

FREE STATE DEPARTMENT
Agriculture and Rural Development



VOTE NO.11

ANNUAL REPORT
2021/22



agriculture & rural development
Department of
Agriculture and Rural Development
FREE STATE PROVINCE

www.ard.fs.gov.za

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2.3 Part A: General Information

2.3.1 Department's General Information

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2.3.2 List of Abbreviations/Acronyms

AGSA	Auditor General of South Africa
AO	Accounting Officer
BBBEE	Broad Based Black Economic Empowerment
CFO	Chief Financial Officer
MEC	Member of Executive Council
DARD	Department of Agriculture and Rural Development
HoD	Head of Department
PFMA	Public Finance Management Act
TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework
SMME	Small Medium and Micro Enterprises
SCM	Supply Chain Management
EU	European Union
SITA	State Information Technology Agency
SDIP	Service Delivery Improvement Plan
NDP	National Development Plan
NGP	New Growth Path
MTSF	Medium Term Strategic Framework

2.3.3 Foreword by Minister/MEC for the Department



Our Province is an important primary contributor of a number of commodities. In the past planting season, the Free State produced 45% of the total maize crop, 56% of the national sunflower crop, 41% of the soya crop, 26% of the groundnuts, 23% of the sorghums and 44% of the dry beans. In terms of the selected livestock industry the province contributed (4%) Goats, porkers (8%), beef (19%) and mutton (20%).

However, persisting below average production condition has put farmers in a financial drought. Increasing fuel and diesel prices negatively impact farmers' production costs and consumer welfare is heavily compromised since they have to pay directly or indirectly due to ever increasing fuel prices.

Climate changes such as unpredictable torrential rain has led to loss of livestock, field crops and other valuable farming assets. The province as whole received above average rainfall since the start of South Africa's 2021/22 summer crop production season in October 2021, which recorded more than 200% of the long-term average rainfall for the calendar year 2021.

Excessive rain created challenges for crop farmers with delayed planting, water logged situations, late replanting and even total crop losses. The natural veld recovered well, even on the areas which were burned. Still, the actual plantings are a relief as many analysts, thought we would see a much smaller area planted. The recent sunny days contributed to some relieve.

Notwithstanding the above challenges, our mid-term performance in relation to the seven priorities shows great impact towards achieving our key performance areas and the following outcome/impact is reported:

MTSF Priority	Progress of Mid-Term
Economic Transformation and Job Creation	- For the mid-term we have rehabilitated 12729 ha, completed 134 infrastructure, and created 652 green jobs. - Implemented commodity base producer support targeting 46 projects benefitting 381 beneficiaries. - We facilitated market access for 48 producers and supported 185 agro-processing initiatives.
Education, Skills and Health	For the mid-term we produced 188 graduates from Glen College, we also provided 2274 producers with skills development training.
Consolidating the Social Wage through Reliable and Quality Basic Services	N/A
Spatial Integration, Human Settlements and Local Government	N/A
Social Cohesion and Safe Communities	For the mid-term we supported producers with stock theft prevention IT technology, established the departmental men's forum and hosted moral regeneration activities.
A Capable, Ethical and Developmental State	We continued to receive qualified audit outcome, 93% risk performance assessment and 98% of payments within 30 days.
A better Africa and World	We facilitated 7147 exports certificates for our productions.



Mr T.S NXANGISA
MEC: AGRICULTURE AND RURAL DEVELOPMENT

Date: 31 May 2022

2.3.4 Report of the Accounting Officer



OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT

Departmental Revenue

Departmental receipts	2021/22			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	4 670	4 923	(253)	4 404	4 570	(166)
Transfers received						
Fines, penalties and forfeits	1		1	2		2
Interest, dividends and rent on land						
Sale of capital assets (biological)	300		300	900		900
Financial transactions in assets and liabilities	359	559	(200)	633	422	211
Total	5 330	5 482	(152)	5 939	4 992	947

The Department managed to collect revenue worth R5. 482 million during 2021/22 financial year. The Department over collect revenue by R152 000. The over collection is on sales of goods and services other than capital assets and on financial transactions in assets and liabilities.

The Department has a formally approved tariff policy and the rates charged for specific chargeable services were reviewed annually on the basis of trends in market prices, the inflation rate, simple escalation or discounted tariffs as a result of sound reasons why fully market-related tariffs could not be charged. The following services were performed against set rates:

- Accommodation at Glen for formal and non-formal training courses and sessions;
- The use of departmental venues by other parties;
- Veterinary professional and laboratory diagnostic and analytical services;
- Veterinary inspections and the issue of certificates and permits;
- Veterinary services rendered by the Veterinary Clinics; and
- Soil and Water analysis performed at Glen.

