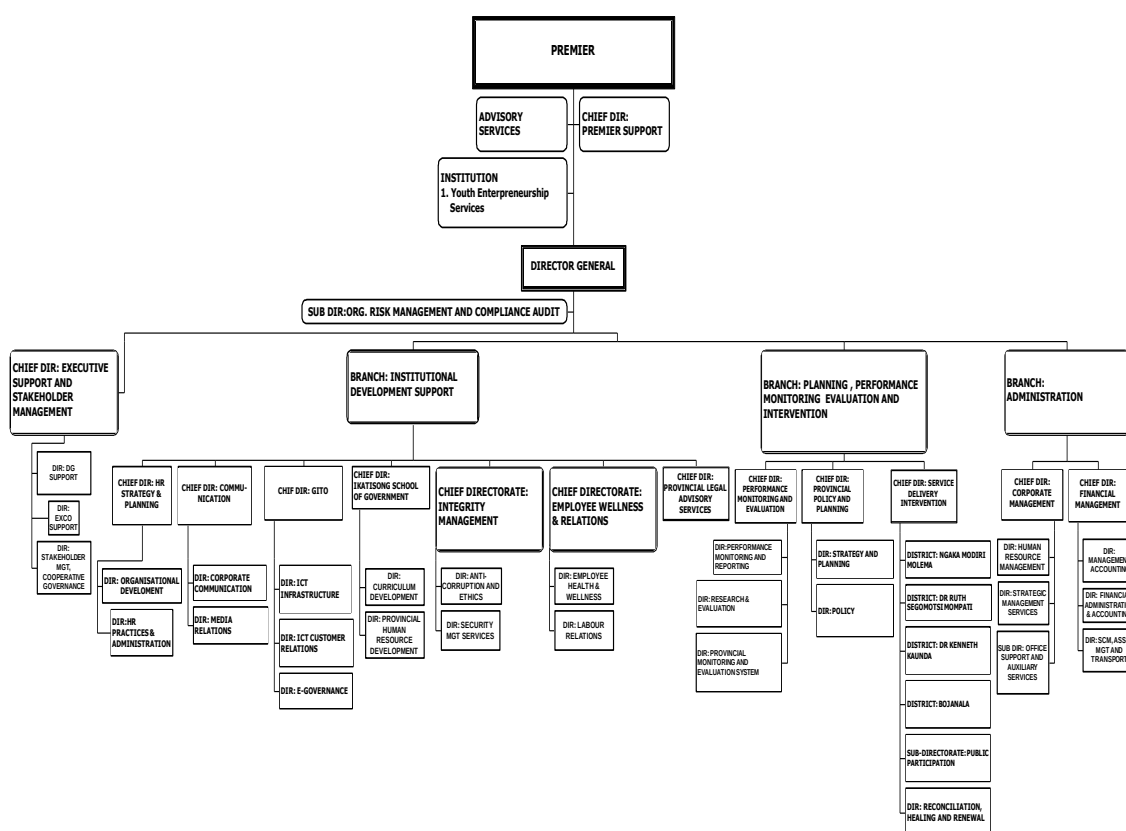
- (i) Subject to the provisions of sections 85(2) (c) and 125(2)(e) of the Constitution, be responsible for intergovernmental relations on an administrative level between the relevant [provincial administration] province and other [provincial administration] provinces as well as national departments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

10. POLICY MANDATE

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

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

11. ORGANISATIONAL STRUCTURE



12. ENTITIES REPORTING TO THE PREMIER

Youth Entrepreneurship Services (YES) entity is dormant in the year under review. The Office has an intention to disestablish the entity as evidenced by the EXCO resolution during 2020/21 Financial Year.

PART B: PERFORMANCE INFORMATION

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 107 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

- The Office uses the complaints management system as key service for service delivery improvement. The Provincial Call Centre Toll Free hotline is a mechanism used by the government to demonstrate its commitment and willingness to allow communities to report service delivery challenges. The Office facilitates the process of transferring the cases to the relevant public institutions.

Problems encountered:

- Network problems at the Districts-Frontline staff are unable to access our system on a daily basis.
- Some of the public institutions do not adhere to stipulated timeframe, when dealing with cases referred to them.
- The Provincial call center does not have access to the smart reporting system. The reports are being manually generated.

Corrective Steps:

- IT to upgrade network at the District offices.
- Departments to appoint permanent coordinators to deal with complaints.
- IT to FastTrack the appointment of service provider to develop the smart reporting system.

2.2 Service Delivery Improvement Plan

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

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Coordinating compliance by provincial departments on Complaints and Compliments Management framework	Provincial departments and Communities	Draft Provincial Complaints and Compliments Management Framework (Approval process).	Improved compliance level	None

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

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

Service delivery information tool

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

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Call centre (Toll free)	Call centre (Toll free)	Call centre (Toll free)
Walk-in	Walk-in	Walk-in
Whatsapp	Whatsapp	Whatsapp
Memorandum	Memorandum	Memorandum
Emails	Emails	Emails
Outreach programmes	Outreach programmes	Outreach programmes

2.3 Organisational Environment

The North-West Province was placed under Section 100 (1)(a) and (b) of the Constitution following service delivery protests in the province in the 2018/2019 financial year because of the following:

- Failure to provide administrative leadership to service delivery departments resulting in a generalized breakdown in governance, accountability, and deterioration of labour relations.
- Non-compliance to legislative, regulatory prescripts and entrenchment of a culture of impunity due to lack of accountability and consequence management.
- Unclear mandate translation resulting in the OOP delivering services falling within the mandates of other departments.

After the intervention, progress has been registered as follows:

Building service delivery capacity

- Improved alignment of planning between departments to deliver on service delivery priorities.
- Capacity for service delivery has been built through filling key management posts.
- Moratoria on recruitment of staff lifted and fit-for-purpose departmental structures approved.
- Functions previously centralised in the Premier's Office have been transferred back to their original departments (North West Development Corporation and Community Development Workers).
- Termination of wasteful and poorly managed outsourcing contracts and empowerment of officials to do the work they were employed for.
- In-sourcing of ICT using SITA and maximum utilisation of ICT personnel employed in the province.
- NW Coordinating Committee established, led by Office of the Premier to guide on transversal issues.
- Improved controls and governance resulting in unqualified audit.

- Various functions and budgets, which had been centralised in Office of the Premier in fifth administration, returned to line function departments.
- Rebuilding internal capacity for managing ICT in the province and systems stabilized. ICT governance has been restored through establishment of Provincial ICT steering committee.
- Massive reduction of irregular expenditure and improvement on internal control systems.
- Appointment of Director General.

Restoring financial controls and governance

- Audit results for 2020/21 show continued positive trajectory after five years of decline and stagnation - (Seven (7) unqualified audits, including the Office of the Premier.
- Capacity building has taken place across departments to strengthen supply chain management.
- Provincial departments reconfigured to align with national norms.

As the Office of the Premier, we have made significant progress in steering this Province in the right direction and strengthening the capacity of government to deliver quality basic services to the people, as well as mending the broken bridges between ourselves, communities, and organized labour.

2.4 Key policy developments and legislative changes

None

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

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

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

The Office has made significant achievements with regard to the contribution toward the 2019-24 Medium Term Strategic Framework and Provincial Growth and Development Strategy.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Programme Purpose

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

Sub-Programmes

Sub Programmes	Sub Programme Purpose
Premier Support	To co-ordinate and manage the Premier's political, administrative and special priority programmes
Financial Management	To provide effective and efficient financial management services in the Office in order to obtain clean audit.
Corporate Management	To provide effective and efficient corporate management services in the Office
Executive Support and Stakeholder Management services	To manage the provision of Executive support and stakeholder management services

- Outcomes as per the strategic plan

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

Outcomes, outputs, output indicators, targets and actual achievements

PROGRAMME 1	2021/2022 Financial Year
No of output indicators planned	5
No of output indicators achieved	5
No of output indicators not achieved	0
% Achieved	100%
Has performance reported been verified and substantiated	Yes

The achievement of targets has contributed towards achieving the Office's outcomes, which has invariably impact on the strategic priorities of government.

Gender	Total	SMS	Disability
Female	235	11	4
Male	208	28	10
Total	443	39	14

There are 14 officials living disabilities in the Office which amounts to 3.1% as depicted per category. The Office is still lacking behind with the achievement of the 50% quota appointment of women at SMS level. The employment equity plan is being reviewed to address the gaps to prioritise youth, women and persons with disabilities.

Table 2.4.4.2:

Programme / Sub-programme: Premier Support								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved governance and accountability	Premier's activities reports compiled	Number of Premier's activities conducted	N/A	16	24	24	0	

Programme / Sub-programme: Executive Support and Stakeholder Management Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved governance and accountability	Coordinated Stakeholder Engagements in the province	Number of Stakeholder Engagements Coordinated	N/A	N/A	4	4	0	
Improved governance and accountability	Report on implementation of committee resolutions	Number of resolutions on governance structures monitored	N/A	4	4	4	0	

Programme / Sub-programme: Financial Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved governance and accountability	Annual Financial Statement produced in line with modified cash standards	Audited annual financial statements	N/A	1	1	1	0	

Programme / Sub-programme: Corporate Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved governance and accountability	Adherence to legislative delivery schedules	Number of performance reports on strategic planning and transformation compiled	4	N/A	4	4	0	

Linking Performance with budget

Sub-programme expenditure

Sub-Programme Name	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Premier Support	19 813	17 871	1 942	16 025	15 928	97
Executive Council Support	9 286	8 736	550	7 560	7 553	7
Director General Support	49 354	44 222	5 132	38 668	38 621	47
Financial Management	37 144	33 539	3 605	37 228	37 116	112
Total	115 597	104 368	11 229	99 481	99 218	263

The main reasons for the variance are as follows:

Goods and Services

- An amount of R1 million is budgeted for the Coordination of the Veterans programme with no registered expenditure to date. Plans to appoint coordinators is underway and any associated expenditure shall be accounted for in the following financial year.
- A total amount of R1.13 million was budgeted for deep cleaning of offices with no expenditure registered to as at year end due to delay on procurement process.
- A total amount of R600 000 was set aside for the Office Lekgotla which was held in fourth quarter. The amount will be accounted as payables on AFS.

- Savings realised under audit fees is R1.4 million, after processing of all invoices for South Africa Auditor General (AGSA).

Machinery and Equipment

Delay of payment for office equipment.

Strategy to overcome areas of under performance

- None

Performance in relation to Standardised Outputs and Output Indicators for sectors with concurrent functions

- The Office does not have standardised indicators

Reporting on the Institutional Response to the COVID-19 Pandemic

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

Budget Programme	Intervention	Geographic location (Province/District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Programme 1	OHS Committee with 20 members in place with appointment letters signed on 8 July 2019, 8 members co-opted in the District	Both	20 members	Directorate represented by 14 Females and 6 Males	0	0	N/A	OHS Committee members are still in place and functional.
Programme 1	OHS Committee members were trained on screening on 22 May 2020, CDW's supervisors trained on 27 May 2020	Both	Dr KK officials were trained on 09 July 2020 by EHW officials. Bojanala and Dr RSM were trained by the DoH	2 female and 6 male(Dr KK)	R0	R0	n/a	OHS Committee meeting was held on the 17 February 2022 in Klerksdorp. 21 committee members attended the meeting.
Programme 1	Risk Assessment and Risk Reduction Plan approved	Both	All OOP officials	All OOP officials	R0	R0	n/a	Risk Assessment is still incorporating vaccination and has not yet reviewed as there are no developments leading to review. It last for three years.

Programme 1	Reviewed Occupational Health and Safety policy	Both	All OOP officials	All OOP officials	R0	R0	n/a	SHERQ Policy in place and approved in June 2021. There is no review thus far.
Programme 1	Appointment letter of the Compliance Officer signed	Both	Director: HRM	male	R0	R0	n/a	Appointment letter signed and in place.
Programme 1	Guidelines on the Management of Covid-19, approved	Both	All OOP officials	All OOP officials	R0	R0	n/a	Guidelines on the Management of Covid-19 approved and communicated with OOP officials.
Programme 1	Standard Operating Procedures, approved	Both	All OOP officials	All OOP officials	R0	R0	n/a	Standard Operating Procedures approved and communicated to OOP officials
Programme 1	Deep cleaning and disinfection of all the premises of the Office in the province	Both	All District offices	All District offices	R2.5 m(18 offices)	R2.5 m (18 offices)	n/a	Buildings were deep cleaned where positive Covid 19 cases were exposed
Programme 1	Provision of masks all the employees and sanitizers available in all the premises of the Office	Both	All District offices	All District offices	R60 375 for 2500 masks	R60 375 for 2500 masks	n/a	PPE were distributed to the district offices and also to the officials where there is a need.
Programme 1	Screening of all employees and visitors when entering the premises;	Both	All District offices	All District offices	R0	R0	n/a	On-going screening of all employees and visitors entering the Premises done by the Screeners.
Programme 1	Workplace plans approved	Both	All District offices	All District offices	R0	R0	n/a	Workplace plans approved, there is the availability of PPE at all OOP premises. In-house cleaning done immediately after the positive case is reported.

Programme 1	Appointment of new screener/s	Head Office	5	4 Males & 1 Female	R652030.8	R108671.8		The Covid 19 screeners were appointed on the 1st April 2021, they are placed in different workstations.
Programme 1	Vaccination roll out	4 Districts & Provincial Office	455	238 Female & 217 Male	0	0		Vaccination roll out programme done. 178 People vaccinated (Garona Complex and 4 Districts1

4.2 Programme 2: Institutional Development Support

Programme Purpose

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

Sub-Programmes

Sub-Programmes	Sub Programme Purpose
Human Resource Management	To improve provincial departments' performance on Strategic Human Resource Management Programmes for Good Governance
Government Information Technology Office	To optimise service delivery through implementation of Information Communication Technology (ICT).
Communication	To provide a functional government communication system which enables citizen empowerment and involvement in their own development
Ikatisong School of Governance	To build a capable, ethical and developmental province through targeted individual, organisational and institutional capacity development
Integrity Management	To implement minimum security standards and strengthen programmes that will eradicate fraud, corruption and acts of misconduct; and promote ethics and integrity

Provincial Legal Advisory Services	To provide internal legal advisory services to the Office of the Premier and transversal state law advisory services to the Provincial Departments
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Outcomes as per the Strategic Plan

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

Outcomes, outputs, output indicators, targets and actual achievements

PROGRAMME 2	2021/2022 Financial Year
No of output indicators planned	13
No of output indicators achieved	11
No of output indicators not achieved	2
% Achieved	84,6%
Has performance reported been verified and substantiated	Yes

Table 2.4.4.2:

Programme / Sub-programme: Strategic Human Resource Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved governance and accountability	Compliance report on labor relations	Number of Labour Relations initiatives provided to departments	8	9	12	12	0	
Improved governance and accountability	Compliance to Organisational prescripts	Number of Organisational Development initiatives provided to departments	10	6	8	8	0	
Improved governance and accountability	Compliance to EHW prescripts	Number of EHW initiatives provided to departments	8	3	5	5	0	
Skilled and Capable Workforce	Improved employee performance	Number of interventions to improve employee performance	N/A	3	4	4	0	

Programme / Sub-programme: Government Information Technology Office								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved Governance and Accountability	IT Governance and management capability level	Level of IT Governance and Management capability achieved		1	1	1	0	

Programme / Sub-programme: Communication								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved governance and accountability	Radio Talk shows Posters distributed	Number of radio talk shows held to promote active citizenry	N/A	4	4	4	0	
Improved governance and accountability	Newspapers produced	Number of government newspapers editions distributed	N/A	N/A	4	4	0	

Programme / Sub-programme: Ikatisong School of Governance								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Skilled and capable work force	Annual training plan	Number of training programmes implemented	N/A	6	8	8	0	
Skilled and capable work force	Provincial skills Master plan	Number of Provincial skills developed	N/A	N/A	1	0	1	The Plan development delayed due to non-responsiveness of Service Providers

Programme / Sub-programme: Integrity Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improve governance and accountability	Investigation reports	Number of forensic investigations concluded	26	3	4	4	0	

Improve governance and accountability	Intervention reports	Number of interventions implemented towards achieving National anti-corruption strategy	23	6	8	8	0	
Improved oversight	Compliance to minimum security standards	Number of minimum security standards coordinated	8	3	4	4	0	

Programme / Sub-programme: Provincial Legal Advisory Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved governance and accountability	Certified bills	Number of bills developed	8	6	8	5	3	1. Comments from the House of Traditional leadership in respect of the NW Parks and Tourism bill were not received. Furthermore, comments from the Gambling Industry in respect of the Gambling Bill board were also delayed. These resulted in both Bills not certified. This may also attribute to Covid19. 2. Due to lack of stakeholder consultation, the Certificate of the North West Gambling Amendment Bill, 2021 could not proceed.

Linking performance with Budgets

Sub-Programme Expenditure

Sub- Programme Name	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Strategic Human Resources	18 762	17 884	878	20 345	19 948	397
Information Communication Technology	137 362	97 437	39 925	166 392	136 927	29 465
Legal services	7 852	6 575	1 277	10 608	9 481	1 127

Communication services	31 098	21 218	9 880	19 525	18 268	1 257
Programme Support	54 106	48 283	5 823	59 184	54 184	5 000
Total	249 180	191 397	57 783	276 054	238 808	37 246

The main reasons for the variance are as follows:

1. Information Technology and Communication

A total amount of **R81.487 million** is budgeted for under **ICT computer services** with only R59.1m expenditure is registered as at year end. The analysis for **R22.387m/R76.687m** underspent is accounted for as follows:

The following commitments are identified as items attributing to underperformance:

- 1.1 Direct procurement for the mainframe licences for the financial year 2022/23 has been completed, an amount of approximately **R9 million for the 1st year** was due to be paid to **IBM** during March 2022.
- 1.2 Delay of payment for network connectivity services for the periods November 2021 to February 2022 is attributable to delayed invoices from SITA. SITA has taken over the mandatory function and temporary arrangement with Telkom on behalf of Province is in place to avoid any interruptions. Network connectivity total invoices for the periods in question is **R4.450 million**, and this claim is anticipated to be processed during April 2022 and is equally identified for as part of the rollover application to be considered by PT.
- 1.3 The total amount of **R5m** earmarked for maintenance of the mainframe included in the IBM SITA contract, payment of the amount is deferred and shall be processed in line with the migration of data services anticipated to take place during 2022/23 financial year. This amount has been identified as part of application for rollover to be considered by PT.

2. **Other items under goods and services**

- 2.1 An amount of **R1.5 million** was budgeted for Youth Advocacy Programme (YAP) with no registered expenditure at year end. The YAP had approved plan for implementation. The

plan could not be implemented, due to reasons beyond the Office. The implementation is envisaged to happen during new financial year, as per the approved operational plan.

The plan is to conduct Youth Provincial Summit to develop a single Youth Provincial Plan.

2.2 Delay of processing payment for State of the Province Address (SOPA), Presidential Imbizo, Radio vaccination advert, Branding for Province and Districts (Exco approve corporate identity manual, therefore there was a need to align with this manual), Dairies, cartridges before year end led to underspending amounting to **R8 million under communication services**.

2.3 Legal costs for the year is R854 000 out of a budget of R2m. The Office received claims amounting to R2.4m, this amount will be accounted as payables on the AFS.

2.4 The underspending on training of 25 artisan development learners at Pretoria Portland Cement (PPC) artisan development academy was due to changing banking details by PPC without informing the Office. The Office received invoice amounting to R1.6m, this amount will be accounted as payables on the AFS.

a) **Transfers and Subsidies**

The **bursary support** for external beneficiaries was allocated **R16.2 million** with **R15.809 million** registered expenditure at year end.

The underspending of R391 thousand is due to the aviation institutions not being registered on the CSD (Novel Academy, Johannesburg School of Flying and Legend Sky Aviation) compromised the benefit of the three students who requested financial assistance and provision of the wrong bank details by institutions (UNISA) contributed to money bouncing back to SCM which was compromising five students for the benefit.

The amount is accounted for as a commitment and shall be resolved in the new financial year.

b) **Machinery and Equipment**

ICT Transformation programme - the office as per its procurement plan has identified a need to upgrade:

- District Data Servers (**R7 million**) was procured through SITA and appointment of service provider for this assignment was completed towards year end. The **purchase**

order for this project amounting to R3.368 million. An application for rollover has been submitted for consideration by PT.

- Data Centre environmental upgrade (**R2 million**) procured through SITA is at the adjudication stage, more focus shall be invested in making sure that procurement and payment is achieved in the new financial year.
- Mainframe migration from old to new equipment (**R8.247 million**), this project will be completed once the licence to mainframe is processed. An application for rollover 2nd in a row has been submitted for consideration by PT.

Planned Office equipment (Camera, TV, Laptops, Desktops, Shredders, Printers etc.) was underspend by R3.9 million due to delay of procurement.

Strategy to overcome areas of under performance

- Going forward ball stakeholders will be identified when draft Bills are received and at editing stage, will be engaged to avert delays in respect of finalisation of Bills
- An alternative resource through internal capacity which yielded a Draft Plan that must undergo consultative to be finalized in the first quarter of 2022.

Performance in relation to Standardised Outputs and Output Indicators for sectors with concurrent functions

- The Office does not have standardised indicators

4.3 Programme 3: Planning Performance Monitoring, Evaluation and Intervention

PROGRAMME PURPOSE

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

• Sub-programmes

Sub-Programmes	Sub Programme Purpose
Provincial Planning and Support	To coordinate, monitor and analyse integrated planning in the province in response to economic development
Performance Monitoring and Evaluation	To coordinate provincial performance monitoring, evaluation and intervention
Service Delivery and Intervention.	To manage and facilitate service delivery support programmes and interventions

Special Programmes	Promotion and Protection of the Human Rights of the Targeted Groups

- **Outcomes as per the Strategic Plan**

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

Outcomes, outputs, output indicators, targets and actual achievements

PROGRAMME 3	2021/2022 Financial Year
No of output indicators planned	17
No of output indicators achieved	15
No of output indicators not achieved	2
% Achieved	88,2%
Has performance reported been verified and substantiated	Yes

Table 2.4.4.2:

Programme / Sub-programme: Provincial Planning and Support								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations

improved governance and accountability	Approved Provincial Growth and Development Strategy	Review of the Provincial Growth and Development Strategy (PGDS).	N/A	N/A	1	0	1	The tender process to appoint a service provider to develop PGDS was not responsive
Improved integrated planning and coordination	Strategic Plans and Annual performance plans aligned to the revised planning framework	Number of draft annual performance plans assessed for alignment to the Revised Planning Framework for Strategic Plans and Annual Performance Plans	N/A	12	12	12	0	

Programme / Sub-programme: Performance Monitoring and Evaluation								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved oversight	Approved consolidated Provincial performance report.	Number of provincial departmental performance assessed in line with government Priorities	N/A	N/A	4	4	0	
Improved oversight	Number of provincial Research and Evaluation studies conducted	Number of provincial Research and Evaluation studies conducted.	N/A	N/A	10	6	4	ACSR-The study was deferred to Quarter 1 of 2022/23 due to financial constraints as a result of budget reprioritization. A final report will be available on or before 30 June 2022 EDUCATION-The study was delayed due to unavailability of research participants during lockdown. This impact negatively on the quality and integrity of data collected. DARD-Project was stopped due to veld fires and the farm targeted for the study burned down as a result. Project was stopped due to veld fires and the farm targeted for the study burned down as a result. In 2021 the trial started late due to security and infrastructure challenges such as water availability, security issues: theft of fences which affect

								grazing areas and stolen when replaced,
Improved oversight	Approved consolidated Provincial performance report on COVID 19 interventions	Number of reports on the implementation of Covid19 interventions by Provincial Departments	N/A	3	4	4	0	

Programme / Sub-programme: Service Delivery Monitoring and Intervention								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved Governance and Accountability	Functional AIDS Councils	Number of Provincial AIDS Council reports produced on the implementation of the Provincial HIV, STIs and TB Plan	N/A	N/A	4	4	0	
Improved integrated Planning and coordination	Complaints management register	Percentage of service delivery cases managed for resolution by Public Institutions	N/A	N/A	100%	100%	0	
Improved integrated Planning and coordination	Consolidated Service Delivery Reports	Percentage of service delivery interventions coordinated	N/A	100%	100%	100%	0	
Improved integrated Planning and coordination	Moral regeneration Reports	Number of reports on the moral regeneration interventions coordinated	N/A	4	4	4	0	

Programme / Sub-programme: Special Programmes								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved Oversight	Socio-economic Empowerment	Number of Socio-economic Empowerment	N/A	1	1	1	0	

	Program for Women	Programs for Women developed						
Improved Oversight	Provincial Women empowerment performance	Level of performance on Provincial Women empowerment program	N/A	1	1	1	0	
Improved Oversight	Provincial Children's Rights Plan	Number of Provincial Children's Rights Plan developed	N/A	1	1	1	0	
Improved Oversight	Provincial compliance on Rights of the Child	Level of compliance to Rights of the Child	N/A	1	1	1	0	
Improved Oversight	Annual Implementation Plan of White Paper on Rights of Persons with Disabilities (WPRPD)	Number of Annual Implementation Plan of White Paper on Rights of Persons with Disabilities (WPRPD) developed	N/A	1	1	1	0	
Improved Oversight	Compliance to the White Paper on Rights of Persons with Disabilities (WPRPD)	Percentage of compliance to the 2030 targets of the White Paper on Rights of Persons with Disabilities (WPRPD)	N/A	N/A	30%	30%	0	
Improved Oversight	Provincial Plan on Rights of Older Persons	Number of Provincial Plan on Rights of Older Persons developed	N/A	1	1	1	0	
	Delivery Targets of Provincial Plan on Rights of Older Persons	Percentage of compliance to the 2030 delivery targets of the Provincial Plan on Rights of Older Persons achieved	N/A	N/A	30%	33%	0	The reason for the positive variance is that the improved stakeholder reporting during the period under review; impacted positively on the set target

Linking performance with budgets

Sub programme expenditure

	2021/2022			2020/2021		
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

Special Programmes	10 381	9 238	1 143	8 815	8 218	597
Inter-Governmental Relations	6 560	6 021	539	5 597	5 537	60
Provincial Policy Management	30 332	29 578	754	29 988	29 042	946
Premier Priority Programme	13 983	10 367	3 616	14 372	10 114	4 258
Programme Support	25 537	23 914	1 623	25 460	25 055	405
Total	86 793	79 118	7 675	84 232	77 966	6 266

The main reasons for the variance are as follows:

Goods and Services

- An amount of **R3m** was underspend under Provincial Council on AIDS (PCA) Secretariat and is attributable to non-functionality of the PCA support Committees which are targeted for strengthening the next financial year. The intervention will impact positively in the financial performance of PCA in the next financial year.
- Accrual amounting to **R2.9 million** for the Presidential Imbizo due to the delay of processing payments

Machinery and Equipment

Delay for procurement of office equipment. Few requests to procure Laptops was processed to date.

Strategy to overcome areas of under performance

- ACSR-Department will carry over projects to the next financial year. Provide ongoing monitoring to ensure completion of the projects by June 2022 EDUCATION-The DOE develop the adjustment plan to carry over the study and complete it in this financial year. OOP will monitor the implementation of Adjustment/Improvement plan to ensure completion of project DARD-Security measures are being enhanced in terms of human capacity and perimeter fencing to ensure conducive research environment. The trial is envisaged to continue during the course of 2022/2023 financial year. The trial is envisaged to continue during the course of 2022/2023 financial year after the area is secured and infrastructure challenges addressed.

- An alternative process to appoint panel of experts has been initiated. Progress to date indicates that the panel of experts will commence with work during the first quarter of 2022/23

Performance in relation to Standardised Outputs and Output Indicators for sectors with concurrent functions

- The Office does not have standardised indicators

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

None.

5.2. Transfer payments to all organisations other than public entities

None.

6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

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

6.2. Conditional grants and earmarked funds received

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

7. DONOR FUNDS

7.1. Donor Funds Received

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

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

The Office did not incur any expenditure on this category for the year under review.

PART C: GOVERNANCE

1. INTRODUCTION

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

2. RISK MANAGEMENT

- The Office has both a serving independent Risk Management Committee Chairperson and Deputy Chairperson consistent with the EXCO 2015 resolution;
- The RMC successfully convened all quarterly meetings and interrogated reports on risk management systems from other assurance providers as well as those that are internal.
- The Office reviewed and approved all its enabling documents for the 2021/2022 namely, The Risk Management Policy, Strategy and Implementation Plan, Committee and Champions Charters.
- This included assessment of risks and approval of the following risk registers: Strategic, Operational, Fraud, and Information Technology Risk Registers.
- The treatment plans implementation progress was reported by Risk Owners on a quarterly basis and reported to the assurance providers.
- The Office has automated through the Information Technology Office, Management of Provincial Internal Audit related audit action plans.

3. FRAUD AND CORRUPTION

The Department has an approved Fraud Prevention Policy and implementation plan. The policy is being implemented through awareness raised within the Department on quarterly basis.

- Allegations on Fraud and Corruption reported or referred by different stakeholders and walk-ins may be reported through the following sources:-
 - Via National Anti-Corruption Hotline 0800 701 701, Public Participation Call Centre and anonymously through whistle blowing,
 - Request to conduct investigation can be made by Heads of Departments
 - Any information received and or referred by member of public which warrant forensic investigations,

- Any State Owned Entity (SOE) that is funded by Provincial Government can refer a matter which warrant forensic investigation.
- The investigations are conducted based on reported incidences or referrals by different stakeholders and it may be sourced from National Anti-Corruption Hotline, Public Participation Call Centre, Public Participation and anonymously through whistle blowing, Auditor General and Provincial Internal Audit Services, if there are findings which warrant forensic investigations requests can be made by Heads of Departments, any information brought by member of public which warrant forensic investigations, any entity and NGOs that are funded by Provincial Government and red flags identified by any departments which warrant forensic investigations.

4. MINIMISING CONFLICT OF INTEREST

During financial year 2021/22, thirty-five (35) officials were identified by AG to be Performing Remunerative Work outside Public Service. However, the Directorate wrote emails to the identified officials and requested them to complete the application to perform Remunerative work outside Public Service.

5. CODE OF CONDUCT

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

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Findings	Recommendations	Person responsible	Current Status
Ga-Rona building – No smoke detectors and fire alarms installed in case of fire outbreak	Smoke detectors and fire alarms are very crucial in intensifying fire protection and prevention in the building.	Department of Public Works and Roads	Letter of findings was written to Department of Public Works and Roads in February 2022
Dirty carpets is still a challenge to officials with sinuses and other respiratory health condition	Carpets be thoroughly cleaned or replaced with a ceramic tile	Department of Public Works and Roads	Letter of findings was written to Department of Public Works and Roads for compliance in February 2022
In some offices, windows are broken and window blinds are not fitted	Broken windows should be replaced and window blinds be fitted.	Department of Public Works and Roads	Letter of findings was written to Department of Public Works and Roads for compliance in February 2022.

Most of registry cabinets are not in a good state of repair	Registry cabinets to be repaired or replaced.	Department of Public Works and Roads.	Letter of findings was written to Department of Public Works and Roads for compliance in February 2022.
People working at the registry points are not provided with suitable PPE, e.g. gloves, safety boots, dust coats, dust masks, and portable step ladder.	Suitable Personal Protective Equipment be provided to promote conducive and healthy working environment.	Office of the Premier	Letters of findings were written to the Deputy Director: Office Support and Auxiliary Services
Poor ventilation is still a serious challenge due to air-conditioners that are not working.	Air conditioners must be serviced to ensure a healthy environment.	Department of Public Works and Roads.	Letter of findings was written to the Department of Public Works and Roads in February 2022.

7. PORTFOLIO COMMITTEES

Date of the meeting	Subject	Recommendations by the Committee	Response by the Office of the Premier
28 March 2021	Annual Report 2020/21 Presentation	1. Submit a Strategic Audit Action Plan with time frame to address issues raised by Auditor — General. 2. The Office of Premier must ensure that Consequences Management is implemented to those officials who failed to follow proper procurement processes of Supply Chain Management and they must submit a progress report regarding this matter. 3. The Office of Premier should submit process plan for Management of Litigations to curb cost. 4. Submit an expenditure report on Covid-19 budget spent by the departments during 2020/21 financial year. 5. Submit a comprehensive costed plan on how the Office of the Premier intend to redress the AG	Effectuated as per the recommendations

Date of the meeting	Subject	Recommendations by the Committee	Response by the Office of the Premier
		concerns and improve effectiveness of the ICT in the Province. - Submit a report on progress made on the establishment of Local Aids Council and its costed budget. - The Office of the Premier must comply with the procurement procedures that are opening up for competition, and redress all the irregularities of the usage of one service provider. - Submit a performance report on overall expenditure of the departments on 2021/2022 financial year and a plan to mitigate this in the future.	
02 June 2022	Annual Performance Plan and Budget	- A comprehensive report on the recruitment of beneficiaries of a Youth Workshop held in Potchefstroom with annexures and Portfolio of Evidence. - A comprehensive report on NEPO court outcomes. - Submit comprehensive report on the life span of YES as a program including expenditure report on the advert and loss as a result of inaction of officials. - The Office of the Premier must find a way to restructure, re-institutionalize Youth Development and be located in the Office of the Premier as well as issue of Women, Children, and People living with disability. - Submit a status report on the Agri Delite matter and compliance of the Court Judgement by a Member of Executive. - Office of the Premier must table and act on forensic reports amongst others and the Mmabana Forensic audit and Constitutional Court outcomes on VELO IT. - Premier as Head of the Department to pronounce action regarding use of presently own vehicle by the MEC of Agriculture in contravention to the Ministerial handbook. - Submit a comprehensive report on the implementation of all Forensic Reports concluded	Effectuated as per the recommendations

Date of the meeting	Subject	Recommendations by the Committee	Response by the Office of the Premier
		9. A report on Covid 19 expenditure and plans on the use of R5m. allocation. 10. Progress report on implementation of Forensic findings in Municipal Councils and expenditure of each investigation per municipality. 11. Provide a report on the reasons for extension of Section 100 intervention, implications and the expenditure to date. 12. A comprehensive report on redress provided on DENEL apprenticeship learnership, security learnership and the expenditure related. 13. A report on why the Office of the Premier mislead Parliament by reporting progress on employment of CEO and the Board for the entity whilst at the same time they were having plans to dissolve YES a programme. 14. A comprehensive report on progress achieved on implementation of Ikatisong and expenditure thereof. 15. A comprehensive report on AIDS Council and expenditure. 16. Committee strongly reject the dis-establishment of YES until the Office of the Premier provided concrete solution to how they are going to deal with YES issues. The following report must be submitted on the quarterly basis 17. A progress report after Treasury has handed over the service provider to deal with issue of Life Style Audit. 18. Progress report on the development of Ikatisong School and YES programme 19. Strengthen monitoring mechanism over the Department and make sure that every quarter they report on progress made on issue of Youth Development Programme.	

Date of the meeting	Subject	Recommendations by the Committee	Response by the Office of the Premier
		20. Ensuring that the PSC Resolution are implemented in all departments including Entities and submit a detailed report on progress made. 21. The office of the Premier must provide a report on Consequence Management action taken against officials who deliberately fail to respond to Committee concerns.	
5 November 2021	1 st Quarter Performance Information Report	1. The Office of the Premier should submit comprehensive report of Secretariat on Provincial Aids Council Moral Regeneration. 2. The Office of the Premier should submit a list of people responsible for the Programme of Moral Regeneration and the method use to select them. 3. Report on how the Office of the Premier intend to attend the programme of youth development. 4. Reconfiguration as Pronounce during the Proclamation of SOPA. 5. Provide the progress report on status of the Youth Entrepreneurship Bill that will be table in the Legislature. 6. A comprehensive report of Ikatisong School of Governance up to date.	Effectuated as per the recommendations
28 March 2022	2 nd Quarter Performance Information Report	1. The Office of the Premier must submit a progress report on the achievement or development made on SOPA pronouncements by the Departments on quarterly basis. 2. A report breakdown on the budget spent in the Province per Department. 3. Provide the Progress report on current status of the YES. 4. Submit a report on the progress made in all forensic cases and the execution of the consequence management. 5. Submit a progress report on the status of bills processed in the Province.	Effectuated as per the recommendations
18 March 2022	3 rd Quarter Performance	1. The Office of the Premier should ensure underperforming indicators are achieved by the fourth quarter.	Effectuated as per the recommendations

Date of the meeting	Subject	Recommendations by the Committee	Response by the Office of the Premier
	Information report	2. The Office of the Premier should ensure that there is an improvement in correlation between the expenditure and programme performance, particularly in Programme 2 3. The Office of the Premier must address the under spending on ICT and Youth Advocacy Program. 4. The Office of the Premier should play its role on performance, monitoring and evaluation on provincial departments to ensure effective administration and accountability in the Province. 5. The Office of the Premier should ensure that challenges on the YES programme are resolved and submit progress report within 7 days after adoption. 6. The Office of the Premier should consolidate the report on number of forensic cases concluded by departments, entities and Municipalities and furnish progress report within 7 days after adoption of this report. 7. The Office of the Premier must provide the Committee with progress on outstanding Bills in particular the NW Parks and Tourism Bill.	

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1	Planned targets	The planned targets of certain indicators were not specific clearly identifying the nature and required level of performance and could consequently not measured	The Office has introduced internal control measures to ensure that planned targets are specific and measured.	YES

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
2	Reported achievement	The reported achievement of various indicators were not reliable as sufficient appropriate audit evidence could not be obtained in some instances while in other cases the supporting evidence provided did not agree into the reported achievement.	The Office has strengthened internal control measures to ensure that reported achievements are supported with evidence.	YES

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Incorrect classification of basic salary	2020/21	Completed
Goods & services: POC Journal not authorised	2020/21	Completed
Subsistence and travel: local travel not reasonable	2020/21	Completed
Internal control: Delivery note not signed	2020/21	Completed
Irregular expenditure: IE Overstated by municipal service charges	2020/21	Completed
Irregular expenditure not complete. Invoiced prices exceeds the allowable prices by a variance greater than 10% SCM: Adherence to local content and production not considered when procuring PPE	2020/21	In Progress
ME Tlou: 3 quotations not obtained	2020/21	Completed
Expenditure management: payments made after 30 days	2020/21	Completed
Contract extension exceeded 15% of the original contract value	2020/21	Completed
Datacentrix non-compliance identified	2020/21	In Progress
BBBEE Act non-compliance	2020/21	Completed
Consequence management: disciplinary action not taken	2020/21	In Progress
Irregular expenditure not prevented	2020/21	Completed
Basic salary - Overpayment	2020/21	Completed
Difference in reported achievements in APR and AOPO Register ISS.25	2020/21	Completed
Performance information - specific information system not properly implemented	2020/21	Completed
Presentation & Disclosure Overall Presentation not comparable and understandable (phased-in condition)	2020/21	Completed
Internal Control Deficiencies	2020/21	Completed

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
AOPO: Indicators not useful (i.e. Measurability) - Sub-programme 3	2020/21	Completed
AOPO: Completeness relevant indicators	2020/21	Completed
Reliability of the reported achievements	2020/21	Completed
Lack of an approved Information Communication Technology Strategic Plan.	2020/21	Not implemented
Non-compliance to Project Portfolio Management framework: Active Directory Project.	2020/21	Not implemented
Inconsistent ICT Steering Committee meetings.	2020/21	Not implemented
Lack of an appointed Chief Director Information Technology directorate.	2020/21	In Progress
Lack of an appointed Information Security Officer.	2020/21	In Progress
Lack of facilitated training and inadequate staffing for the Information Communication Technology directorate.	2020/21	In Progress
Inadequate review and approval of the Information Communication Technology Security Policy.	2020/21	In Progress
Lack of a process to manage centralised user authentication on the Network.	2020/21	Not implemented
Lack of evidence for the Micro Focus Software assessment.	2020/21	In Progress
Lack of an antivirus solution	2020/21	Not implemented
Inadequate design and implementation of the firewall management processes	2020/21	In Progress
Inadequate review process of the Disaster Recovery Plan.	2020/21	In Progress
Lack of a disaster recovery site for Linux and Windows environment.	2020/21	Not implemented
1. Unsupported Resource Access Control Facility, mainframe version. 2. Inadequate Resource Access Control Facility Security Procedure and Standards. 3. Lack of adequate process for the review of activities of user ID's with privilege access. 4. Inadequate mainframe configuration settings. 5. Inappropriate use of started tasks on the data security monitor. 6. Lack of adequate management of users' access on RACF (segregation of duties).	2020/21	Not implemented
Lack of review of exception/violation reports.	2020/21	Not implemented
Lack of a Physical and Environmental Control policy and processes.	2020/21	Implemented
Lack of adequate physical and environmental controls.	2020/21	In Progress
Missing security updates and unsupported software on various systems.	2020/21	In Progress
Insecure configurations on internal networked systems. As follows	2020/21	In Progress
Inadequate Patch management processes implemented	2020/21	In Progress
Lack of evidence for maintenance of environmental controls	2020/21	In Progress

10. INTERNAL CONTROL UNIT

The Office is in the process of establishing Internal Control Unit.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

- **Key activities and objectives of the internal audit**

Key activities:

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

Key objectives:

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

- **Summary of audit work done**

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

- **Key activities and objectives of the audit committee;**

Key activities:

The audit committee, amongst others, reviews the following:

- (a) the effectiveness of the internal control systems;
- (b) the effectiveness of the internal audit function;
- (c) the risk areas of the institution's operations to be covered in the scope of internal and external audits;
- (d) the adequacy, reliability and accuracy of the financial information provided to management and other users of such information;

- (e) any accounting and auditing concerns identified as a result of internal and external audits;
- (f) the institution's compliance with legal and regulatory provisions;
- (g) the activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations

Key objectives:

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

• Attendance of audit committee meetings by audit committee members;

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

Name	Qualifications	Internal or external	Role	Date appointed	Date resigned	No meetings attended
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Central Audit Committee						
Ms P. Mzizi	CA(SA)	External	Chairperson	14 February 2022		1
Mr P. Tjie	B.Com, PMD	External	Member	14 February 2022		1
Mr. L. Ally	CA(SA)	External	Member	14 February 2022		1
Cluster Audit Committee						
Mr P. Tjie	B.Com, PMD	External	Chairperson	14 February 2022		1
Ms H Masedi	M.Com	External	Member	14 February 2022		1
Mr M. Terheyden	CA(SA)	External	Member	14 February 2022		1
Mr T Boltman	Certified Internal Auditor	External	Member	14 February 2022		1

12. AUDIT COMMITTEE REPORT

1. Legislative Requirements

The Audit Committee herewith presents its report for the financial year ended 31 March 2022, as required by treasury regulation 3.1.13 read with section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended by Act No. 29 of 1999).