Free services

Most of the core services rendered by the Department to commercial and Smallholder farmers are delivered for free. Examples of these include engineering and economic services, land care, extension, some animal disease control, technical advisory and some non-formal training services. It was not possible to cost these services that are mandatory and generally provided by government free of charge. The students for the year under review was granted exemption from paying tuition and accommodation fees.

The Department has eight budget programmes that is 1) Administration, 2) Sustainable Resource Management, 3) Farmer Support and Development, 4) Veterinary Services, 5) Technology Research and Development Services, 6) Agricultural Economics, 7) Structured Agricultural Training and 8) Rural Development mandated to implement the MTSF outcomes.

Programme Expenditure

Programme Name	2021/22			2020/21		
	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	206 208	194 900	11 308	183 894	181 378	2 516
Sustainable Resource Management	65 058	61 375	3 683	53 031	52 407	624
Farmer Support and Development	360 761	334 422	26 339	325 562	317 349	8 213
Veterinary Services	70 561	69 236	1 325	63 792	63 740	52
Technology, Research and Development Services	61 856	50 882	10 974	46 268	46 022	246
Agricultural Economics	14 170	13 645	525	13 408	13 397	11
Structured Agricultural Training	31 701	27 251	4 450	25 947	23 187	2 760
Rural Development	8 325	7 974	351	8 989	8 950	39
Total	818 640	759 685	58 955	720 891	706 430	14 461

VIREMENTS/ROLLOVERS

1. Administration

An amount of R4. 278 million was moved from other programmes to programme 1, to supplement goods and services to avoid over expenditure.

2. Sustainable Resource Management

An amount of R370 000 was moved from other programmes to programme 2, to supplement goods and services to avoid over expenditure.

3. Farmer Support and Development

An amount of R3. 018 million was moved from programmes 3 to other programmes to supplement goods and services to avoid over expenditure. The programme also received Roll-over amounting to R1. 579 million for CASP and Ilima/Letsema.

4. Veterinary Services

An amount of R64 000 was moved from other programmes to programme 4, to supplement goods and services to avoid over expenditure.

5. Research and Technology Development

An amount of R157 000 was moved to other programmes from programme 5, to supplement goods and services to avoid over expenditure. The programme received Roll-over amounting to R2. 004 million for Gariep Fish Hatchery project.

6. Agricultural Economics Services

The amount of R22 000 was moved from other programmes to programme 6 to supplement goods and services to avoid over expenditure.

7. Structured Agricultural Education & Training

An amount of R1. 499 million was moved to other programmes from programme 7, to supplement goods and services to avoid over expenditure. The programme also received Roll-over amounting to R2. 756 million for Glen College project.

8. Rural Development

The amount of R60 000 was moved from programmes 8 to other programmes to supplement goods and services to avoid over expenditure.

Services Rendered by the Department

PROGRAMMES	OBJECTIVES
Administration	Ensure that the Department achieve an unqualified audit opinion, % of compliance with Risk, Anti-corruption and Integrity management, % of valid invoices paid within 30 days upon receipt by the department
Sustainable Resource Management	To provide agricultural support services to land users in order to ensure sustainable development and management of natural and agricultural resources
agricultural producer support and development	To provide support to producers through agricultural development programmes. Enable and support transformation of the agriculture sector to actively contribute to economic growth, inclusion, equality and the creation of decent work. Increase food production through producer support and development initiatives.
Veterinary Services	To provide veterinary services to clients in order to ensure healthy animals, sustainable and profitable animal production enterprises, safe trade in animals and products of animal origin and the wellbeing of animals and the public
Research and Technology Development	To provide expert, problem focused and client centric agricultural research, technology development and transfer impacting on development.
Agricultural Economics Services	To provide timely and relevant agricultural economic services to ensure equitable participation in the economy
Structured Agricultural Education and Training	To provide and facilitate structured and vocational agricultural education and training to establish a knowledgeable, prosperous and competitive sector
Rural Development	To provide rural development coordination and create a vibrant, sustainable and equitable rural community and facilitate implementation of national comprehensive rural development programme in the province

Supply Chain Management (SCM):