2. Audit Committee Members and Attendance

The Audit Committee should meet at least four times per annum as the Central Audit Committee and also four times per annum as the Cluster Audit Committee as per its approved terms of reference. During the current year two (2) scheduled meetings were held by the Central Audit Committee and five meetings were held by the Cluster Audit Committee.

3. Audit Committee Responsibility

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

4. The effectiveness of internal control

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

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

Through our analysis of audit reports and engagement with the Department we can report that the system of internal control for the period under review was 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 action plan management system has not been implemented adequately and effectively to address internal and external audit findings and the Audit Committee and Internal Audit have recommended specific improvements in this regard.

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

Committee however notes that there has been a reduction in irregular expenditure incurred in the current year.

5. Risk management

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

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

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

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

6. In-Year Management and Quarterly Reporting

The quality of the in-year financial and performance reporting including interim financial statements are a concern to the Audit Committee.

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

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

Subsequently the material misstatements not corrected and corrected were also reviewed when the management report of the AGSA was discussed with the Audit Committee.

7. Evaluation of Financial Statements

During the quarter 3 and 4 meetings the Department presented the annual financial statement preparation plan and a progress report to the Audit Committee. The draft

annual financial statements reviewed by the Audit Committee were not reflective of the progress reported to the Committee.

The draft annual financial statements reviewed by the Audit Committee were not submitted timely and finalised and completed to the extent required to enable adequate and effective review thereof. This compromised the assurance value of reviews performed by the Accountant General, Internal Audit and the Audit Committee. The Audit Committee has however reviewed the draft annual financial statements prepared by the department and has advised the accounting officer to ensure that all the review notes and comments of Internal Audit, the Accountant General and the Audit Committee are fully addressed prior to submission of the annual financial statements to the Auditor General South Africa.

8. Evaluation of Performance Information

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

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

9. Compliance with laws and regulations

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

10. Internal Audit

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

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

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

11. Auditor General South Africa

We have reviewed the department’s implementation plan for audit issues raised in the previous year and based on the interaction with the department and the internal audit reports, the committee is not satisfied that all matters have been adequately addressed. To effectively address and prevent repeat audit outcomes this must be a high priority for the department in the 2022/23 financial year.

The Audit Committee is not aware of any unresolved issues with respect to the current audit.

The Audit Committee concurs with the Auditor-General South Africa's opinion on the annual financial statements.

12. General

Signed on behalf of the Cluster Audit Committee by:

**Chairperson of the
Cluster Audit Committee
Date**

M.P. Tjie
.....
**M P Tjie
10 August 2022**

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

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

Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	The criteria does not apply to Office of the Premier as our mandate is to support the Premier in the execution of his constitutional Responsibilities. The Premier performs executive, legislative and ceremonial functions and responsibilities as stipulated in Chapter 6 of the Constitution. Section 125(2) of the Constitution determines that the Premier exercises the executive authority over the province together with the other members of the Executive Council
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PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

The Office of the Premier has an approved organizational structure with a total of eight hundred and twenty one (821) positions. Notwithstanding this, the Office has transferred the Community Development Worker Programme function with the total of three hundred and nineteen (319) positions to the Department of Cooperative Governance and Traditional Affairs in the previous financial year. Therefore in total as at 31st March 2022, the Office had a total of staff compliment of five hundred and thirty three (533) positions and efforts are underway to review the current organizational structure with the process to appoint the service provider at an advanced stage. Of these five hundred and thirty three (533) positions, four hundred and forty three (443) were filled which includes employees additional to staff establishment whilst one hundred and twenty three (133) were vacant as at the 31st March 2022. These vacancies could not filled as the recruitment process is at its slowest pace since the Office is placed under administration and the advent of Covid-19 has also exacerbated the situation. As at the 31st March 2022, the Office is under represented at -29.25% of females at senior management whilst the vacancy stood at 24.9%. The representation of persons with disability stood at 3.16% as at the 31st March 2022. The Office has an approved Human Resource Plan in place for a five year period ending 2025.

With regard to performance management 85.4% of senior managers signed their performance agreement as compared to the 88% in the previous financial year. There were twelve (12) training interventions conducted and this limited number was informed by the circumstances brought by Covid-19 which led to the national School of Government deferring most of training sessions whilst two (2) cases of misconduct were subjected to disciplinary proceedings and nine (9) grievances were lodged. The Office has a functional Occupational Health and safety Committee in place however the Department of Public Works and Roads remains unresponsive to action the occupational health and safety inspection findings relating to the maintenance issues of Garona Building such as poor ventilation and non-functional air-conditioning system.

The Office has recorded a total of one hundred and four (104) confirmed Covid-19 cases whilst a total of one hundred and seventy four (174) employees were vaccinated as at the 31st March 2022.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

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.

3.1 Personnel related expenditure

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2021 and 31 March 2022

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Programme 1	82 230	81 827	403	0	33%	496
Programme 2	96 072	96 072	0	0	39%	468
Programme 3	70 670	70 670	0	0	28%	615
Total	248 972	248 569	403	0	100%	554

Table 3.1.2 Personnel costs by salary band for the period 1 April 2021 and 31 March 2022

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	5 045	0	25	202,00
Skilled (Levels 3-5)	32 853	0	106	310,00
Highly skilled production (Levels 6-8)	41 900	0	99	423,00
Highly skilled supervision (Levels 9-12)	99 009	0	126	786,00
Senior and Top Management (Level 13-16)	47 338	0	36	1 315,00
Contract (Levels 1-2)	659	0	4	165,00
Contract (Levels 3-5)	672	0	4	168,00

Contract (Levels 6-8)	3 580	0	40	90,00
Contract (Levels 9-12)	3 328	0	4	832,00
Contract (Levels 13-16)	8 677	0	5	1 735,00
Periodical Remuneration	0	0		0,00
Abnormal Appointment	0	0		0,00
Total	243 062	0	449	541,00

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2021 and 31 March 2022

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R')	Salaries as a % of personnel costs	Amount (R')	Overtime as a % of personnel costs	Amount (R')	HOA as a % of personnel costs	Amount (R')	Medical aid as a % of personnel costs
Administration	50 651	65	575	1	1 826	2	3 963	5
Institutional development	70 369	68	560	1	1 896	2	3 805	4
Policy and governance	41 953	69	54	0	1 184	2	2 753	5
Total	162 973	67	1 189	1	4 906	2	10 521	4

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2021 and 31 March 2022

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	2 682	53	0	0	377	8	978	19
Skilled (level 3-5)	20 684	63	277	1	1 712	5	3 467	11
Highly skilled production (levels 6-8)	27 933	67	666	2	1 441	3	3 014	7
Highly skilled supervision (levels 9-12)	68 521	69	246	0	1 192	1	2 621	3
Senior management (level 13-16)	30 724	65	0	0	184	0	440	1
Contract (Levels 1-2)	431	66	0	0	0	0	0	0
Contract (Levels 3-5)	440	66	0	0	0	0	0	0
Contract (Levels 6-8)	3 347	94	0	0	0	0	0	0
Contract (Levels 9-12)	2 326	70	0	0	0	0	0	0
Contract (Levels 13-16)	5 886	68	0	0	0	0	0	0
Periodical Remuneration	0	0	0	0	0	0	0	0
Abnormal Appointment	0	0	0	0	0	0	0	0
Total	162 973	67	1 189	1	4 906	2	10 521	4

3.2 Employment and Vacancies

Table 3.2.1 Employment and vacancies by programme as on 31 March 2022

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATION	178	137	23	29
INSTITUTIONAL DEVELOPMENT	217	156	28	12
POLICY AND GOVERNANCE	138	106	23	9
Total	533	399	25	50

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2022

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	43	35	19	4
Skilled(3-5)	136	117	14	40
Highly skilled production (6-8)	116	83	28	0
Highly skilled supervision (9-12)	181	126	30	5
Senior management (13-16)	57	38	33	1
Total	533	399	25	50

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2022

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATIVE RELATED	153	104	32	5
ADVOCATES	4	2	50	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	45	37	18	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
COMPUTER PROGRAMMERS.	3	1	67	0
COMPUTER SYSTEM DESIGNERS AND ANALYSTS.	1	1	0	0
FINANCIAL AND RELATED PROFESSIONALS	4	3	25	0
FINANCIAL CLERKS AND CREDIT CONTROLLERS	7	4	43	0
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	1	1	0	0
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	0		0	1
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	17	12	29	0
HUMAN RESOURCES CLERKS	0		0	4
INFORMATION TECHNOLOGY RELATED	5	4	20	0
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	7	3	57	0
LIBRARIANS AND RELATED PROFESSIONALS	1	1	0	0
LIBRARY MAIL AND RELATED CLERKS	7	6	14	0
MESSENGERS PORTERS AND DELIVERERS	14	11	21	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	49	42	14	39
OTHER ADMINISTRATIVE	51	36	29	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
POLICY AND RELATED OFFICERS				
OTHER INFORMATION TECHNOLOGY PERSONNEL.	69	60	13	0
OTHER OCCUPATIONS	1	1	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	35	30	14	0
SECURITY OFFICERS	4	4	0	0
SENIOR MANAGERS	55	36	35	1
Total	533	399	25	50

3.3 Filling of SMS Posts

Table 3.3.1 SMS post information as on 31 March 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	6	6	100	0	0
Salary Level 14	13	6	46	7	53,8
Salary Level 13	36	25	69	11	30,6
Total	57	39	68,4	18	31,6

Table 3.3.2 SMS post information as on 30 September 2021

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	5	4	80	1	20
Salary Level 14	13	7	54	6	46,2
Salary Level 13	36	28	78	8	22,2
Total	56	41	73,2	15	26,8

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2021 and 31 March 2022

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	1	0	0
Salary Level 13	1	0	0
Total	2	0	0

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2021 and 31 March 2022

Reasons for vacancies not advertised within six months

The Office was under section 1001(b) during the reporting period and was also reviewing the list of its critical positions to be filled with the position of the Director-General earmarked to be filled first. The Director-General position was filled on the 1st May 2021.

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 2021 and 31 March 2022

Reasons for vacancies not advertised within six months

The Office was under section 1001(b) during the reporting period and was also reviewing the list of its critical positions to be filled with the position of the Director-General earmarked to be filled first. The Director-General position was filled on the 1st May 2021.

Reasons for vacancies not filled within six months

The Office was under section 1001(b) during the reporting period and was also reviewing the list of its critical positions to be filled with the position of the Director-General earmarked to be filled first. The Director-General position was filled on the 1st May 2021.

3.4 Job Evaluation

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2021 and 31 March 2022

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)	0	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0	0
Senior Management Service Band A	0	0	0	0	0	0	0
Senior Management Service Band B	0	0	0	0	0	0	0
Senior Management Service Band C	0	0	0	0	0	0	0
Senior Management Service Band D	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2021 and 31 March 2022

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2021 and 31 March 2022

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

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2021 and 31 March 2022

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

Employees with a disability	N/A	N/A	N/A	N/A	
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Total number of Employees whose salaries exceeded the grades determined by job evaluation	None
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3.5 Employment Changes

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2021 and 31 March 2022

Salary band	Number of employees at beginning of period- 1 April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	25	1	0	0
Skilled (Levels3-5)	117	2	6	5
Highly skilled production (Levels 6-8)	89	10	8	9
Highly skilled supervision (Levels 9-12)	128	10	17	13
Senior Management Service Bands A	29	0	3	10
Senior Management Service Bands B	7	0	1	14
Senior Management Service Bands C	3	0	0	0
Senior Management Service Bands D	1	1	1	100
Contracts	20	60	21	105
Total	419	84	57	14

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2021 and 31 March 2022

Critical occupation	Number of employees at beginning of period-April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
ADMINISTRATIVE RELATED	93	15	18	19
ADVOCATES	2	0	0	0
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC.	0	1	0	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	37	1	1	3
COMMUNICATION AND INFORMATION RELATED	5	0	1	20
COMPUTER PROGRAMMERS.	2	0	0	0
ENGINEERING SCIENCES RELATED	2	0	1	50
FINANCE AND ECONOMICS RELATED	4	1	0	0
FINANCIAL AND RELATED PROFESSIONALS	2	3	0	0
FINANCIAL CLERKS AND CREDIT CONTROLLERS	6	0	1	17
FOOD SERVICES AIDS AND WAITERS	1	0	1	100
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	0	1	0	0
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	1	1	1	100
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	12	2	3	25
HUMAN RESOURCES CLERKS	6	5	1	17
HUMAN RESOURCES RELATED	9	0	1	11
INFORMATION TECHNOLOGY RELATED	6	0	1	17
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	1	2	1	100

LIBRARIANS AND RELATED PROFESSIONALS	1	0	0	0
LIBRARY MAIL AND RELATED CLERKS	6	1	1	17
MATERIAL-RECORDING AND TRANSPORT CLERKS	0	1	0	0
MESSENGERS PORTERS AND DELIVERERS	9	1	1	11
MOTOR VEHICLE DRIVERS	2	0	0	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	53	41	6	11
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	27	1	3	11
OTHER INFORMATION TECHNOLOGY PERSONNEL.	55	0	1	2
OTHER OCCUPATIONS	1	1	1	100
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS	1	0	0	0
PSYCHOLOGISTS AND VOCATIONAL COUNSELLORS	0	1	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	32	1	2	6
SECURITY OFFICERS	4	0	0	0
SENIOR MANAGERS	39	4	11	28
TOTAL	419	84	57	14

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 2021 and 31 March 2022

Termination Type	Number	% of Total Resignations
Death	7	12
Resignation	18	32
Expiry of contract	20	35
Dismissal – operational changes	0	0
Dismissal – misconduct	1	2
Dismissal – inefficiency	0	0
Discharged due to ill-health	2	4
Retirement	6	11

Transfer to other Public Service Departments	3	5
Other (Inter departmental transfer (within NWPG))	0	0
Total	57	100
Total number of employees who left as a % of total employment		14

Table 3.5.4 Promotions by critical occupation for the period 1 April 2021 and 31 March 2022

Occupation	Employees 1 April 2021	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
ADMINISTRATIVE RELATED	93	4	4	93	100
ADVOCATES	2	0	0	2	100
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	37	0	0	36	97
COMMUNICATION AND INFORMATION RELATED	5	0	0	4	80
COMPUTER PROGRAMMERS.	2	0	0	2	100
ENGINEERING SCIENCES RELATED	2	0	0	2	100
FINANCE AND ECONOMICS RELATED	4	0	0	5	125
FINANCIAL AND RELATED PROFESSIONALS	2	0	0	3	150
FINANCIAL CLERKS AND CREDIT CONTROLLERS	6	1	17	5	83
FOOD SERVICES AIDS AND WAITERS	1	0	0	0	0
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	0	0	0	1	0

Occupation	Employees 1 April 2021	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	1	0	0	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	12	1	8	13	108
HUMAN RESOURCES CLERKS	6	0	0	11	183
HUMAN RESOURCES RELATED	9	0	0	9	100
INFORMATION TECHNOLOGY RELATED	6	0	0	6	100
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	1	0	0	3	300
LIBRARIANS AND RELATED PROFESSIONALS	1	0	0	1	100
LIBRARY MAIL AND RELATED CLERKS	6	1	17	7	117
MESSENGERS PORTERS AND DELIVERERS	9	0	0	9	100
MOTOR VEHICLE DRIVERS	2	0	0	2	100
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	53	0	0	49	93
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	27	1	4	26	96
OTHER INFORMATION TECHNOLOGY PERSONNEL.	55	0	0	54	98
OTHER OCCUPATIONS	1	0	0	0	0

Occupation	Employees 1 April 2021	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS	1	0	0	1	100
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	32	0	0	32	100
SECURITY OFFICERS	4		0	4	100
SENIOR MANAGERS	39	0	0	32	82
TOTAL	419	8	2	412	98

Table 3.5.5 Promotions by salary band for the period 1 April 2021 and 31 March 2022

Salary Band	Employees 1 April 2021	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	25	0	0	24	96
Skilled (Levels 3-5)	117	0	0	109	93
Highly skilled production (Levels 6-8)	89	6	7	100	112
Highly skilled supervision (Levels 9-12)	128	2	2	127	99
Senior Management (Level 13-16)	40	0	0	35	88
Contract	20	0	0	17	85
Total	419	8	2	412	98

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2022

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials, and managers	24	0	0	1	8	0	0	1	34
Professionals	59	1	1	4	34	1	0	1	101
Technicians and associate professionals	54	1	0	0	61	3	0	1	120
Clerks	51	0	0	0	86	2	1	0	140
Service and sales workers	2	0	0	0	3	0	0	0	5
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	1	0	0	0	0	0	0	0	1
Plant and machine operators and assemblers	2	0	0	0	0	0	0	0	2
Elementary occupations	10	0	1	0	35	0	0	0	46
Total	203	2	2	5	227	6	1	3	449
Employees with disabilities	10	0	0	0	5	0	0	0	15

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	5	0	0	1	0	0	0	0	6
Professionally qualified and experienced specialists and mid-management	20	1	0	2	10	0	0	1	34
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	55	1	1	1	26	2	0	1	87
Semi-skilled and discretionary decision making	75	0	0	1	103	2	0	1	182
Unskilled and defined decision making	39	0	1		67	2	1	0	110
Total	203	2	2	5	227	6	1	3	449
Employees with disabilities	10	0	0	0	5	0	0	0	15

Table 3.6.3 Recruitment for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	2	0	0	1	0	0	0	0	3
Professionally qualified and experienced specialists and mid-management	1	0	0	0	1	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	8	0	0	0	3	0	0	0	11
Semi-skilled and discretionary decision making	16	0	0	0	32	0	0	0	48
Unskilled and defined decision making	2	0	0	0	3	0	0	0	5
Total	34	0	0	1	41	0	0	0	76
Employees with disabilities	1	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	1	0	0	0	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	3	0	0	0	4	0	0	0	7
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	4	0	0	0	4	0	0	0	8
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	2	0	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management	5	0	0	0	2	0	0	1	8
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	7	0	0	0	9	0	0	0	16
Semi-skilled and discretionary decision making	8	1	0	0	8	0	0	0	17
Unskilled and defined decision making	4	0	0	0	3	1	0	0	8
Total	28	1	0	0	23	1	0	1	54
Transfer of a person to another PERSAL bureau	2	0	0	0	0	0	1	0	3
Inter departmental transfer (within NWPG)	30	1	0	0	23	1	1	1	57

Table 3.6.6 Disciplinary action for the period 1 April 2021 to 31 March 2022

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary hearing	6	0	0	0	3	0	0	0	9
Progressive discipline	0	0	0	0	0	0	0	0	0
Under Investigation	0	0	0	0	0	0	0	0	0

Table 3.6.7 Skills development for the period 1 April 2021 to 31 March 2022

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	8	0	0	0	6	0	0	0	14
Professionals	0	0	0	0	1	0	0	0	1
Technicians and associate professionals	16	0	0	0	18	1	1	0	36
Clerks	2	0	0	0	2	0	0	0	4
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	1	0	0	0	0	0	0	0	1
Total	27	0	0	0	27	1	1	0	56
Employees with disabilities	4	0	0	0	2	0	0	0	6

3.7 Signing of Performance Agreements by SMS Members

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

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

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	0	0	0	0
Salary Level 16	0	0	0	0
Salary Level 15	3	3	3	100
Salary Level 14	7	8	7	87.5
Salary Level 13	25	30	25	83.3
Total	35	41	35	85.4

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2022

Reasons
Suspension
National Lock-down due to COVID-19

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2022

Reasons
Exclusion from Performance Rewards for the period under review as per policy provisions

3.8 Performance Rewards

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

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2021 to 31 March 2022

RACE	GENDER	Beneficiary Profile			Cost	
		Number of beneficiaries	Number of employees	% of total within group	Cost(R'000)	Average cost per employee
African	Female	51	199	26	679	13
	Male	32	186	17	497	16
Coloured	Female	1	7	14	54	54
	Male	0	3	0	0	0
Indian	Female	0	2	0	0	0
	Male	1	0	0	3	3
White	Female	1	3	33	29	29
	Male	0	4	0	0	0
Total		86	404	21	1 261	15
EMPLOYEES WITH DISABILITY		2	15	13	76	38

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2021 to 31 March 2022

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	16	26	62	69	4	0
Skilled (level 3-5)	29	117	25	224	8	0

Highly skilled production (level 6-8)	15	89	17	228	15	0
Highly skilled supervision (level 9-12)	22	131	17	637	29	0
Contract (Levels 1-12)	2	10	20	14	7	0
Total	84	373	23	1 172	14	0

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2021 to 31 March 2022

	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
ADMINISTRATIVE RELATED	0	0	0	1 089	0.00
ADVOCATES	0	0	0	0.00	0.00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	0	0	0	68	0.00
COMMUNICATION AND INFORMATION RELATED	0	0	0	0.00	0.00
COMPUTER PROGRAMMERS.	0	0	0	0.00	0.00
ENGINEERING SCIENCES RELATED	0	0	0	0.00	0.00
FINANCE AND ECONOMICS RELATED	0	0	0	0.00	0.00
FINANCIAL AND RELATED PROFESSIONALS	0	0	0	0.00	0.00
FINANCIAL CLERKS AND CREDIT CONTROLLERS	0	0	0	0.00	0.00

	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
FOOD SERVICES AIDS AND WAITERS	0	0	0	0.00	0.00
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	0	0	0	0.00	0.00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	0	0	0	0.00	0.00
HUMAN RESOURCES CLERKS	0	0	0	0.00	0.00
HUMAN RESOURCES RELATED	0	0	0	0.00	0.00
INFORMATION TECHNOLOGY RELATED	0	0	0	0.00	0.00
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	0	0	0	0.00	0.00
LIBRARIANS AND RELATED PROFESSIONALS	0	0	0	0.00	0.00
LIBRARY MAIL AND RELATED CLERKS	0	0	0	0.00	0.00
MESSENGERS PORTERS AND DELIVERERS	0	0	0	0.00	0.00
MOTOR VEHICLE DRIVERS	0	0	0	0.00	0.00

	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	0	0	0	0.00	0.00
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	0	0	0	0.00	0.00
OTHER INFORMATION TECHNOLOGY PERSONNEL.	0	0	0	0.00	0.00
OTHER OCCUPATIONS	0	0	0	0.00	0.00
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS	0	0	0	0.00	0.00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	0	0	0	0.00	0.00
SECURITY OFFICERS	0	0	0	0.00	0.00
SENIOR MANAGERS	0	0	0	103	0.00
Total	0	0	0	1 261 38	0.00

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2021 to 31 March 2022

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R)	Average cost per employee	

Band A	4	31	13	80	20	0
Band B	1	9	11	23	23	0
Band C	0	4	0	0	0	0
Band D	0	0	0	0	0	0
Contract (Levels 13-16)	0	6	0	0	0	0
Total	5	50	10	103	21	0

3.9 Foreign Workers

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2021 and 31 March 2022

Salary band	01 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Skilled (Levels 3-5)	1	100	1	100	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)						
Total	1	100	1	100	0	0

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2021 and 31 March 2022

Major occupation	01 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% Change

Messengers porters and deliverers	1	100	1	100	0	0
Grand Total	1	100	1	100	0	0

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 2021 to 31 December 2021

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	128	81	19	11	7	71
Skilled (Levels 3-5)	355	89	43	25	8	328
Highly skilled production (Levels 6-8)	314	95	47	28	7	471
Highly skilled supervision (Levels 9-12)	314	92	43	25	7	912
Senior management (Levels 13-16)	106	97	18	11	6	492
Grand Total	1217	91	170	100	7	2 275

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2021 to 31 December 2021

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)		0		0	0	0
Skilled (Levels 3-5)	323	100	6	43	54	332
Highly skilled production (Levels 6-8)	67	100	3	21	22	100
Highly skilled supervision (Levels 9-12)	117	100	5	36	23	287
Senior management (Levels 13-16)	0	0	0	0	0	0
Grand Total	507	100	14	100	36	719

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 2021 to 31 December 2021

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	534	30	18
Skilled Levels 3-5)	2613,92	121	22
Highly skilled production (Levels 6-8)	2311	146	16
Highly skilled supervision(Levels 9-12)	2848	138	21
Senior management (Levels 13-16)	756	47	16
Total	9062,92	482	19

Table 3.10.4 Capped leave for the period 1 January 2021 to 31 December 2021

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2021
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	7
Highly skilled production (Levels 6-8)	0	0	0	15
Highly skilled supervision(Levels 9-12)	0	0	0	12
Senior management (Levels 13-16)	0	0	0	13
Total	0	0	0	11

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

Table 3.10.5 Leave payouts for the period 1 April 2021 and 31 March 2022

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2021/22 due to non-utilisation of leave for the previous cycle (LEAVE DISCOUNTING (UNUSED LEAVE CR))	420	8	53
Capped leave pay-outs on termination of service for 2021/22 (LEAVE GRATUITY)	0	0	0
Current leave pay-outs on termination of service for 2021/22 (LEAVE DISCOUNTING \ GRATUITY (UNUSED LEAVE CR))	2 893	40	72
Grand Total	3 314	48	69

3.10 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
N/A	N/A

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Mr. M. M Badimo, Director: Human Resource Management
2. Does the department have a dedicated unit, or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		The Office has a dedicated Employee Health & Wellness unit which comprises four employees and an intern including a designated Senior Manager. Annual budget available for this purpose is 0.5%.
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.	Yes		Employee Health & Wellness has been introduced to the department and the programme is effective to the staff. It is also introduced through marketing. The programme is carried out services on key pillars, i.e. HIV, STI & TB Management, Health & Productivity Management, Wellness management and Safety, Health, Environment, Risk and Quality Management

4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		The Office has established Occupational Health & Safety Committee to ensure health and safety in the workplace. The unit is in the process to review Employee Health & Wellness Advisory Committee and Sport & Recreation Committee.
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.	Yes		Recruitment and Selection policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		The Office has a dedicated policy on HIV/ Aids
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		The Office encourages its employees to undergo voluntary HIV Counselling Testing through GEMS, Lifeline, Department of Health and other stakeholders.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		The Office uses the monitoring tool and performance indicators to assess the impact of the health programme. It has also develop the evaluation survey form to assess the impact of the service rendered to the employees.

3.11 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2021 and 31 March 2022

Subject matter	Date
Total number of Collective agreements	None

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2021 and 31 March 2022

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	3	60
Suspended without pay	0	0
Fine	0	0
Demotion	0	0

Dismissal	2	40
Not guilty	0	0
Case withdrawn	0	0
Total	5	100

Total number of Disciplinary hearings finalised	9
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Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2021 and 31 March 2022

Type of misconduct	Number	% of total
Insolent behavior and displays disrespect towards supervisor	1	50
Perjury and failure to disclose relations	1	50
Total	2	100

Table 3.12.4 Grievances logged for the period 1 April 2021 and 31 March 2022

Grievances	Number	% of Total
Number of grievances resolved	9	100
Number of grievances not resolved	0	0
Total number of grievances lodged	9	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2021 and 31 March 2022

Disputes	Number	% of Total
Number of disputes upheld	2	28.6
Number of disputes dismissed	1	14.3
Number of disputes abandoned	0	0
Number of disputes pending finalization	0	0
Total number of disputes lodged	7	100

Table 3.12.6 Strike actions for the period 1 April 2021 and 31 March 2022

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

Table 3.12.7 Precautionary suspensions for the period 1 April 2021 and 31 March 2022

Number of people suspended	2
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Number of people who's suspension exceeded 30 days	1
Average number of days suspended	348
Cost of suspension(R'000)	R209803.07

Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2021 and 31 March 2022

Occupational category	Gender	Number of employees as at 1 April 2021	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	9	0	22	0	22
	Male	23	0	49	0	49
Professionals	Female	38	0	106	0	106
	Male	63	0	142	0	142
Technicians and associate professionals	Female	64	0	76	0	76
	Male	53	0	87	0	87
Clerks	Female	86	0	116	0	116
	Male	46	0	94	0	94
Service and sales workers	Female	3	0	3	0	3
	Male	2		6	0	6
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	1	0	3	0	3
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	2	0	2	0	2
Elementary occupations	Female	35	0	65	0	65
	Male	11	0	14	0	14
Sub Total	Female	235	0	388	0	388
	Male	201	0	397	0	397
Total		436	0	785	0	785

Table 3.13.2 Training provided for the period 1 April 2021 and 31 March 2022

Occupational category	Gender	Number of employees as at 1 April 2021	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	9	0	6	0	6
	Male	23	0	8	0	8
Professionals	Female	38	0	1	0	1
	Male	63	0	0	0	0
Technicians and associate professionals	Female	64	0	20	0	20
	Male	53	0	16	0	16
Clerks	Female	86	0	2	0	2
	Male	46	0	2	0	2
Service and sales workers	Female	3	0	0	0	0
	Male	2	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	2	0	0	0	0
Elementary occupations	Female	35	0	0	0	0
	Male	11	0	1	0	0
Sub Total	Female	235	0	29	0	29
	Male	201	0	27	0	27
Total		436	0	56	0	56

3.12 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 2021 and 31 March 2022

Nature of injury on duty	Number	% of total
Required basic medical attention only	5	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	5	100

3.13 Utilisation of Consultants

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

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

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2021 and 31 March 2022

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

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

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2021 and 31 March 2022

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
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Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2021 and 31 March 2022

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

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

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2021 and 31 March 2022

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

3.14 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2021 and 31 March 2022

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0

Highly skilled supervision(Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0

PART E: FINANCIAL INFORMATION

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

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Office of the Premier North West set out on pages xx to xx, which comprise the appropriation statement, statement of financial position as at 31 March 2022, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Office of the Premier as at 31 March 2022, 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 1 of 1999 (PFMA) and the Division of Revenue Act 9 of 2021 (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' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Irregular and fruitless and wasteful expenditure

7. As disclosed in note 31 to the financial statements, irregular expenditure of R38 625 000 was incurred in the current year and irregular expenditure of R892 267 000 from prior years had not yet been resolved.
8. As disclosed in note 32 to the financial statements, fruitless and wasteful expenditure of R7 090 000 from prior years had not yet been resolved.

Underspending of the vote

9. As disclosed in the notes to the appropriation statement, the department materially underspent the budget on programme 2: Institutional development by R57 785 000.

Restatement of corresponding figures

10. As disclosed in note 44 to the financial statements, the corresponding figures for 31 March 2021 were restated as a result of errors in the financial statements of the department at, and for the year ended, 31 March 2022.

Other matter

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

Unaudited supplementary schedules

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

Responsibilities of the accounting officer for the financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by the National Treasury and the requirements of the PFMA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
14. In preparing the financial statements, the accounting officer is responsible for assessing the 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 the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

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

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

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

17. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
18. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
19. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the department's annual performance report for the year ended 31 March 2022:

Programme	Pages in the annual performance report
Programme 2: Institutional development support	32 – 39

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

Programme 2: Institutional development support**Various indicators**

22. I was unable to obtain sufficient appropriate audit evidence that clearly defined the predetermined method of collection to be used when measuring the actual achievement for the indicators listed below. This was due to insufficient measurement definitions or processes. I was unable to test whether the indicator was well-defined by alternative means. As a result, the achievements reported in the annual performance report for the listed indicators, materially differed from the supporting evidence provided:

Indicator name	Reported achievement	Audited value
Number of labour relations initiatives provided to the departments	12	Not determined
Number of employee health and wellness initiatives provided to the departments	5	Not determined
Number of interventions to improve employee performance	4	Not determined
Number of training programmes implemented	8	Not determined
Number of forensic investigations concluded	4	Not determined
Number of interventions implemented towards achieving national anti-corruption strategy	8	Not determined
Number of minimum security standards coordinated	4	Not determined
Number of bills developed	5	Not determined

Other matters

23. I draw attention to the matters below.

Achievement of planned targets

24. Refer to the annual performance report on pages 29 to 51 for information on the achievement of planned targets for the year and management explanations provided for the under/overachievement of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph 22 of this report.

Report on the audit of compliance with legislation

Introduction and scope

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

Consequence management

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

Expenditure management

28. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R38 625 000, as disclosed in note 31 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure disclosed in the financial statements was caused by deviations from competitive bidding, in contravention with treasury regulation 16A6.4.

Procurement and contract management

29. A deviation from competitive bids for some goods and services with a transaction value above R500 000 was not appropriately approved, as required by treasury regulation 16A6.4 and paragraph 8.5 of SCM instruction 3 of 2016-17. Similar non-compliance was also reported in the prior year.
30. I was unable to obtain sufficient appropriate audit evidence that contracts were awarded only to bidders who submitted a declaration on whether they are employed by the state or connected to any person employed by the state, which is prescribed in order to comply with treasury regulation 16A8.3.
31. Some of the contracts were extended or modified without the approval of a properly delegated official, as required by section 44 of the PFMA and treasury regulations 8.2.1 and 8.2.2.
32. Some of the IT-related goods and services, classified as mandatory, were not procured through SITA, as required by treasury regulation 16A6.3(e) and section 7(3) of the SITA Act. Similar non-compliance was also reported in the prior year.
33. The preference point system was not applied in some of the procurement of goods and services above R30 000 as required by section 2(a) of the PPPFA and treasury regulation 16A6.3(b).

Strategic planning and performance management

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

Other information

35. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
36. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
37. 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.
38. I did not receive the other information prior to the date of this auditor's report. After I receive and read this information and if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

39. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.
- The accounting officer did not adequately exercise oversight, regarding performance reporting and compliance with legislation. The department did not have sufficient monitoring and reviewing controls to prevent non-compliance and to ensure that the performance report submitted for audit was accurate and complete.
 - Management did not ensure that control deficiencies related to performance reporting and were timeously addressed. The department does not have reporting and quality controls such standardised data collection forms and data verifications in place, by both implementing and reporting unit, and as a result, is unable to ensure that the reported achievements on key performance indicators are valid, accurate and complete.

Other reports

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

Investigations

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

Auditor - General

Rustenburg
31 July 2022



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected programme 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 this 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 relating to events or conditions that may cast significant doubt on the ability of the Office of the Premier to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern.
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

ACCOUNTING POLICIES
For the year ended 31 March 2022

Summary of significant accounting policies	
The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information. The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation. Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.	
1	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 spot exchange rates prevailing at the date of payment / receipt.
6	Comparative information
6.1	Prior period comparative information Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	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. Write-offs are made according to the department's debt write-off policy.
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	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
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. Operating lease payments received are recognised as departmental revenue. 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. Finance lease payments received are recognised as departmental revenue. 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 as a current liability. 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. <Indicate when prepayments and advances are expensed and under what circumstances.>
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. Write-offs are made according to the department's write-off policy.
13	Investments Investments are recognised in the statement of financial position at cost.
14	Financial assets
14.1	Financial assets (not covered elsewhere) A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
14.2	Impairment of financial assets Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
15	Payables Payables recognised in the statement of financial position are recognised at cost.
16	Capital Assets
16.1	Immovable capital assets Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
16.2	Movable capital assets Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
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 reliably, 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) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

	Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
16.4	Project Costs: Work-in-progress Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
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	Capital commitments Capital commitments are recorded at cost in the notes to the financial statements.
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 or written off. 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 after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note. Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off. 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 estimates and errors 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	Principal-Agent arrangements The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.
24	Departures from the MCS requirements <i>[Insert information on the following: that management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.]</i>
25	Capitalisation reserve The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
26	Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
27	Related party transactions Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.
28	Inventories At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.
29	Public-Private Partnerships Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies. A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.
30	Employee benefits The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

31	Transfer of functions Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer. Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.
32	Mergers Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger. Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

APPROPRIATION STATEMENT
for the year ended 31 March 2022

Appropriation per programme									
2021/22									
	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									
1. Administration	115 597	-	-	115 597	104 369	11 228	90,3%	99 481	99 218
2. Institutional Development	249 180	-	-	249 180	191 395	57 785	76,8%	276 054	238 808
3. Policy and Governance	86 793	-	-	86 793	79 118	7 675	91,2%	84 232	77 966
Subtotal	451 570	-	-	451 570	374 882	76 688	83,0%	459 767	415 992
Statutory Appropriation									
TOTAL	451 570	-	-	451 570	374 882	76 688	83,0%	459 767	415 992
2020/21									
TOTAL (brought forward)									
Reconciliation with statement of financial performance									
ADD				Final Appropriation	Actual Expenditure				
Departmental receipts									
NRF Receipts									
Aid assistance									
Actual amounts per statement of financial performance (total revenue)									
ADD				451 570					
Aid assistance									
Prior year unauthorised expenditure approved without funding									
Actual amounts per statement of financial performance (total expenditure)									
					374 882				

APPROPRIATION STATEMENT
for the year ended 31 March 2022

Appropriation per economic classification									
	2021/22						2020/21		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	408 143	(140)		408 003	353 192	54 811	86,6%	388 873	354 708
Compensation of employees	247 897	690	-	248 587	248 569	18	100,0%	250 169	247 542
Goods and services	160 223	(895)	-	159 328	104 533	54 795	65,6%	138 176	106 639
Interest and rent on land	23	65	-	88	90	(2)	102,3%	528	527
Transfers and subsidies	19 594	140	-	19 734	19 071	663	96,6%	21 139	20 313
Provinces and municipalities									
Departmental agencies and accounts	7	-	-	7	6	1	85,7%	103	103
Households	19 587	140	-	19 727	19 065	662	96,6%	21 036	20 210
Payments for capital assets	23 833	-	-	23 833	2 619	21 214	11,0%	49 755	40 971
Buildings and other fixed structures									
Machinery and equipment	23 833	-	-	23 833	2 619	21 214	11,0%	49 755	40 971
Payments for financial assets									
Total	451 570	-	-	451 570	374 882	76 688	83,0%	459 767	415 992

APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 1: ADMINISTRATION									
	2021/22					2020/21			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Premier Support	19 790	23	-	19 813	17 873	1 940	90,2%	16 025	15 928
2. Executive Council Support	9 219	67	-	9 286	8 736	550	94,1%	7 560	7 553
3. Director-General Support	49 222	132	-	49 354	44 221	5 133	89,6%	38 668	38 621
4. Financial Management	37 366	(222)	-	37 144	33 539	3 605	90,3%	37 228	37 116
Total for sub programmes	115 597	-	-	115 597	104 369	11 228	90,3%	99 481	99 218
Economic classification									
Current payments	110 636	-	-	110 636	100 816	9 820	91,1%	96 399	96 326
Compensation of employees	81 803	30	-	81 833	81 828	5	100,0%	76 760	76 759
Goods and services	28 833	(31)	-	28 802	18 986	9 816	65,9%	19 623	19 552
Interest and rent on land	-	1	-	1	2	(1)	200,0%	16	15
Transfers and subsidies	1 476	-	-	1 476	1 211	265	82,0%	764	683
Households	1 476	-	-	1 476	1 211	265	82,0%	764	683
Payments for capital assets	3 485	-	-	3 485	2 342	1 143	67,2%	2 318	2 209
Machinery and equipment	3 485	-	-	3 485	2 342	1 143	67,2%	2 318	2 209
Payments for financial assets									
Total	115 597	-	-	115 597	104 369	11 228	90,3%	99 481	99 218

APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 2: INSTITUTIONAL DEVELOPMENT									
	2021/22					2020/21			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Strategic Human Resources	18 888	(126)	-	18 762	17 883	879	95,3%	20 345	19 948
2. Information Communication Technology	137 755	(393)	-	137 362	97 436	39 926	70,9%	166 392	136 927
3. Legal Services	7 787	65	-	7 852	6 575	1 277	83,7%	10 608	9 481
4. Communication Services	32 029	(931)	-	31 098	21 218	9 880	68,2%	19 525	18 268
5. Programme Support	52 721	1 385	-	54 106	48 283	5 823	89,2%	59 184	54 184
Total for sub programmes	249 180	-	-	249 180	191 395	57 785	76,8%	276 054	238 808
Economic classification									
Current payments	212 238	(64)	-	212 174	174 118	38 056	82,1%	209 873	181 600
Compensation of employees	95 695	380	-	96 075	96 072	3	100,0%	101 901	99 950
Goods and services	116 520	(508)	-	116 012	77 958	38 054	67,2%	107 460	81 138
Interest and rent on land	23	64	-	87	88	(1)	101,1%	512	512
Transfers and subsidies	17 428	64	-	17 492	17 096	396	97,7%	19 777	19 041
Departmental agencies and accounts	7	-	-	7	6	1	85,7%	103	103
Households	17 421	64	-	17 485	17 090	395	97,7%	19 674	18 938
Payments for capital assets	19 514	-	-	19 514	181	19 333	0,9%	46 404	38 167
Machinery and equipment	19 514	-	-	19 514	181	19 333	0,9%	46 404	38 167
Payments for financial assets									
Total	249 180	-	-	249 180	191 395	57 785	76,8%	276 054	238 808

APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 3: POLICY AND GOVERNANCE									
	2021/22					2020/21			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Special Programmes	10 588	(207)	-	10 381	9 238	1 143	89,0%	8 815	8 218
2. Inter-Governmental Relations	6 608	(48)	-	6 560	6 021	539	91,8%	5 597	5 537
3. Provincial Policy Management	30 099	233	-	30 332	29 578	754	97,5%	29 988	29 042
4. Premier's Priority Programmes	14 733	(750)	-	13 983	10 367	3 616	74,1%	14 372	10 114
5. Programme Support	24 765	772	-	25 537	23 914	1 623	93,6%	25 460	25 055
Total for sub programmes	86 793	-	-	86 793	79 118	7 675	91,2%	84 232	77 966
Economic classification									
Current payments	85 269	(76)	-	85 193	78 258	6 935	91,9%	82 601	76 782
Compensation of employees	70 399	280	-	70 679	70 669	10	100,0%	71 508	70 833
Goods and services	14 870	(356)	-	14 514	7 589	6 925	52,3%	11 093	5 949
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	690	76	-	766	764	2	99,7%	598	589
Households	690	76	-	766	764	2	99,7%	598	589
Payments for capital assets	834	-	-	834	96	738	11,5%	1 033	595
Machinery and equipment	834	-	-	834	96	738	11,5%	1 033	595
Payments for financial assets	86 793	-	-	86 793	79 118	7 675	91,2%	84 232	77 966
Total	86 793	-	-	86 793	79 118	7 675	91,2%	84 232	77 966

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, disclosure notes and Annexure 1 (A-H) to the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

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

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

4.1	Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	Administration	115 597	104 369	11 228	9,7%
	Institutional Development	249 180	191 395	57 785	23,2%
	Policy and Governance	86 793	79 118	7 675	8,8%
4.2	Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
		R'000	R'000	R'000	R'000
	Current payments				
	Compensation of employees	248 587	248 569	18	0,0%
	Goods and services	159 328	104 533	54 795	34,4%
	Interest and rent on land	88	90	(2)	(2,3)%
	Transfers and subsidies				
	Departmental agencies and accounts	7	6	1	14,3%
	Households	19 727	19 065	662	3,4%
	Payments for capital assets				
	Machinery and equipment	23 833	2 619	21 214	89,0%
	Payments for financial assets				

a) Goods and Services

1. Information Technology and Communication

A total amount of R81.487 million is budgeted for under ICT computer services with only R59.1m expenditure is registered as at year end. The analysis for R22.387m underspent is accounted for as follows:

1.1 Direct procurement for the mainframe licences for the financial year 2022/23 has been completed, an amount of approximately R9 million for the 1st year was due to be paid to IBM during March 2022.

1.2 An amount of R13 million was budgeted for network connectivity services, with only R4,4 million paid at year end, R4,5 million was recorded as accruals which results to a saving of R4 million as a result of over projection on this item. Delay of payment for the periods November 2021 to February 2022 is attributable to delayed invoices from SITA. SITA has taken over the mandatory function and temporary arrangement with Telkom on behalf of the Province is in place to avoid any interruptions. This claim is anticipated to be processed during April 2022 and is equally identified for as part of the rollover application to be considered by PT.

1.3 The total amount of R5m earmarked for maintenance of the mainframe included in the IBM SITA contract, payment of the amount is deferred and shall be processed in line with any service rendered on the newly acquired equipment and be accounted for as part of the procurement plan for the new year, therefore this is classified as a liability and not necessarily an underspending. This amount has been identified as part of application for rollover to be considered by PT.

2. Other items under goods and services

2.1 An amount of R1.5 million was budgeted for Youth Advocacy Programme (YAP) with no registered expenditure at year end, resulting in factual underspending. The YAP had approved plan for implementation. The plan could not be implemented, due to reasons beyond the Office. The implementation is envisaged to happen during new financial year, as per the approved operational plan.

The plan is to conduct Youth Provincial Summit to develop a single Youth Provincial Plan.

2.2 Delay of processing payment for State of the Province Address (SOPA), Presidential Imbizo, Radio vaccination advert, Branding for Province and Districts (Exco approve corporate identity manual, therefore there was a need to align with this manual), Dairies, cartridges before year end led to underspending amounting to R8 million under communication services, therefore classified as a liability and not necessarily an underspending.

2.3 Legal costs for the year is R854 000 out of a budget of R2m. The Office received claims amounting to R2.4m, this amount will be accounted as payables on the AFS, therefore classified as a liability and not necessarily an underspending.

2.4 Training of 25 artisan development learners at Pretoria Portland Cement (PPC) artisan development academy was due to changing banking details by PPC without informing the Office. The Office received invoice amounting to R1.6m, this amount will be accounted as payables on the AFS, therefore classified as a liability and not necessarily an underspending.

An amount of R1 million is budgeted for the Coordination of the Veterans programme with no registered expenditure to date, resulting in factual underspending. Plans to appoint coordinators is underway and any associated expenditure shall be accounted for in the following financial year.

- A total amount of R1.13 million was budgeted for deep cleaning of offices with no expenditure registered to as at year end which the amount is classified as a saving attributable to economic procurement methods and not an underspent budget.

- A total amount of R600 000 was set aside for the Office Lekgotla which was held in fourth quarter. The amount will be accounted as payables on AFS, therefore classified as a liability and not necessarily an underspending.

- Savings realised under audit fees is R1.4 million, after processing of all invoices for South Africa Auditor General (AGSA).

- An amount of R1.3 million savings was realised under subsistence and traveling as at year end.

- An amount of R300 000 was budgeted for the appointment of Consultants to deal with the condonement and writing off of Irregular, Fruitless and wasteful expenditure with no expenditure registered at year end, resulting in factual underspending. Plans to appoint consultant is underway and any associated expenditure shall be accounted for in the following financial year.
- An amount of R3m was underspend under Provincial Council on AIDS (PCA) Secretariat and is attributable to non-functionality of the PCA support Committees which are targeted for strengthening in the next financial year, resulting in factual underspending. The intervention will impact positively in the financial performance of PCA in the next financial year.

- Accrual amounting to R2.9 million for the Presidential Imbizo due to the delay of processing payments.

- An amount of R1.1 million was underspend under various standard items such as catering, consumables, subsistence and travelling etc.

a) Transfers and Subsidies

The bursary support for external beneficiaries was allocated R16.2 million with R15.809 million registered expenditure at year end.

The underspending of R391 thousand is due to the aviation institutions not being registered on the CSD (Novel Academy, Johannesburg School of Flying and Legend Sky Aviation) compromised the benefit of the three students who requested financial assistance and provision of the wrong bank details by institutions (UNISA) contributed to money bouncing back to SCM which was compromising five students for the benefit.

The amount is accounted for as a commitment and shall be resolved in the new financial year.

b) Machinery and Equipment

ICT Transformation programme - the office as per its procurement plan has identified a need to upgrade:

- District Data Servers with an estimation of R7 million was procured through SITA and appointment of service provider for this assignment was completed towards year end. A purchase order for this project amounting to R3.368 million has been issued therefore classified as a liability and not necessarily underspending. An application for rollover has been submitted for consideration by PT.
- Data Centre environmental upgrade with an estimated budget of R2 million procured through SITA is at the adjudication stage, more focus shall be invested in making sure that procurement and payment is achieved in the new financial year and resulting in factual underspending.
- Mainframe and migration from old to new equipment with an estimated budget of R8.247 million, the original order and part payment for the equipment was processed during 2020/21 financial year. The project will be completed once procurement process for a licence to mainframe is completed by SITA (i.e migration services has dependency on licence). Therefore, classified as a liability and not necessarily underspending. An application for rollover 2nd in a row has been submitted for consideration by PT.

Planned Office equipment procurement was underspend by R2.648 million and resulting in factual underspending. Savings realised under finance leases for labour saving device is R744 000, after processing of all invoices.

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
REVENUE			
Annual appropriation	<u>1</u>	451 570	459 767
Statutory appropriation	<u>2</u>	-	-
Departmental revenue	<u>3</u>	-	-
NRF Receipts		-	-
Aid assistance		-	-
TOTAL REVENUE		451 570	459 767
EXPENDITURE			
Current expenditure			
Compensation of employees	<u>5</u>	248 569	247 487
Goods and services	<u>6</u>	104 533	106 694
Interest and rent on land	<u>7</u>	90	527
Aid assistance	<u>4</u>	-	-
Total current expenditure		353 192	354 708
Transfers and subsidies			
Transfers and subsidies	<u>9</u>	19 071	20 313
Aid assistance	<u>4</u>	-	-
Total transfers and subsidies		19 071	20 313
Expenditure for capital assets			
Tangible assets	<u>10</u>	2 619	40 971
Intangible assets	<u>10</u>	-	-
Total expenditure for capital assets		2 619	40 971
Unauthorised expenditure approved without funding	<u>11</u>	-	-
Payments for financial assets	<u>8</u>	-	-
TOTAL EXPENDITURE		374 882	415 992
SURPLUS/(DEFICIT) FOR THE YEAR		76 688	43 775
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		76 688	43 775
Annual appropriation		76 688	43 775
Statutory appropriation		-	-
Conditional grants		-	-
Departmental revenue and NRF Receipts	<u>19</u>	-	-
Aid assistance	<u>4</u>	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		76 688	43 775

STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
ASSETS			
Current assets		63 326	30 517
Unauthorised expenditure	<u>11</u>	-	-
Cash and cash equivalents	<u>12</u>	58 887	22 569
Other financial assets	<u>13</u>	-	-
Prepayments and advances	<u>14</u>	-	-
Receivables	<u>15</u>	4 439	7 948
Loans	<u>17</u>	-	-
Aid assistance prepayments	<u>4</u>	-	-
Aid assistance receivable	<u>4</u>	-	-
Non-current assets		38 311	36 356
Investments	<u>16</u>	-	-
Receivables	<u>15</u>	38 311	36 356
Loans	<u>17</u>	-	-
Other financial assets	<u>13</u>	-	-
TOTAL ASSETS		101 637	66 873
LIABILITIES			
Current liabilities		76 762	43 959
Voted funds to be surrendered to the Revenue Fund	<u>18</u>	76 688	43 775
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>19</u>	14	29
Bank overdraft	<u>20</u>	-	-
Payables	<u>21</u>	60	155
Aid assistance repayable	<u>4</u>	-	-
Aid assistance unutilised	<u>4</u>	-	-
Non-current liabilities			
Payables	<u>22</u>		
TOTAL LIABILITIES		76 762	43 959
NET ASSETS		24 875	22 914

STATEMENT OF FINANCIAL POSITION
as at 31 March 2022

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		24 875	22 914
Retained funds		-	-
Revaluation reserves		-	-
TOTAL		24 875	22 914

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
Capitalisation Reserves			
Opening balance			
Transfers:			
Movement in Equity			
Movement in Operational Funds			
Other movements			
Closing balance			
Recoverable revenue			
Opening balance		22 914	22 882
Transfers:		1 961	32
Irrecoverable amounts written off	<u>8.3</u>		-
Debts revised			-
Debts recovered (included in departmental receipts)			-
Debts raised		1 961	32
Closing balance		24 875	22 914
Retained funds			
Opening balance			
Transfer from voted funds to be surrendered (Parliament/Legislatures ONLY)			
Utilised during the year			
Other transfers			
Closing balance			
Revaluation Reserve			
Opening balance			
Revaluation adjustment (Housing departments)			
Transfers			
Other			
Closing balance			
TOTAL		24 875	22 914

CAH FLOW STATEMENTS
for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		451 956	460 114
Annual appropriated funds received	<u>1.1</u>	451 570	459 767
Statutory appropriated funds received	<u>2</u>	-	-
Departmental revenue received	<u>3</u>	386	347
Interest received	<u>3.3</u>	-	-
NRF Receipts		-	-
Aid assistance received	<u>4</u>	-	-
Net (increase)/decrease in working capital		3 414	(9 560)
Surrendered to Revenue Fund		(44 176)	(87 402)
Surrendered to RDP Fund/Donor		-	-
Current payments		(353 102)	(354 181)
Interest paid	<u>7</u>	(90)	(527)
Payments for financial assets		-	-
Transfers and subsidies paid		(19 071)	(20 313)
Net cash flow available from operating activities	<u>23</u>	38 931	(11 869)
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		-	-
Payments for capital assets	<u>10</u>	(2 619)	(40 971)
Proceeds from sale of capital assets	<u>3.4</u>	-	-
(Increase)/decrease in loans		-	-
(Increase)/decrease in investments		-	-
(Increase)/decrease in other financial assets		-	-
(Increase)/decrease in non-current receivables	<u>15</u>	(1 955)	(1 020)
Net cash flows from investing activities		(4 574)	(41 991)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		1 961	32
Increase/(decrease) in non-current payables		-	-
Net cash flows from financing activities		1 961	32
Net increase/(decrease) in cash and cash equivalents		36 318	(53 828)
Cash and cash equivalents at beginning of period		22 569	76 397
Unrealised gains and losses within cash and cash equivalents		-	-
Cash and cash equivalents at end of period	<u>24</u>	58 887	22 569

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

1. Annual Appropriation

1.1 Annual Appropriation

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

	Final Appropriation	2021/22 Actual Funds Received	Funds not requested/ not received	Final Appropriation	2020/21 Appropriation received	Funds not requested /not received
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	115 597	115 597	-		99 481	99 481
Institutional Development	249 180	249 180	-		276 054	276 054
Policy and Governance	86 793	86 793	-		84 232	84 232
Total	451 570	451 570	-		459 767	459 767

The Office received the entire equitable share requested.

1.2 Conditional grants

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Total grants received	47		
Provincial grants included in Total Grants received			

2. Statutory Appropriation

	2021/22 R'000	2020/21 R'000
President and Deputy President salaries		
Members' remuneration		
Debt-service costs		
Provincial equitable share		
General fuel levy sharing with metropolitan municipalities		
National Revenue Fund payments		
Skills levy and sector education and training authorities		
Magistrates salaries		
Judges salaries		
Total		

Actual Statutory Appropriation received

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

3. Departmental revenue

	Note	2021/22 R'000	2020/21 R'000
Tax revenue			
Sales of goods and services other than capital assets	3.1	168	289
Fines, penalties and forfeits	3.2	-	-
Interest, dividends and rent on land	3.3	-	-
Sales of capital assets	3.4	-	-
Transactions in financial assets and liabilities	3.5	218	58
Transfer received	3.6	-	-
Total revenue collected		386	347
Less: Own revenue included in appropriation	<u>19</u>	<u>386</u>	<u>347</u>
Departmental revenue collected		-	-

The Office has under collected on revenue

3.1 Sales of goods and services other than capital assets

	Note	2021/22 R'000	2020/21 R'000
	3		
Sales of goods and services produced by the department		168	289
Sales by market establishment		-	-
Administrative fees		-	-
Other sales		168	289
Sales of scrap, waste and other used current goods		-	-
Total		168	289

3.2 Fines, penalties and forfeits

	Note	2021/22 R'000	2020/21 R'000
	3		
Fines			
Penalties			
Forfeits			
Total			

3.3 Interest, dividends and rent on land

	Note	2021/22 R'000	2020/21 R'000
	3		
Interest			
Dividends			
Rent on land			
Total			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

3.4 Sale of capital assets

	Note 3	2021/22 R'000	2020/21 R'000
Tangible assets			
Buildings and other fixed structures	41		
Machinery and equipment	39		
Heritage assets	39,41		
Specialised military assets	39		
Land and subsoil assets	41		
Biological assets	39		
Intangible assets			
Software	40		
Mastheads and publishing titles	40		
Patents, licences, copyright, brand names, trademarks	40		
Recipes, formulae, prototypes, designs, models	40		
Services and operating rights	40		
Total			

3.5 Transactions in financial assets and liabilities

	Note 3	2021/22 R'000	2020/21 R'000
Loans and advances		-	-
Receivables		-	-
Forex gain		-	-
Stale cheques written back		-	-
Other Receipts including Recoverable Revenue		218	58
Gains on GFECRA		-	-
Total		218	58

3.6 Transfers received

	Note 3	2021/22 R'000	2020/21 R'000
Other governmental units			
Higher education institutions			
Foreign governments			
International organisations			
Public corporations and private enterprises			
Households and non-profit institutions			
Total			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

3.6.1 Donations received in-kind (not included in the main note or sub note)

	Note	2021/22 R'000	2020/21 R'000
<i>List in-kind transfers received</i>			
Total			
3.7 Cash received not recognised (not included in the main note)			
Name of entity	Amount received	2021/22 Amount paid to the revenue fund	Balance
	R'000	R'000	R'000
<i>Please specify</i>			
Total			
Name of entity	Amount received	2020/21 Amount paid to the revenue fund	Balance
	R'000	R'000	R'000
<i>Please specify</i>			
Total			
4. Aid assistance			
	Note	2021/22 R'000	2020/21 R'000
Opening Balance			
Prior period error			
As restated			
Transferred from statement of financial performance			
Transfers to or from retained funds			
Paid during the year			
Closing Balance			

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

4.1 Analysis of balance by source			
	Note	2021/22 R'000	2020/21 R'000

Aid assistance from RDP
 Aid assistance from other sources
 CARA
Closing balance

4 _____

4.2 Analysis of balance

	2021/22	2020/21
Note	R'000	R'000

Aid assistance receivable

Aid assistance prepayments (not expensed)

Aid assistance unutilised

Aid assistance repayable

Closing balance

4 _____

Aid assistance not requested/not received

4.2.1 Aid assistance prepayments (expensed)

Note	Amount as at 1 April 2021	Less: Received in the current year	Add or Less: Other	Add: Current Year prepayments	Amount as at 31 March 2022
	R'000	R'000	R'000	R'000	R'000
Goods and services					
Interest and rent on land					
Transfers and subsidies					
Capital assets					
Other					
Total					

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

Note	Amount as at 1 April 2021	Less: Received in	Add or Less: Other	Add: Current Year prepayments	Amount as at 31 March 2022
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	the current year				
	R'000	R'000	R'000	R'000	R'000
Goods and services					
Interest and rent on land					
Transfers and subsidies					
Capital assets					
Other					
Total					

4.3 Prior period error

Note

2020/21

R'000

Nature of prior period errorRelating to 2021/22 *[affecting the opening balance]*

Relating to 2020/21

Total prior period errors

4.4 Aid assistance expenditure per economic classification

Note

2021/22
R'0002020/21
R'000

Current

Capital

10

Transfers and subsidies

Total aid assistance expenditure**4.5 Donations received in-kind (not included in the main note)**

Note

2021/22
R'0002020/21
R'000*List in-kind donations received***Total**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

5. Compensation of employees

5.1 Salaries and Wages

	Note	2021/22 R'000	2020/21 R'000
Basic salary		167 124	172 343
Performance award		1 828	2 193
Service Based		790	379
Compensative/circumstantial		6 308	4 473
Periodic payments		-	-
Other non-pensionable allowances		41 565	36 697
Total		217 615	216 085

5.2 Social contributions

	Note	2021/22 R'000	2020/21 R'000
Employer contributions			
Pension		20 211	20 936
Medical		10 697	10 416
UIF		-	-
Bargaining council		46	50
Official unions and associations		-	-
Insurance		-	-
Total		30 954	31 402

Total compensation of employees		248 569	247 487
Average number of employees		449	437