Unsolicited BID Proposals

The Department did not receive or consider any unsolicited bid proposals during the 2021/22 financial year

SCM processes that are in place to prevent irregular expenditure

There following policies and guidelines are used continuously by the SCM directorate in the department to ensure compliance and to prevent unnecessary irregular expenditures:

- Supply Chain Management Policy,
- The delegations,
- Standard Operating Procedures and
- Internal Control Checklists

The Department has processes and systems in place to detect and prevent irregular expenditure. Three bid committees, namely the Bid Specification Committee, the Bid Evaluation Committee and the Bid Adjudication Committee have been established to ensure transparency, fairness and compliance with the Preferential Procurement Framework Act, Preferential Procurement Regulations and the National Treasury Instruction Notes in SCM. The members of the Bid Committees were also trained during the year under review to ensure compliance during the bidding process.

There was a lack of human resource capacity in the department in relation to the Supply Chain Management personnel due to budget pressures experienced in the department on Compensation of Employees.

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

No gifts and donations were received during the year under review.

Exemptions and deviations received from Provincial Treasury:

The Department did not request any exemptions or deviation from the PFMA or TR or deviation from financial reporting requirements for the year under review, except for deviations for Supply Chain Management processes, which are in accordance with Treasury Regulations and Treasury Instruction number 3 of 2016/17.

Acknowledgements/Appreciations:

I would like to thank the MEC for his leadership and guidance as well as the officials of the Department for their hard work and dedication.

I will also like to thank the Audit Committee and Risk Committee for their guided support throughout the financial year.

The effective oversight role played by the Portfolio Committee of the Legislature is highly appreciated.



DR T.J Masiteng

Head of Department: Agriculture and Rural Development

Date: 31 May 2022

2.3.5 Statement of Responsibility and Confirmation of the Accuracy of the Annual Report

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

- a) All information and amounts disclosed throughout the annual report are consistent.
- b) The annual report is complete, accurate and is free from any omissions.
- c) The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.
- d) 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.
- e) The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.
- f) 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.
- g) The external auditors are engaged to express an independent opinion on the annual financial statements.
- h) 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



DR Takisi Janki Masiteng
Head of Department: Agriculture and Rural Development

Date: 31 May 2022

2.3.6 Strategic Overview

- **Vision**

Prosperous Agriculture, Farming our Future.

- **Mission**

By partnering with relevant Stakeholders, leverage available Resources and Technologies to optimise Productivity and Accelerate Economic Growth in the Agricultural Sector.

- **Values**

The core values of the department are informed by the latter and spirit of the Constitution of the Republic of South Africa (Act No. 108 of 1996). These are the guiding principles that will define how the Department would conduct itself in performance of its business:

- Commitment to good governance
- Equitable use of scarce resources
- Transparency and accountability to stakeholders
- Dedication, integrity and professionalism

2.3.7 Legislative and Other Mandates

- **Constitutional mandates**

The Department of Agriculture and Rural Development is an integral part of the South African Public Service established in terms of section 197 of the Constitution as read with section 7(1) and 7(2) of the Public Service Act (Act No. 103 of 1994).

- **Legislative mandates**

A. Transformation legislation

- The Constitution of the Republic of South Africa Act, 1996 (Act No. 108 of 1996)
- Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)
- Skills Development Levies Act, 1999 (Act No. 9 of 1999)
- General and Further Education and Training Quality Assurance Act, 2001 (Act No. 58 of 2001)
- Higher Education and Training Act, 1997 (Act No. 101 of 1997)
- Adult Basic Education Training Act, 2000 (Act No. 52 of 2000)
- Designated Areas Development Act, 1997 (Act No. 87 of 1997)

B. Veterinary and animal health related legislation

- Veterinary and Para-Veterinary Professions Act, 1982 (Act No.19 of 1982)
- Animal Diseases Act, 1984 (Act No. 35 of 1984)
- Abattoir Hygiene Act, 1992
- Problem Animals Control Ordinance, 1978 (ORD No. 38 of 1965)
- Livestock Brands Act, 1962 (Act No. 87 of 1962)
- Livestock Improvement Act, 1977 (Act No. 25 of 1977)
- Meat Safety Act, 2000 (Act No. 40 of 2000)
- South African Medicines and Medical Devices Regulatory Authority Act, 1998 (Act No.132 of 1998)
- The International Code for Laboratory Diagnostic Procedure for Animal Diseases of the World Organisation for Animal Health