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

6. Goods and services

	Note	2021/22 R'000	2020/21 R'000
Administrative fees		159	163
Advertising		3 852	2 499
Minor assets	6.1	22	30
Bursaries (employees)		128	65
Catering		763	1 580
Communication		7 553	6 395
Computer services	6.2	59 735	63 036
Consultants: Business and advisory services	6.9	280	191
Infrastructure and planning services		-	-
Laboratory services		-	-
Scientific and technological services		-	-
Legal services		904	2 445
Contractors		146	5
Agency and support / outsourced services		-	-
Entertainment		-	-
Audit cost – external	6.3	4 072	5 304
Fleet services		4 238	6 109
Inventory	6.4	-	-
Consumables	6.5	2 108	3 232
Housing		-	-
Operating leases		2 369	2 377
Property payments	6.6	374	2 029
Rental and hiring		1 013	61
Transport provided as part of the departmental activities		468	969
Travel and subsistence	6.7	9 311	5 026
Venues and facilities		2 790	983
Training and development		3 349	3 859
Other operating expenditure	6.8	899	336
Total		104 533	106 694

6.1 Minor assets

	Note 6	2021/22 R'000	2020/21 R'000
Tangible assets		22	30
Buildings and other fixed structures		-	-
Biological assets		-	-
Heritage assets		-	-
Machinery and equipment		22	30
Transport assets		-	-
Specialised military assets		-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

Intangible assets	-	-
Software	-	-
Mastheads and publishing titles	-	-
Patents, licences, copyright, brand names, trademarks	-	-
Recipes, formulae, prototypes, designs, models	-	-
Services and operating rights	-	-
Total	22	30

6.2 Computer services

	<i>Note</i> 6	2021/22 R'000	2020/21 R'000
SITA computer services		15 543	16 196
External computer service providers		44 192	46 840
Total		59 735	63 036

6.3 Audit cost – External

	<i>Note</i> 6	2021/22 R'000	2020/21 R'000
Regularity audits		4 072	5 304
Performance audits		-	-
Investigations		-	-
Environmental audits		-	-
Computer audits		-	-
Total		4 072	5 304

6.4 Inventory

	<i>Note</i> 6	2021/22 R'000	2020/21 R'000
Clothing material and accessories			
Farming supplies			
Food and food supplies			
Fuel, oil and gas			
Learning, teaching and support material			
Materials and supplies			
Medical supplies			
Medicine			
Medsas inventory interface			
Other supplies	6.4.1		
Total			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

6.4.1 Other supplies

<i>Note</i>	2021/22	2020/21
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	6.4	R'000	R'000
Ammunition and security supplies			
Assets for distribution			
Machinery and equipment			
School furniture			
Sports and recreation			
Library material			
Human settlements property			
Other assets for distribution			
Other			
Total			

6.5 Consumables

	Note 6	2021/22 R'000	2020/21 R'000
Consumable supplies		1 089	1 887
Uniform and clothing		114	-
Household supplies		648	895
Building material and supplies		-	-
Communication accessories		-	-
IT consumables		112	552
Other consumables		215	440
Stationery, printing and office supplies		1 019	1 345
Total		2 108	3 232

6.6 Property payments

	Note 6	2021/22 R'000	2020/21 R'000
Municipal services		-	-
Property management fees		-	-
Property maintenance and repairs		-	-
Other		374	2 029
Total		374	2 029

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

6.7 Travel and subsistence

	Note 6	2021/22 R'000	2020/21 R'000
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Local	9 311	5 026
Foreign	-	-
Total	9 311	5 026

6.8 Other operating expenditure

	<i>Note</i> 6	2021/22 R'000	2020/21 R'000
Professional bodies, membership and subscription fees		-	-
Resettlement costs		575	-
Other		324	336
Total		899	336

6.9 Remuneration of members of a commission or committee (Included in Consultants: Business and advisory services)

Name of Commission / Committee	No. of members	<i>Note</i> 6	2021/22 R'000	2020/21 R'000
Total				

7. Interest and rent on land

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Interest paid		90	527
Rent on land		-	-
Total		90	527

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

8. Payments for financial assets

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Material losses through criminal conduct			

Theft	8.4		
Other material losses	8.1		
Purchase of equity			
Extension of loans for policy purposes			
Other material losses written off	8.2		
Debts written off	8.3		
Forex losses	8.5		
Debt take overs			
Losses on GFECRA			
Total			

8.1 Other material losses

	<i>Note</i> 8	2021/22 R'000	2020/21 R'000
Nature of other material losses (Group major categories, but list material items)			
Incident Disciplinary Steps taken/ Criminal proceedings			
Total			

8.2 Other material losses written off

	<i>Note</i> 8	2021/22 R'000	2020/21 R'000
Nature of losses (Group major categories, but list material items)			
Total			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

8.3 Debts written off

	<i>Note</i> 8	2021/22 R'000	2020/21 R'000
Nature of debts written off			

(Group major categories, but list material items: debts written off relating to irregular expenditure, recoverable expenditure and other debts must be listed here)

Irregular expenditure written off

Total

Recoverable revenue written off

Total

Other debt written off

Total

Total debt written off

8.4 Details of theft

Nature of theft

(Group major categories, but list material items)

Total

*Note
8*

**2021/22
R'000**

**2020/21
R'000**

8.5 Forex losses

Nature of losses

(Group major categories, but list material items)

Total

*Note
8*

**2021/22
R'000**

**2020/21
R'000**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

9. Transfers and subsidies

**2021/22
R'000**

**2020/21
R'000**

Note

Provinces and municipalities	48, 49		
Departmental agencies and accounts	Annexure 1B	6	103
Higher education institutions	Annexure 1C	-	-
Foreign governments and international organisations	Annexure 1E	-	-
Public corporations and private enterprises	Annexure 1D	-	-
Non-profit institutions	Annexure 1F	-	-
Households	Annexure 1G	19 065	20 210
Total		19 071	20 313

Included in the amount of 19 065 is Bursaries for non-employees amounting to 15 809 and 3 256 for other Households includes Leave Gratuity, Injury on duty, donations and Payments for ex-gratia (act of grace).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

10. Expenditure for capital assets

Note	2021/22 R'000	2020/21 R'000
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Tangible assets		2 619	40 971
Buildings and other fixed structures	40	-	-
Heritage assets	39, 41	-	-
Machinery and equipment	39	2 619	40 971
Specialised military assets	39	-	-
Land and subsoil assets	41	-	-
Biological assets	39	-	-
Intangible assets			
Software	40	-	-
Mastheads and publishing titles	40	-	-
Patents, licences, copyright, brand names, trademarks	40	-	-
Recipes, formulae, prototypes, designs, models	40	-	-
Services and operating rights	40	-	-
		-	-
Total		2 619	40 971
The following amounts have been included as project costs in Expenditure for capital assets			
Compensation of employees			
Goods and services			
Total			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

10.1 Analysis of funds utilised to acquire capital assets – 2021/22

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets			
Buildings and other fixed structures			

Heritage assets			
Machinery and equipment	2 619		2 619
Specialised military assets			
Land and subsoil assets			
Biological assets			
Intangible assets			
Software			
Mastheads and publishing titles			
Patents, licences, copyright, brand names, trademarks			
Recipes, formulae, prototypes, designs, models			
Services and operating rights			
Total	2 619		2 619

10.2 Analysis of funds utilised to acquire capital assets – 2020/21

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

10.3 Finance lease expenditure included in Expenditure for capital assets

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Tangible assets			
Buildings and other fixed structures			
Heritage assets			
Machinery and equipment		1 128	1 826

Specialised military assets
Land and subsoil assets
Biological assets

Total

	1 128	1 826

11. Unauthorised expenditure

11.1 Reconciliation of unauthorised expenditure

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Opening balance			
Prior period error			
As restated			
Unauthorised expenditure – discovered in current year (as restated)			
Less: Amounts approved by Parliament/Legislature with funding			
Less: Amounts approved by Parliament/Legislature without funding and derecognised			
Capital			
Current			
Transfers and subsidies			
Less: Amounts recoverable	15		
Less: Amounts written off			
Closing balance			
Analysis of closing balance			
Unauthorised expenditure awaiting authorisation			
Unauthorised expenditure approved without funding and not derecognised			
Total			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

11.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	2021/22 R'000	2020/21 R'000
Capital		
Current		
Transfers and subsidies		
Total		

11.3 Analysis of unauthorised expenditure awaiting authorisation per type

	2021/22 R'000	2020/21 R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote		
Unauthorised expenditure incurred not in accordance with the purpose of the vote or main division		
Total		

11.4 Details of unauthorised expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2021/22 R'000
Total		

11.5 Prior period error

	Note	2020/21 R'000
Nature of prior period error		
Relating to 2020/21 <i>[affecting the opening balance]</i>		
Relating to 2020/21		
Total		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

12. Cash and cash equivalents

	Note	2021/22 R'000	2020/21 R'000
Consolidated Paymaster General Account		76 639	22 733
Cash receipts		-	-
Disbursements		(17 752)	(164)
Cash on hand		-	-
Investments (Domestic)		-	-
Investments (Foreign)		-	-

Total		58 887	22 569
13. Other financial assets			
	<i>Note</i>	2021/22 R'000	2020/21 R'000
Current			
Local			
(Group major categories, but list material items)			
Total			
Foreign			
(Group major categories, but list material items)			
Total			
Total Current other financial assets			
	<i>Note</i>	2021/22 R'000	2020/21 R'000
Non-current			
Local			
(Group major categories, but list material items)			
Total			
Foreign			
(Group major categories, but list material items)			
Total			
Total Non-current other financial assets			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

14. Prepayments and advances			
	<i>Note</i>	2021/22 R'000	2020/21 R'000
Staff advances			
Travel and subsistence			
Prepayments (Not expensed)	14.2		
Advances paid (Not expensed)	14.1		
SOCPEN advances			
Total			
Advances paid (Not expensed)			

	<i>Note</i>	Balance as at 1 April 2021	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advances	Balance as at 31 March 2022
	14	R'000	R'000	R'000	R'000	R'000
National departments						
Provincial departments						
Public entities						
Other entities						
Total						

	<i>Note</i>	Balance as at 1 April 2021	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advances	Balance as at 31 March 2022
	14	R'000	R'000	R'000	R'000	R'000
National departments						
Provincial departments						
Public entities						
Other entities						
Total						

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

14.1 Prepayments (Not expensed)

	<i>Note</i>	Balance as at 1 April 2021	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2022
	14	R'000	R'000	R'000	R'000	R'000
Goods and services						
Interest and rent on land						
Transfers and subsidies						
Capital assets						
Other						
Total						

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

14.2 Prepayments (Expensed)

	<i>Note</i>	Amount as at 1 April 2021	Less: Received in the current year	Add or Less: Other	Add: Current Year prepayments	Amount as at 31 March 2022
		R'000	R'000	R'000	R'000	R'000
Goods and services		3 783	(2 432)		8 377	9 728
Interest and rent on land		-				
Transfers and subsidies		-				
Capital assets			-			
Other		-				
Total		3 783	(2 432)	-	8 377	9 728

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

	<i>Note</i>	Amount as at 1 April 2021	Less: Received in the current year	Add or Less: Other	Add: Current Year prepayments	Amount as at 31 March 2021
		R'000	R'000	R'000	R'000	R'000
Goods and services		302	(302)	-	3 783	3783
Interest and rent on land		-	-	-	-	-
Transfers and subsidies		-	-	-	-	-
Capital assets		-	-	-	-	-
Other		-	-	-	-	-
Total		302	(302)	-	3 783	3783

14.3 Advances paid (Expensed)

	Note	Amount as at 1 April 2021	Less: Received in the current year	Add or Less: Other	Add: Current Year advances	Amount as at 31 March 2022
		R'000	R'000	R'000	R'000	R'000
National departments		342	(342)		546	546
Provincial departments		-				
Public entities		-				
Other entities		-				
Total		342	(342)	-	546	546

The Opening balance 342 was reduced from the Prepayment, 130 was paid to the Office, 36 was paid to Suppliers in GCIS and 176 remained in their books as a payable to the Office and will be included in Annexure 4 Interdepartmental Receivables

	Note	Amount as at 1 April 2020	Less: Received in the current year	Add or Less: Other	Add: Current Year advances	Amount as at 31 March 2021
		R'000	R'000	R'000	R'000	R'000
National departments		342	-	-	-	342
Provincial departments		-	-	-	-	
Public entities		-	-	-	-	
Other entities		-	-	-	-	
Total		342	-	-	-	342

Included in the 341 is an amount of 130, which was paid during the year, and an advance of R 212 for co-vid 19 awareness campaigns was expensed in 2020/2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

15. Receivables

		2021/22			2020/21		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	Note 15.1	4 428	12 605	17 033	7 931	12 605	20 536
Trade receivables	15.2			-			
Recoverable expenditure	15.3			-	1	-	1
Staff debt	15.4	11	386	397	16	392	408
Fruitless and wasteful expenditure	15.6		24 729	24 729	-	22 800	22 800
Other receivables	15.5		591	591	-	559	559
Total		4 439	38 311	42 750	7 948	36 356	44 304

15.1 Claims recoverable

	<i>Note 15</i>	2021/22 R'000	2020/21 R'000
National departments			-
Provincial departments		16 950	20 453
Foreign governments			-
Public entities		83	83
Private enterprises			-
Higher education institutions			-
Households and non-profit institutions			-
Local governments			-
Total		17 033	20 536

15.2 Trade receivables

	<i>Note 15</i>	2021/22 R'000	2020/21 R'000
(Group major categories, but list material items)			
Total			

15.3 Recoverable expenditure (disallowance accounts)

	<i>Note 15</i>	2021/22 R'000	2020/21 R'000
Salary Tax Debt			1
Total		-	1

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

15.4 Staff debt

	<i>Note 15</i>	2021/22 R'000	2020/21 R'000
Current employees		46	57
Ex - employees		351	351
Total		397	408

15.5 Other receivables

	<i>Note 15</i>	2021/22 R'000	2020/21 R'000
(Group major categories, but list material items)			
Statutory Appropriation receivables			
Supplier debts		591	559
Total		591	559

15.6 Fruitless and wasteful expenditure

	<i>Note</i> 15	2021/22 R'000	2020/21 R'000
Opening balance		22 800	22 800
Less amounts recovered			-
Less amounts written off			-
Transfers from note 32 Fruitless and Wasteful Expenditure			-
Interest		1 929	-
Total		24 729	22 800

15.7 Impairment of receivables

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Estimate of impairment of receivables		212	195
Total		212	195

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

16. Investments

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Non-Current			
Shares and other equity			
(List investments at cost)			
Total			
Securities other than shares	<i>Annex 2A</i>		
(List investments at cost)			
Total			
Total non-current			
		2021/22 R'000	2020/21 R'000
Analysis of non-current investments			
Opening balance			
Additions in cash			

16.1 Impairment of investments

17.1 Impairment of loans

18. Voted funds to be surrendered to the Revenue Fund

<i>Note</i>	2021/22	2020/21
	R'000	R'000
	43 775	87 024
18.2		
	43 775	87 024
	76 688	43 775
11		-
1.1	-	

Transferred to retained revenue to defray excess expenditure (PARLIAMENT/LEGISLATURES ONLY)	18.1	-
Paid during the year	(43 775)	(87 024)
Closing balance	76 688	43 775

The Office surrendered the amount of 43 775 previous year's unspent funds during the year

18.1 Voted funds / (Excess expenditure) transferred to the retained funds (Parliament / Legislatures ONLY)

	Note	2021/22 R'000	2020/21 R'000
Opening balance	18		
Transfer from statement of financial performance			
Transfer from Departmental Revenue to defray excess expenditure	19		
Closing balance			

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

18.2 Prior period error

	Note	2020/21 R'000
Nature of prior period error		
Relating to 20WW/XX [affecting the opening balance]		
Relating to 2020/21		
Total		

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

	Note	2021/22 R'000	2020/21 R'000
Opening balance		29	60
Prior period error	19.1		
As restated		29	60

Transfer from Statement of Financial Performance (as restated)	-	-
Own revenue included in appropriation	386	347
Transfer from aid assistance	4	-
Transfer to voted funds to defray expenditure (Parliament/Legislatures ONLY)	18.1	-
Paid during the year	(401)	(378)
Closing balance	14	29

Included in the amount of 401 is 372 revenue collected and paid to Provincial Revenue Fund in 2021/22, and 29 relates to Revenue accrual collected in 2020/21 and paid in 2021/2022 financial year.

19.1 Prior period error

	Note	2020/21 R'000
Nature of prior period error		
Relating to 20WW/XX [affecting the opening balance]		
Relating to 2020/21		
Total		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

20. Bank Overdraft

	Note	2021/22 R'000	2020/21 R'000
Consolidated Paymaster General Account			
Fund requisition account			
Overdraft with commercial banks (Local)			
Overdraft with commercial banks (Foreign)			
Total			

21. Payables – current

	Note	2021/22 R'000	2020/21 R'000
Amounts owing to other entities		-	-
Advances received	21.1	-	-
Clearing accounts	21.2	44	141
Other payables	21.3	16	14
Total		60	155

21.1 Advances received

	<i>Note 21</i>	2021/22 R'000	2020/21 R'000
National departments			
Provincial departments			
Public entities			
Other institutions			
Total			

21.2 Clearing accounts

	<i>Note 21</i>	2021/22 R'000	2020/21 R'000
Description			
Income Tax (SARS)		44	-
Government Employee Housing Scheme (GEHS)			70
Pension (GEPF)			71
Total		44	141

The amount of 44 093,26 is due to a late payment interface to SARS

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

21.3 Other payables

	<i>Note 21</i>	2021/22 R'000	2020/21 R'000
Description			
(Identify major categories, but list material amounts)			
Public Works (Rental Dwellings)		16	14
Total		16	14

An amount of 16 428,00 is due to DPWR (State housing rental collected for March 2022)

22. Payables – non-current

		2021/22				2020/21
		One to two years	Two to three years	More than three years	Total	Total
		R'000	R'000	R'000	R'000	R'000
Amounts owing to	<i>Note</i>					
other entities						
Advances received	22.1					
Other payables	22.2					

Total				
22.1	Advances received			
		<i>Note</i>	2021/22	2020/21
		22	R'000	R'000
	National departments			
	Provincial departments			
	Public entities			
	Other institutions			
	Total			
22.2	Other payables			
		<i>Note</i>	2021/22	2020/21
		22	R'000	R'000
	Description			
	(Identify major categories, but list material amounts)			
	Total			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

23.	Net cash flow available from operating activities			
		<i>Note</i>	2021/22	2020/21
			R'000	R'000
	Net surplus/(deficit) as per Statement of Financial Performance		76 688	43 775
	Add back non cash/cash movements not deemed operating activities		(37 757)	(55 644)
	(Increase)/decrease in receivables		3 509	741
	(Increase)/decrease in prepayments and advances		-	-
	(Increase)/decrease in other current assets		-	-
	Increase/(decrease) in payables – current		(95)	(10 301)
	Proceeds from sale of capital assets		-	-
	Proceeds from sale of investments		-	-
	(Increase)/decrease in other financial assets		-	-
	Expenditure on capital assets		2 619	40 971
	Surrenders to Revenue Fund		(44 176)	(87 402)
	Surrenders to RDP Fund/Donor		-	-
	Voted funds not requested/not received		-	-
	Own revenue included in appropriation		386	347
	Other non-cash items		-	-
	Net cash flow generated by operating activities		38 931	(11 869)

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

	Note	2021/22 R'000	2020/21 R'000
Consolidated Paymaster General account		76 639	22 733
Fund requisition account		-	-
Cash receipts		-	-
Disbursements		(17 752)	(164)
Cash on hand		-	-
Cash with commercial banks (Local)		-	-
Cash with commercial banks (Foreign)		-	-
Total		58 887	22 569

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

25. Contingent liabilities and contingent assets**25.1 Contingent liabilities**

		Note	2021/22 R'000	2020/21 R'000
Liable to	Nature			
Motor vehicle guarantees	Employees	Annex 3A		-
Housing loan guarantees	Employees	Annex 3A		-
Other guarantees		Annex 3A		-
Claims against the department		Annex 3B	355 701	355 701
Intergovernmental payables (unconfirmed balances)		Annex 5	11 944	11 562
Environmental rehabilitation liability		Annex 3B		-
Other		Annex 3B		-
Total			367 645	367 263

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

The claims against the department are as follows:

1. Labour matter - Contractual Settlement dispute: KL Sebego - R3 444 852
2. Dispute arising from failure to pay for legal services rendered on behalf of Kgosi Mogale of Bapo Ba Mogale: Khanyisa Mogale Inc - R4 874 475

3. Rescission of Court Order 50/15 for the taxation which was submitted for the amount of R2 283 467 Premier is 2nd Respondent, while the NW Commission of Inquiry is the first Respondent: George Pogisho Mosetlhi Matlhaku
4. Civil claim for services rendered: Friendly Hand Trading Projects - R905 110
5. Civil claim - Application to declare an Arbitration Award an Order of Court: Nepo Data Dynamics (Pty) Ltd - R197 281
6. Third application for rescission of constitutional court judgement by Valor IT - R146 473 747
7. Contractual dispute - Claim for services rendered: Iron Mountain - R438 881 The Office has entered notice to Appeal.

25.2 Contingent assets

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Nature of contingent asset			
Livifusion		75 337	75 337
Total		75 337	75 337

The Office has instituted a claim against Livifusion amounting to R75 337 000, based on amounts previously paid without substantiation.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

26. Capital commitments

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Buildings and other fixed structures			-
Heritage assets			-
Machinery and equipment		11 615	8 247
Specialised military assets			-
Land and subsoil assets			-
Biological assets			-
Intangible assets			-
Total		11 615	8 247

Accruals and payables not recognised**27.1 Accruals**

			2021/22 R'000	2020/21 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	9 968	3 154	13 122	21 879
Interest and rent on land				
Transfers and subsidies				123
Capital assets				21
Other				
Total	9 968	3 154	13 122	22 023

<i>Note</i>	2021/22	2020/21
-------------	----------------	----------------

	R'000	R'000
Listed by programme level		
Administration	1 251	374
Institutional Development	8 553	20 546
Policy and Governance	3 318	1 103
Total	13 122	22 023

Major creditors amount to the following:**Administration**

COSATMA - 385k

Audit Fees – 250k

Institutional Development

Data Lines + Internet Bandwidth NWPG and Libraries (SITA) - R4.5m

Sita Persal Bas Hosting – R907k

Department of Justice – R2,7m

Policy and Governance

Presidential Imbizo services rendered - R2,9m

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

27.2 Payables not recognised

			2021/22 R'000	2020/21 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	2 385	530	2 915	278
Interest and rent on land				
Transfers and subsidies				
Capital assets				
Other				
Total	2 385	530	2 915	278

	Note	2021/22 R'000	2020/21 R'000
Listed by programme level			
Administration		569	45
Institutional Development		2 276	11
Policy and Governance		70	222
Total		2 915	278

	Note	2021/22 R'000	2020/21 R'000
Included in the above totals are the following:			
Confirmed balances with other departments	Annex 5	3 549	1 112

Confirmed balances with other government entities	Annex 5	5 957	2 103
Total		9 506	3 215

Major creditors amount to the following:

Institutional Development
 Communications - R1.1m
 Artisans students - 810k

27. Employee benefits

	Note	2021/22 R'000	2020/21 R'000
Leave entitlement		16 505	21 420
Service bonus		6 047	6 174
Performance awards		-	1 251
Capped leave		7 902	8 496
Other		842	1 892
Total		31 296	39 233

Included in the amount of 842 is an amount of 540 relating to Accruals from Inter-Departmental secondments and 302 relating to Long Service awards.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

28. Lease commitments**29.1 Operating leases**

2021/22	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year			2 264		2 264
Later than 1 year and not later than 5 years					
Later than five years					
Total lease commitments			2 264		2 264

2020/21	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year			2 291		2 291
Later than 1 year and not later than 5 years					
Later than five years					
Total lease commitments			2 291		2 291

	Note	2021/22 R'000	2020/21 R'000
Rental earned on sub-leased assets	3		
Total			

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

29.2 Finance leases **

2021/22	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year				193	193
Later than 1 year and not later than 5 years				170	170
Total lease commitments				363	363

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

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

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

Note 2021/22 2020/21

		R'000	R'000
Rental earned on sub-leased assets	3		
Total			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

29.3 Operating lease future revenue**

	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2021/22					
Not later than 1 year					
Later than 1 year and not later than 5 years					
Later than five years					
Total operating lease revenue receivable					
2020/21					
Not later than 1 year					
Later than 1 year and not later than 5 years					
Later than five years					
Total operating lease revenue receivable					

29. Accrued departmental revenue

	Note	2021/22 R'000	2020/21 R'000
Tax revenue			
Sales of goods and services other than capital assets			

Fines, penalties and forfeits		
Interest, dividends and rent on land		
Sales of capital assets		
Transactions in financial assets and liabilities		
Transfers received		
Other		
Total		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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30.1 Analysis of accrued departmental revenue

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Opening balance			
Less: amounts received			
Less: services received in lieu of cash			
Add: amounts recorded			
Less: amounts written-off/reversed as irrecoverable			
Less: amounts transferred to receivables for recovery			
Other (<i>Specify</i>)			
Closing balance			

30.2 Accrued department revenue written off

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Nature of losses			
Total			

30.3 Impairment of accrued departmental revenue

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Estimate of impairment of accrued departmental revenue			
Total			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

30. Irregular expenditure
31.1 Reconciliation of irregular expenditure

	Note	2021/22 R'000	2020/21 R'000
Opening balance		892 267	831 801
Prior period error			(1 204)
As restated		892 267	830 597
Add: Irregular expenditure – relating to prior year			-
Add: Irregular expenditure – relating to current year		38 625	61 670
Less: Prior year amounts condoned			-
Less: Current year amounts condoned			-
Less: Prior year amounts not condoned and removed			-
Less: Current year amounts not condoned and removed			-
Less: Amounts recoverable (current and prior year)	15		-
Less: Amounts written off			-
Closing balance		930 892	892 267
Analysis of closing balance			
Current year		38 625	61 670
Prior years		892 267	830 597
Total		930 892	892 267

Irregular expenditure of R200 868 552 have been investigated translating into 22% of cases investigated by the Office as at 31 March 2022

31.2 Details of current and prior year irregular expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2021/22 R'000
Did not go through competitive bidding.	none	5 786
Legal Fees	yes	854
Expired Contracts	none	19 412
SITA processes not followed	none	2 359
Telkom transactions	none	10 214
Total		38 625

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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31.3 Details of irregular expenditure condoned

Incident	Condoned by (relevant authority)	2021/22 R'000
Total		

31.4 Details of irregular expenditure recoverable (not condoned)

Incident	2021/22 R'000
Total	

31.5 Details of irregular expenditure removed - (not condoned)

Incident	Not condoned by (relevant authority)	2021/22 R'000
Total		

31.6 Details of irregular expenditures written off (irrecoverable)

Incident	2021/22 R'000
Total	

31.7 Details of irregular expenditures under assessment (not included in the main note)

Incident	2021/22 R'000

Total

=====

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

31.8 Prior period error

Note

2020/21
R'000

Nature of prior period error

Relating to 2019/20 [affecting the opening balance]

Municipal charges overstatement

De-recognition of amounts incorrectly included in the irregular expenditure (GIJIMA)

(1 204)

(785)

(419)

Relating to 2020/21

(101)

Local Content requirements not adhered too

12

Municipal charges overstatement

(113)

Local Content requirements not adhered too

Total

(1 305)

Overstatement of opening balance with inclusion of municipal charges and incorrectly classifying GIJIMA as irregular expenditure. Understatement of 2020/21 irregular expenditure by not adhering to local contents requirements.

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

2021/22
R'000

Total

=====

31. Fruitless and wasteful expenditure

32.1 Reconciliation of fruitless and wasteful expenditure

Note

2021/22
R'000

2020/21
R'000

Opening balance

7 090

7 090

Prior period error

-

-

As restated

7 090

7 090

Fruitless and wasteful expenditure – relating to prior year		-
Fruitless and wasteful expenditure – relating to current year	2	-
Less: Amounts recoverable	15.6	-
Less: Amounts written off		-
Closing balance	7 092	7 090

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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32.2 Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2021/22 R'000
Interest incurred on overdue account (Late submission of Log sheets)	none	2
Total		2

32.3 Details of fruitless and wasteful expenditure recoverable

Incident	2021/22 R'000
Total	

32.4 Details of fruitless and wasteful expenditure written off

Incident	2021/22 R'000
Total	

32.5 Prior period error

Note

**2020/21
R'000**

Nature of prior period error

Relating to 2019/20 *[affecting the opening balance]*

Relating to 2020/21

Total

32.6 Details of fruitless and wasteful expenditures under assessment (not included in the main note)
Incident 2021/22
R'000

Total

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

32. Related party transactions

Revenue received	Note	2021/22 R'000	2020/21 R'000
Tax revenue			
Sales of goods and services other than capital assets			
Fines, penalties and forfeits			
Interest, dividends and rent on land			
Sales of capital assets			
Transactions in financial assets and liabilities			
Transfers received			
Total			
Payments made	Note	2021/22 R'000	2020/21 R'000
Compensation of employees			
Goods and services			
Interest and rent on land			
Expenditure for capital assets			
Payments for financial assets			
Transfers and subsidies			
Total			
Year end balances arising from revenue/payments	Note	2021/22 R'000	2020/21 R'000
Receivables from related parties			
Payables to related parties			
Total			
Loans to /from related parties	Note	2021/22 R'000	2020/21 R'000
Non-interest bearing loans to/(from)			
Interest bearing loans to/(from)			
Total			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	Note	2021/22 R'000	2020/21 R'000
Other			
Guarantees issued/received			
<i>List other contingent liabilities between department and related party</i>			
Total			

	Note	2021/22 R'000	2020/21 R'000
In kind goods and services provided/received			
<i>List in kind goods and services between the department and the related party</i>			
Total			

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

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

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

As a result the following entities in the national sphere of government are related parties to the department for the duration of the national intervention:

Departments of Public Service and Administration
Mr S Mpanza – the appointed administrator

33. Key management personnel

	No. of Individuals	2021/22	2020/21
--	-----------------------	---------	---------

		R'000	R'000
Political office bearers (provide detail below)	2	2 045	2 260
Officials:			
DG, DDG,	7	9 562	8 189
Chief Directors	9	10 513	13 660
Acting Personnel	6	7 906	2 693
Family members of key management personnel	1		1 057
Total		30 026	27 859

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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Key management personnel (Parliament/Legislatures)

	No. of Individuals	2021/22 R'000	2020/21 R'000
Speaker to Parliament / the Legislature			
Deputy Speaker			
Secretary to Parliament / the Legislature			
Deputy Secretary			
Chief Financial Officer			
Legal Advisor			
Other			
Total			

34. Public Private Partnership

	Note	2021/22 R'000	2020/21 R'000
Concession fee received			
Base fee received			
Variable fee received			
Other fees received (Specify)			
Unitary fee paid			
Fixed component			
Indexed component			
Analysis of indexed component			
Compensation of employees			
Goods and services (excluding lease payments)			
Operating leases			
Interest			
Capital / (Liabilities)			
Tangible rights			
Intangible rights			
Property			
Plant and equipment			
Loans			

Other

Prepayments and advances
Pre-production obligations
Other obligations

--	--

Any guarantees issued by the department are disclosed in Note 25.1

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

35. Impairment (other than receivables, accrued departmental revenue, loans and investments)

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Please specify			
Total			

36. Provisions

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Please specify			
Total			

37.1 Reconciliation of movement in provisions – 2021/22

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

Reconciliation of movement in provisions – 2020/21

	Provision 1	Provision 2	Provision 3	Total provisions
	R'000	R'000	R'000	R'000
Opening balance				
Increase in provision				
Settlement of provision				
Unused amount reversed				

Reimbursement expected from third party
 Change in provision due to change in estimation of inputs
Closing balance

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

37. Non-adjusting events after reporting date

Nature of event

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

Total

2021/22
R'000

38. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	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	146 400		1 492	730	147 162
Transport assets	-		730	730	-
Computer equipment	88 986		734		89 720
Furniture and office equipment	8 229				8 229
Other machinery and equipment	49 185		28		49 213
SPECIALISED MILITARY ASSETS					
Specialised military assets					
BIOLOGICAL ASSETS					
Biological assets					
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	146 400	-	1 492	730	147 162

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	85	1 298

Specialised military assets
Biological assets

*Assets that could not be verified are classified as under investigation
The under-investigation assets will be resolved through the annual asset verification confirming the existence and/non-existence thereof*

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

39.1 Movement for 2020/21

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 20YY

	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	107 270	(15)	39 145		146 400
Transport assets	-		-		-
Computer equipment	50 426		38 560		88 986
Furniture and office equipment	8 199		30		8 229
Other machinery and equipment	48 645	(15)	555		49 185
SPECIALISED MILITARY ASSETS					
Specialised military assets					
BIOLOGICAL ASSETS					
Biological assets					
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	107 270	(15)	39 145	-	146 400

39.1.1 Prior period error

	Note	2020/21 R'000
Nature of prior period error		
Relating to 2019/20 [affecting the opening balance]		(15)
Duplicate asset on the asset register		(9)
Asset double counted between OOP and COGTA		(6)
Relating to 2020/21		
Total prior period errors		(15)

*An asset to the value of R9 193,50 was erroneously duplicated on the asset register
An asset to the value of R5 908,53 was erroneously double counted between departments*

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

39.2 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2022

	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				14 375		14 375
Value adjustments						-
Additions				22		22
Disposals						-
TOTAL MINOR ASSETS				14 397		14 397

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets				1		1
Number of minor assets at cost				7 294		7 294
TOTAL NUMBER OF MINOR ASSETS				7 295		7 295

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	1 458	2 860
Biological assets		

Assets that could not be verified are classified as under investigation

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

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

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance		744		15 033		15 777
Prior period error		-		-		-
Additions		-		30		30
Disposals		744		688		1 432
TOTAL MINOR ASSETS		-		14 375		14 375
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets				-	-	
Number of minor assets at cost				7 282	7 282	
TOTAL NUMBER OF MINOR ASSETS				7 282	7 282	

39.2.1 Prior period error

	Note	2020/21 R'000
Nature of prior period error		
Relating to 2019/20 [affecting the opening balance]		
Relating to 2020/21		
Total		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

39.3 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2022

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000

Assets written off

**TOTAL MOVABLE
ASSETS WRITTEN OFF**

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2022

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

39. Intangible Capital Assets

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

Intangible Capital Assets under investigation

Number

Value
R'000

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

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

40.1 Movement for 2020/21

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

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

40.1.1 Prior period error

Note

2020/21
R'000

Nature of prior period error

Relating to 2019/20 [affecting the opening balance]

Relating to 2020/21

Total

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

40. Immovable Tangible Capital Assets

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

Immovable Tangible Capital Assets under investigation

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

*for the year ended 31 March 2022***41.1 Movement for 2020/21****MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021**

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

41.1.1 Prior period error

	Note	2020/21 R'000
Nature of prior period error		
Relating to 2019/20 [affecting the opening balance]		
Relating to 2020/21		
Total		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

41.2 Capital Work-in-progress**CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2022**

	Opening balance 1 April 2021	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2022
<i>Note</i> <i>Annexure 7</i>	R'000	R'000	R'000	R'000
Heritage assets				
Buildings and other fixed structures				
Machinery and equipment				
Specialised military assets				
Intangible assets				
TOTAL				

Payables not recognised relating to Capital WIP*Note***2021/22
R'000****2020/21
R'000**

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

Total**CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2021**

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

41.3 Immovable assets written off

IMMOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2022

	Buildings and other fixed structures R'000	Heritage assets R'000	Land and subsoil assets R'000	Total R'000
--	--	-----------------------------	--	----------------

Assets written off

**TOTAL IMMOVABLE ASSETS
WRITTEN OFF**

IMMOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2022

	Buildings and other fixed structures R'000	Heritage assets R'000	Land and subsoil assets R'000	Total R'000
--	--	-----------------------------	--	----------------

Assets written off

**TOTAL IMMOVABLE ASSETS
WRITTEN OFF**

41.4 Immovable assets (additional information)

		<i>Note</i>	2021/22	2020/21
a) Unsurveyed land	Estimated completion date	<i>Annexure 9</i>	Area	Area
b) Properties deemed vested		<i>Annexure 9</i>	Number	Number
Land parcels				
Facilities				
Schools				
Clinics				
Hospitals				
Office buildings				
Dwellings				
Storage facilities				
Other				

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

c) Facilities on unsurveyed land	Duration of use	<i>Annexure 9</i>	Number	Number
----------------------------------	-----------------	-------------------	--------	--------

Schools
Clinics
Hospitals
Office buildings
Dwellings
Storage facilities
Other

d) Facilities on right to use land	Duration of use	<i>Annexure 9</i>	Number	Number
---	------------------------	-------------------	---------------	---------------

Schools
Clinics
Hospitals
Office buildings
Dwellings
Storage facilities
Other

e) Agreement of custodianship	<i>Annexure 9</i>	Number	Number
--------------------------------------	-------------------	---------------	---------------

Land parcels

Facilities

Schools
Clinics
Hospitals
Office buildings
Dwellings
Storage facilities
Other

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

- 41. Principal-agent arrangements**
42.1 Department acting as the principal

	2021/22 R'000	2020/21 R'000
State Information Technology Agent	959	1 917
Total	959	1 917

SITA charges the Office a management fee @ 7% for all procurement of ICT goods& services processed through the Agency mandated by the SITA Act

42.2 Department acting as the agent

42.2.1 Revenue received for agency activities

	2021/22 R'000	2020/21 R'000
Total		

42.2.2 Reconciliation of funds and disbursements – 2021/22

Category of revenue or expenditure per arrangement

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

Reconciliation of funds and disbursements – 2020/21

Category of revenue or expenditure per arrangement

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

42.2.3 Reconciliation of carrying amount of receivables and payables – 2021/22

Receivables

Name of principal entity	Opening balance 1 Apr 2021 R'000	Revenue principal is entitled to R'000	Less: Write-offs/ settlements/waivers R'000	Cash received on behalf of principal R'000	Closing Balance 31 Mar 2022 R'000
Total					

Payables

Name of principal entity	Opening balance 1 Apr 2021 R'000	Expenses incurred on behalf of the principal R'000	Cash paid on behalf of the principal R'000	Closing Balance 31 Mar 2022 R'000
Total				

Reconciliation of carrying amount of receivables and payables – 2020/21**Receivables**

Name of principal entity	Opening balance 1 Apr 2021 R'000	Revenue principal is entitled to R'000	Less: Write-offs/settle- ments/waivers R'000	Cash received on behalf of principal R'000	Closing Balance 31 Mar 2022 R'000
Total					

Payables

Name of principal entity	Opening balance 1 Apr 2021 R'000	Expenses incurred on behalf of the principal R'000	Cash paid on behalf of the principal R'000	Closing Balance 31 mar 2022 R'000
Total				

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

42. Changes in accounting estimates

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

	Value derived using the original estimate R'000	Value derived using amended estimate R'000	R-value impact of change in estimate R'000
--	---	--	--

Accounting estimate change 1: Provide a description of the change in estimate

Line item 1 affected by the change
Line item 2 affected by the change
Line item 3 affected by the change
Line item 4 affected by the change
Line item 5 affected by the change

--

	Value derived using the original estimate R'000	Value derived using amended estimate R'000	R-value impact of change in estimate R'000
--	---	--	--

Accounting estimate change 2: Provide a description of the change in estimate

Line item 1 affected by the change
Line item 2 affected by the change
Line item 3 affected by the change
Line item 4 affected by the change
Line item 5 affected by the change

--

	Value derived using the original estimate R'000	Value derived using amended estimate R'000	R-value impact of change in estimate R'000
--	---	--	--

Accounting estimate change 3: Provide a description of the change in estimate

Line item 1 affected by the change
Line item 2 affected by the change
Line item 3 affected by the change
Line item 4 affected by the change
Line item 5 affected by the change

--

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

43. Prior period errors

44.1 Correction of prior period errors

Note	Amount bef error correction 2020/21 R'000	Prior period error 2020/21 R'000	Restated Amount 2020/21 R'000
------	---	--	--

RevenueStatement of Financial
Performance

PER

Annual Appropriation

-	43 775	43 775
---	--------	--------

Statement of changes in Net
Assets

Stat chng in NA

Debt recovered (included in the
departmental receipts)

32	(32)	-
----	------	---

Debt Raised

-	32	32
---	----	----

Net effect

32	43 775	43 807
-----------	---------------	---------------

The Office did not disclose the Annual Appropriation under the PER sheet and corrected the error. The Office erroneously disclosed and Debt Receivable Interest under debt recovered and corrected the error to disclose it under Debt raised.