C. Research (Animal, Aquaculture, Plant and Crop related legislation & Policies)

- Agricultural Pests Act, 1983 (Act No. 36 of 1983);
- Agricultural Research Act, 1990 (Act No. 86 of 1990);
- Agricultural Products Standards Act, 1990;
- Fertilisers, Farm feeds, Agricultural remedies and Stock remedies Act, 1947;
- Plant Breeder's Right Act (Act No. 15 of 1976);
- Plant Improvement Act, 1976 (Act No. 53 of 1976);
- National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998);
- Genetically Modified Organisms Act, 1997 (Act No. 15 of 1997);
- Animal Improvement Act, 1998 (Act No. 62 of 1998);

D. Frameworks / Policies / Strategies / Plans

- National Agricultural Research and Development Strategy (NARDS) of DAFF of 2008
- National Research and Development Strategy (NRDS) of DST of 2002;
- Draft National Research Policy for South Africa, Version 6.2, 2013.
- National Agricultural Research Agenda (2014 – 2019)

E. Soil Conservation and Land Care

- Engineering Services Act (Act No. 46 of 2000)
- Designated Areas Development Act, 1997 (Act No. 87 of 1979)
- Soil user planning ordinance (Ordinance 15 of 1985)
- Conservation of Agricultural Resources Act, 1983
- National Environmental Management Act, (Act No. 107 of 1998)
- Environment Conservation Act (Act No. 73 of 1989)

F. Land and land reform

- Land Reform Act, 1997 (Act No. 3 of 1997)
- Subdivision of Agricultural Land Act, 1970 (Act No. 70 of 1970) (pending repeal)
- Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993)
- Nature and Environmental Conservation Ordinance 19 of 1974
- Nature Reserve Validation Ordinance, Ordinance 3 of 1982

G. Administrative Legislation

A number of national transversal laws and regulations the Department of Agriculture and Rural Development's administrative functions:

- Employment Equity Act (Act No. 55 of 1998)
- Local Government: Municipal Property Rates Act, (Act No. 6 of 2004)
- Public Finance Management Act (Act No. 1 of 1999 as amended by Act No. 29 of 1999)
- Division of Revenue Act (Annually)
- Public Service Act (Act No. 103 of 1994) and Regulations, 2001
- Labour Relations Act (Act No. 66 of 1995)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Occupational Health and Safety Act (Act No. 85 of 1993)
- Employment of Education and Training Act (Act No. 76 of 1998)
- SITA Act (No. 88 of 1998, as amended by Act 38 of 2002)

H. Policy Mandates

- White Paper on Agriculture 1995
- White Paper on Sustainable Forest Development in South Africa, 1996
- White Paper on Marine Fisheries Policy for South Africa
- National Aquaculture Policy Framework for South Africa, 2013;
- Draft National Inland Fisheries Policy Framework for South Africa, 2016
- New Growth Path
- Free State Growth and Development Strategy
- National Infrastructure Plan - Strategic Integrated Projects
- Accelerated and Shared Growth Initiative for South Africa
- National Industrial Policy Framework
- Medium Term Strategic Framework
- Land Reform Policy
- Implementation Framework for the Land Care Programme
- Policy on sustainable agricultural development
- Integrated Strategy on the Promotion of Entrepreneurship and Small Enterprises, 2005
- Comprehensive Rural Development Programme (CRDP)
- The Integrated Food Security Strategy for South Africa
- Livelihoods Development Support Programme
- Agricultural Policy in South Africa (1998)
- Drought Management Plan (2005)
- Agri-BEE Framework for Agriculture
- Competition Act
- NEPAD and CAADP
- SADC Trade Protocols