	Note	Amount bef error correction	Prior period error	Restated Amount
		2020/21 R'000	2020/21 R'000	2020/21 R'000
Expenditure:				
Compensation of Employees	Note 5	247 542	(55)	247 487
Salaries & Wages				
Basic salary		31 361	(188)	31 173
Non-pensionable Allowance		36 605	92	36 697
Employer's Contribution				
Empl Contr: Pension		20 892	41	20 933
Key Management personnel-Acting allowance	Note 34	158	2 535	2 693
Goods and Services	Note 6	106 639	55	106 694
Communication		6 394	1	6 395
Travel & Subsistence	Note 5	4 972	54	5 026
Net effect		454 563	2 535	457 098

*The error was a misallocation of expenditure, where CoE was overstated by R 54 772,18 and Goods & Services understated by the same amount
Key management personnel acting allowances was understated in the prior year by R2 535 000*

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

	Note	Amount bef error correction	Prior period error	Restated Amount
		2020/21 R'000	2020/21 R'000	2020/21 R'000
Assets:				
Prepayment & Advances	Note 14			-
Opening Balance (1 April 2020)				-

Advance Paid to GCIS August 2019		-	130	130
Current Yr Advance (2020/2021)				-
Advance Paid to GCIS November 2020		-	212	212
Movable tangible capital assets- Other machinery & Equipment	Note 39	49 488	(15)	49 473
Movable tangible capital assets- Computer Equipment	Note 39	49 618	808	50 426
Movable tangible capital assets- Furniture & Office equipment	Note 39	8 164	35	8 199
Movable tangible capital assets- Other machinery & Equipment	Note 39	49 488	(843)	48 645
Net effect		156 758	327	157 085

An Advance payment of R 211 600, 00 to GCIS for Co-vid 19 Awareness campaigns was erroneously omitted in 2020/2021. A Balance of R130 491,67 from an advance paid in 2019/2020 was omitted as confirmed Movable assets- Other Machinery & Equipment were overstated with an amount of R15 102,03 Movable assets in te prior year were misclassified between sub-classification of computer equipment, furniture & office equipment and other machinery and equipment

	Note	Amount bef error correction 2020/21 R'000	Prior period error 2020/21 R'000	Restated Amount 2020/21 R'000
Liabilities:				
Principal Agent agreement	Note 42			
State Information Technology Agency @ 7%	Note 42	-	1 917	1 917
Net effect			1 917	1 917

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

	Note	Amount bef error correction 2020/21 R'000	Prior period error 2020/21 R'000	Restated Amount 2020/21 R'000
Other:				
Irregular Expenditure	Note 31			-
Opening Balance	31	831 801	(1 204)	830 597

Local Content requirements not adhered to	31	61 771	(113)	61 658
Municipal charges overstatement	31	61 771	12	61 783
Accruals	27	5 567	16 312	21 879
Net effect		960 910	15 007	975 917

Overstatement of opening balance with inclusion of municipal charges and incorrectly classifying GIJIMA as irregular expenditure. Understatement of 2020/21 irregular expenditure by not adhering to local contents requirements.

Accruals were understated in the prior year with the amount of R16 312 000

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

44. Inventories

Inventories for the year ended 31 March 2022	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	TOTAL R'000
Opening balance					
Add/(Less):					
Adjustments to prior year balances					

Add:
 Additions/Purchases –
 Cash
 Add: Additions - Non-
 cash
 (Less): Disposals
 (Less): Issues
 Add/(Less): Received
 current, not paid
 (Paid current year,
 received prior year)
 Add/(Less):
 Adjustments
Closing balance

**Inventories for the year
 ended 31 March 2021**

Insert major category of inventor y R'000	Insert major category of inventor y R'000	Insert major category of inventor y R'000	Insert major category of inventor y R'000	TOTAL R'000
---	---	---	---	----------------

Opening balance
 Add/(Less): Adjustments to
 prior year balances
 Add: Additions/Purchases –
 Cash
 Add: Additions - Non-cash
 (Less): Disposals
 (Less): Issues
 Add/(Less): Received current,
 not paid
 (Paid current year, received
 prior year)
 Add/(Less): Adjustments
Closing balance

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
 for the year ended 31 March 2022**

45.1 Land parcels held for human settlement

Note	2021/22 R'000	2020/21 R'000
Opening balance		
Add/(Less): Adjustments to prior year balances		
Add: Additions/Purchases – Cash		
Add: Additions - Non-cash		
(Less): Disposals		

(Less): Issues
 Add/(Less): Received current, not
 paid
 (Paid current year, received prior
 year)
 Add/(Less): Adjustments

Closing balance

Anx 6

45.2 Work in progress

**Work in progress for the year ended 31
 March 2022**

**Opening
 balance**

**Additions
 during
 year
 R'000**

**(Ready for
 use/suspended)
 R'000**

**Closing
 balance
 R'000**

Clearing
 Infrastructure
 Structure of houses
 Adjustments

Total

Accruals/Payables not recognised

**2021/22
 R'000**

**2020/21
 R'000**

Certificates/Invoices received not paid:
 Clearing
 Infrastructure
 Structure of houses
Total

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

45.3 Houses ready for use

Houses ready for use

Quantity

**2021/22
 R'000**

Quantity

**2020/21
 R'000**

Opening balance
 Add/(Less): Adjustment to prior year balances
 Add: Ready for use in current year
 Less: Issued to beneficiaries
 Add/(Less): Adjustments

Closing balance

45. Transfer of functions and mergers**46.1 Transfer of functions**

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

46.1.1 Statement of Financial Position

<i>Note</i>	Balance before transfer date	Functions (transferred) / received	Functions (transferred) / received	Functions (transferred) / received	Balance after transfer date
		Dept name (Specify)	Dept name (Specify)	Dept name (Specify)	
	R'000	R'000	R'000	R'000	R'000
ASSETS					
Current Assets					
Unauthorised expenditure					
Cash and cash equivalents					
Other financial assets					
Prepayments and advances					
Receivables					
Loans					
Aid assistance prepayments					
Aid assistance receivable					
Non-Current Assets					
Investments					
Receivables					
Loans					
Other financial assets					
TOTAL ASSETS					

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

LIABILITIES**Current Liabilities**

Voted funds to be surrendered to the Revenue Fund
 Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund
 Bank Overdraft
 Payables
 Aid assistance repayable
 Aid assistance unutilised

Non-Current Liabilities

Payables

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TOTAL LIABILITIES

--

NET ASSETS

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

46.1.2 Notes

<i>Note</i>	Balance before transfer date	Functions (transferred) / received	Functions (transferred) / received	Functions (transferred) / received	Balance after transfer date
	R'000	Dept name (Specify) R'000	Dept name (Specify) R'000	Dept name (Specify) R'000	R'000
Contingent liabilities					
Contingent assets					
Capital commitments					
Accruals					
Payables not recognised					
Employee benefits					

Lease commitments – Operating
lease
Lease commitments – Finance
lease
Lease commitments – Operating
lease revenue
Accrued departmental revenue
Irregular expenditure
Fruitless and wasteful expenditure
Impairment
Provisions
Movable tangible capital assets
Immovable tangible capital assets
Intangible capital assets

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

46.2 Mergers

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

46.2.1 Statement of Financial Position

	<i>Note</i>	Balance bef merger date	Balance bef merger date	Balance bef merger date	Balance after merger date
		Combining Dept (Specify) R'000	Combining Dept (Specify) R'000	Combining Dept (Specify) R'000	Combined Dept (Specify) R'000
ASSETS					
Current Assets					
Unauthorised expenditure					
Cash and cash equivalents					
Other financial assets					
Prepayments and advances					
Receivables					
Loans					
Aid assistance prepayments					
Aid assistance receivable					
Non-Current Assets					
Investments					
Receivables					
Loans					
Other financial assets					
TOTAL ASSETS					
LIABILITIES					
Current Liabilities					
Voted funds to be surrendered to the Revenue Fund					
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund					
Bank Overdraft					
Payables					
Aid assistance repayable					
Aid assistance unutilised					
Non-Current Liabilities					
Payables					
TOTAL LIABILITIES					
NET ASSETS					

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

46.2.2 Notes

	Note	Balance bef merger date	Balance bef merger date	Balance bef merger date	Balance after merger date
		Combining Dept (Specify) R'000	Combining Dept (Specify) R'000	Combining Dept (Specify) R'000	Combined Dept (Specify) R'000
Contingent liabilities					
Contingent assets					
Capital commitments					
Accruals					
Payables not recognised					
Employee benefits					
Lease commitments – Operating lease					
Lease commitments – Finance lease					
Lease commitments – Operating lease revenue					
Accrued departmental revenue					
Irregular expenditure					
Fruitless and wasteful expenditure					
Impairment					
Provisions					
Movable tangible capital assets					
Immovable tangible capital assets					
Intangible capital assets					

47. STATEMENT OF CONDITIONAL GRANTS RECEIVED

Category	Value
Category 1	10
Category 2	20
Category 3	30
Category 4	40
Category 5	50
Category 6	60
Category 7	70
Category 8	80
Category 9	90
Category 10	100
TOTAL	500

TOTAL

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

48. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

NAME OF PROVINCE / GRANT	GRANT ALLOCATION				TRANSFER			SPENT				2020/21	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department %	Amount received by department R'000	Amount spent by department R'000	Unspent funds R'000	% of available funds spent by department %	Division of Revenue Act R'000	Actual Transfer R'000
Summary by province													
Eastern Cape													
Free State													
Gauteng													
Kwazulu-Natal													
Limpopo													
Mpumalanga													
Northern Cape													
North West													
Western Cape													
TOTAL													
Summary by grant													

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

1. [Grant
name]
Eastern Cape
Free State
Gauteng
Kwazulu-Natal
Limpopo
Mpumalanga
Northern
Cape
North West
Western Cape

2. [Grant
name]
Eastern Cape
Free State
Gauteng
Kwazulu-Natal
Limpopo
Mpumalanga
Northern
Cape
North West
Western Cape

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

49. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	2021/22					2020/21		
	GRANT ALLOCATION					TRANSFER		
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department %	Division of Revenue Act R'000
								Actual transfer R'000

TOTAL

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

50. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

51. COVID 19 Response Expenditure

	<i>Note Annexure 11</i>	2021/22 R'000	2020/21 R'000
Compensation of employees		574	-
Goods and services		264	2 258
Transfers and subsidies		-	-
Expenditure for capital assets		-	-
Other		-	-
Total		838	2 258

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2020/21	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocation by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000

TOTAL

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 1B
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2020/21
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
							R'000
Youth Entrepreneurship Services Fund	7	-	-	7	6	86%	103
TOTAL	7	-	-	7	6		103

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 1C
STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

NAME OF HIGHER EDUCATION INSTITUTION	TRANSFER ALLOCATION				TRANSFER		2020/21
	Adjusted Appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Amount not transferred R'000	% of Available funds Transferred %
							Final Appropriation R'000

TOTAL

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

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

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2020/21
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	
						R'000			
Public Corporations									
Transfers									
Subsidies									
Total									
Private Enterprises									
Transfers									
Subsidies									
Total									
TOTAL									

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

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

	TRANSFER ALLOCATION				EXPENDITURE		2020/21
	Adjusted Appropriation Act R'000	Roll overs R'000	Adjust-ments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	
FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION							Final Appropriation R'000

Transfers

Subsidies

TOTAL

ANNEXURE 1F
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 1G
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2020/21
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
HOUSEHOLDS	R'000	R'000	R'000	R'000	R'000	%	Final Appropriation R'000
Transfers							
Injury on duty	200		(85)	115	6	5%	173
Leave Gratuity	2 987		225	3 212	3 055	95%	1 788
Bursaries (Non-Employees)	16 200			16 200	15 809	98%	18 130
Payment/Refund & Rem-ACT/grace	100			100	100	100%	35
Donations & Gifts (Cash)	100			100	95	95%	84
Subsidies							
	19 587	-	140	19 727	19 065		20 210
TOTAL	19 587	-	140	19 727	19 065		20 210

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 1H
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2021/22	2020/21
		R'000	R'000
Received in cash			
Subtotal			
Received in kind			
Subtotal			
TOTAL			

ANNEXURE 1I
STATEMENT OF AID ASSISTANCE RECEIVED

Subtotal

Received in kind

Subtotal

TOTAL

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 1J
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2021/22	2020/21
	R'000	R'000
Made in kind		
Décor for Ms Sophy Maine's Funeral		9
PA system for Ms Sophy Maine's funeral		7
AVBOB Funeral service on behalf of Ms Sophy Maine's funeral		27
Funeral service on behalf of Ms Sophy Maine's funeral		41
Funeral service costs to Mrs Molokwana on behalf of Mr Levy Kiriri Maleka	46	
Executive gift to the former Premier Prof. Job Mokgoro	49	
TOTAL	95	84

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 1K
STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

Grant Type	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sept 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2022	Feb 2022	Mar 2022	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Old age													
War Veterans													
Disability													
Grant in Aid													
Foster Care													
Care Dependency													
Child Support Grant													
Other													
TOTAL													

ANNEXURE 1L

STATEMENT OF INDIRECT GRANTS BETWEEN NATIONAL DEPARTMENTS AND MUNICIPALITIES

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

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

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

Name of Public Entity	State Entity's PFMA Schedule type (state year-end if not 31 March)	% Held 2020/2021	% Held 2021/2022	Number of shares held		Cost of investment		Net Asset value of investment		Profit/(Loss) for the year		Losses guaranteed
				2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	Yes/No

Subtotal

Other

Subtotal

TOTAL

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 3A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2022 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 20YY	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 20ZZ	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2022
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles								
	Subtotal								
	Housing								
	Subtotal								
	Other								
	Subtotal								
	TOTAL								

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

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

Name of Public Entity	Nature of business	Cost of investment		Net Asset value of Investment		Amounts owing to Entities		Amounts owing by Entities	
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
		2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
Controlled entities									
Subtotal									
Non-controlled entities									
	Associates								
	Subtotal								
	Joint Ventures								
	Subtotal								
	Other non-controlled entities								
	Subtotal								
TOTAL									

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 3A (continued)
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2022 – FOREIGN

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 20YY	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 20ZZ	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2022
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles								
	Subtotal								
	Housing								
	Subtotal								
	Other								
	Subtotal								
	TOTAL								

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2022

Nature of Liability	Opening Balance 1 April 2021	Liabilities incurred during the year	Liabilities paid/cancelled/reduc ed during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2022
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Dispute arising with: Khanyisa Mogale	4 874				4 874
Rescission of Court Order: Moseithi Mathaku	2 283				2 283
Contractual Settlement dispute: KL Sebegu	3 445				3 445
Contractual dispute: Iron Mountain	439				439
Civil claim: Friendly Hand Trading Projects	905				905
Civil claim: Nepo Data Dynamics	197 281				197 281
Valor IT	146 474				146 474
Subtotal	355 701	-	-	-	355 701
Environmental Liability					
Subtotal					
Other					
Subtotal					

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 4
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2021/22	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2021	31/03/2022	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
NW: DPWR		3 338		9 184		12 522		
GCIS	176			1	176	1		
NW: DoH - Microsoft License Fees	4 427				4 427			
	4 603	3 338	-	9 185	4 603	12 523		
Other Government Entities								
"JB Marks Municipality (Ventersdorp Local Municipality)"				83	-	83		
				83		83		
TOTAL	4 603	3 338	-	9 268	4 603	12 606		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 5
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2021/22	
	31/03/2022 R'000	31/03/2021 R'000	31/03/2022 R'000	31/03/2021 R'000	31/03/2022 R'000	31/03/2021 R'000	Payment date up to six (6) working days before year end	Amount R'000
DEPARTMENTS								
Current								
NW: COSATMA - VMS	385				385	-	2022/04/01	477
NW: DoH - Secondment	166				166	-		
NW: DEDECT - Secondment	131		117		248	-	2022/04/01	187
NW: COGTA - Secondment	53				53	-		
SAPS - Secondment	15				15	-		
NATIONAL : DoJ	2 799			11 199	2 799	11 199		
Subtotal	3 549	-	117	11 199	3 666	11 199		664
Non-current								
Subtotal								
Total Departments	3 549	-	117	11 199	3 666	11 199		664

DEPARTMENT OF OFFICE OF THE PREMIER

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 6
INVENTORIES

Inventories for the year ended 31 March 2022

Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	TOTAL
R'000	R'000	R'000	R'000	R'000	R'000

Opening balance

Add/(Less): Adjustments to prior year balances

Add: Additions/Purchases – Cash

Add: Additions – Non-cash

(Less): Disposals

(Less): Issues

Add/(Less): Received current, not paid

(Paid current year, received prior year)

Add/(Less): Adjustments

Closing balance

Opening balance
Add/(Less): Adjustments to prior year balances
Add: Additions/Purchases – Cash
Add: Additions - Non-cash
(Less): Disposals
(Less): Issues
Add/(Less): Received current, not paid
(Paid current year, received prior year)
Add/(Less): Adjustments
Closing balance

Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	TOTAL
R'000	R'000	R'000	R'000	R'000

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 7**MOVEMENT IN CAPITAL WORK IN PROGRESS****MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2022**

Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
R'000	R'000	R'000	R'000

HERITAGE ASSETS

Heritage assets

--	--

MACHINERY AND EQUIPMENT

Transport assets

Computer equipment

Furniture and office equipment

Other machinery and equipment

--	--

SPECIALISED MILITARY ASSETS

Specialised military assets

--	--

BIOLOGICAL ASSETS

Biological assets

--	--

BUILDINGS AND OTHER FIXED STRUCTURES

Dwellings

Non-residential buildings

Other fixed structures

--	--

LAND AND SUBSOIL ASSETS

Land

Mineral and similar non-regenerative resources

--	--

SOFTWARE

Software

--	--

MASTHEADS AND PUBLISHING TITLES

Mastheads and publishing titles

--	--

PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS

Patents, licences, copyright, brand names and trademarks

--	--

RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS

Recipes, formulae, prototypes, designs, models

--	--

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

SERVICES AND OPERATING RIGHTS

Services and operating rights

--	--

TOTAL

--	--

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

Opening balance	Prior period error	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
R'000	R'000	R'000	R'000	R'000

HERITAGE ASSETS

Heritage assets

--	--

MACHINERY AND EQUIPMENT

Transport assets

Computer equipment

Furniture and office equipment

Other machinery and equipment

--	--

SPECIALISED MILITARY ASSETS

Specialised military assets

--	--

BIOLOGICAL ASSETS

Biological assets

--	--

BUILDINGS AND OTHER FIXED STRUCTURES

Dwellings

Non-residential buildings

Other fixed structures

--	--

LAND AND SUBSOIL ASSETS

Land

Mineral and similar non-regenerative resources

--	--

SOFTWARE

Software

--	--

MASTHEADS AND PUBLISHING TITLES

Mastheads and publishing titles

--	--

PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS

Patents, licences, copyright, brand names and trademarks

--	--

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

**RECIPES, FORMULAE,
 PROTOTYPES, DESIGNS, MODELS**

Recipes, formulae, prototypes, designs,
 models

--	--

**SERVICES AND OPERATING
 RIGHTS**

Services and operating rights

--	--

TOTAL

--	--

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

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

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
GCIS: NW series of Radio Interviews	650				650	-
Subtotal	650	-	-	-	650	-
PROVINCIAL DEPARTMENTS						
Subtotal						
PUBLIC ENTITIES						
Subtotal						
OTHER ENTITIES						
Subtotal						
TOTAL	650	-	-	-	650	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

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

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	R'000	R'000	R'000	R'000	R'000	R'000

NATIONAL DEPARTMENTS**Current**

Subtotal

Non-Current

Subtotal

PROVINCIAL DEPARTMENTS**Current**

Subtotal

Non-Current

Subtotal

PUBLIC ENTITIES**Current**

Subtotal

Non-Current

Subtotal

OTHER ENTITIES**Current**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

Subtotal
Non-Current

Subtotal

TOTAL

Current

Non-current

--

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

ANNEXURE 9

ADDITIONAL INFORMATION ON IMMOVABLE ASSETS

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

Wording to suit their specific circumstances in order to comply with the Immovable Asset Guide can be inserted here.

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

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

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 10**DEPARTMENT OF HUMAN SETTLEMENTS HOUSING RELATED EXPENDITURE CLASSIFICATION**

	2021/22	2020/21
	R'000	R'000
Inventories		
<i>List the items for correct expenditure</i>		
Subtotal		
Expenditure for capital assets		
<i>List the items for correct expenditure</i>		
Subtotal		
Transfers and subsidies		
<i>List the items for correct expenditure</i>		
Subtotal		
TOTAL		
Capital commitments		
	<i>Note</i>	
	2021/22	2020/21
	R'000	R'000
Buildings and other fixed structures		
Heritage assets		
Machinery and equipment		
Specialised military assets		
Land and subsoil assets		
Biological assets		
Intangible assets		
Total		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 11
COVID 19 RESPONSE EXPENDITURE
Per quarter and in total

Expenditure per economic classification	2021/22					2020/21
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees		278	149	147	574	
Salaries and Wages		278	149	147	574	
Goods and services		104	2	158	264	2 258
<i>List all applicable SCOA level 4 items</i>						
Cons Supplies		104	2		106	737
Property Payment				158	158	1 238
Communications						212
Operating Payments						49
Travel and Subsistence						22
Transfers and subsidies						
<i>List all applicable SCOA level 4 items</i>						
Expenditure for capital assets						
<i>List all applicable SCOA level 4 items</i>						
Other expenditure not listed above						
<i>List all applicable SCOA level 4 items</i>						
TOTAL COVID 19 RESPONSE EXPENDITURE		382	151	305	838	2 258



 North West Office of the Premier |  @NWPGOV |  North West Office of the Premier

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