I. Relevant court rulings

- No court rulings

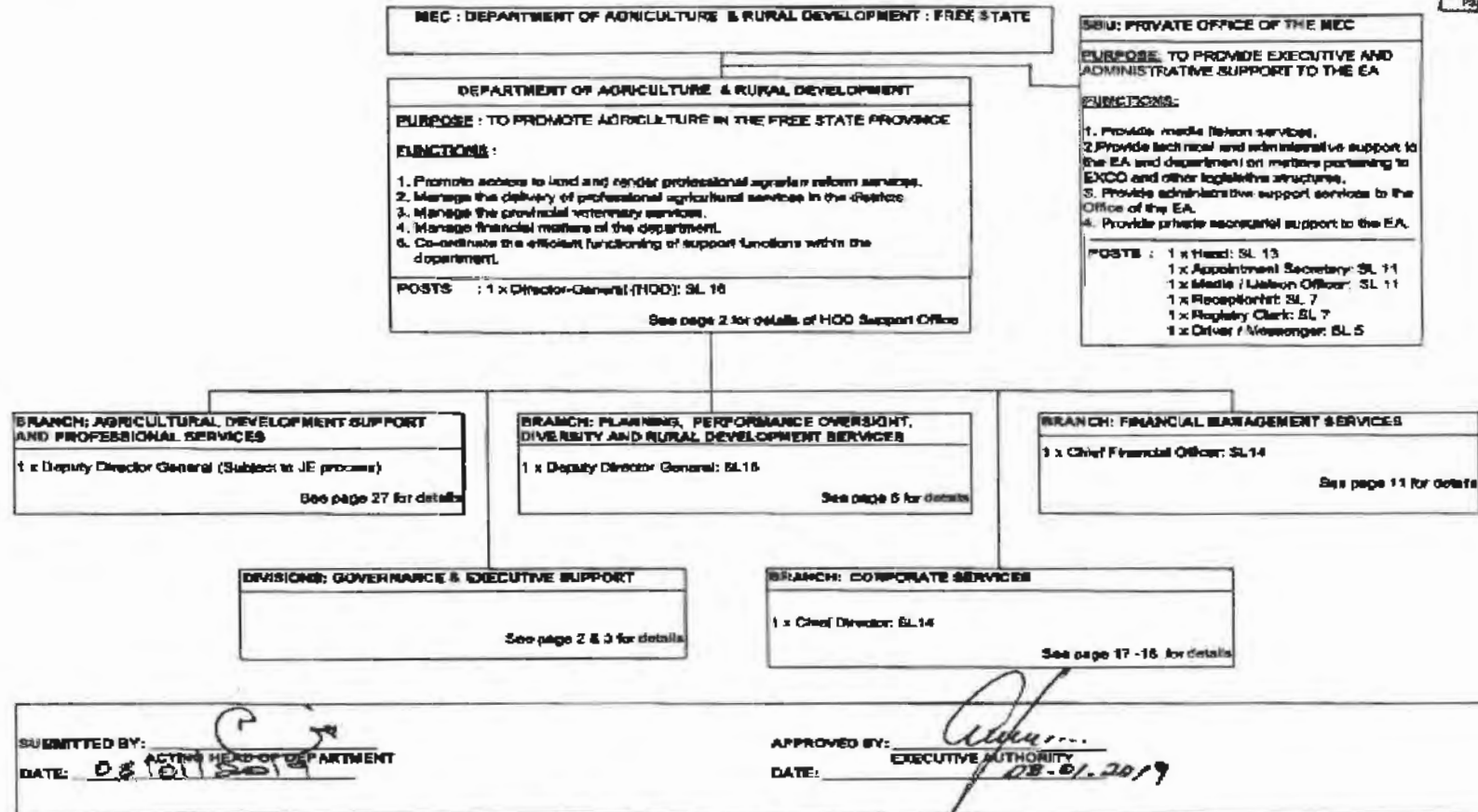
2.3.5 Organisational Structure

Although the current approved Organizational Structure of the Department was still being utilized during the year under reporting, a review process of the structure commenced to ensure the proper alignment of functions, review of the span of control between the different branches and to strengthen governance and control.

The review process further took into account the changes that was brought about by the 6th Administration whilst cognizance was also taken of the Proposed Generic Structure for Departments of Agriculture & Rural Development as well as the DPSA Generic Structure for Programme 1: Administration. The newly proposed structure that are being developed for the Department of Agriculture and Rural Development will also be aligned with the vision and mission and be responsive to the needs of the sector and new priorities.

2019 - 2022 MTEF ORGANIZATIONAL STRUCTURE
FREE STATE DEPARTMENT OF AGRICULTURE & RURAL DEVELOPMENT

Page 1



2.3.9 Entities Reporting to the Minister/MEC

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
N/A	N/A	N/A	N/A

2.4 Part B: Performance Information

2.4.1 Auditor General's Report

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 114 of the Report of the Auditor General, published as Part E: Financial Information.

2.4.2 Overview of Departmental Performance

Service Delivery Environment

The Department continues to improve working relations with stakeholders, including sector departments (DALRRD, DEFF), farmers, and agri-businesses. This collaboration and partnerships have assisted in strengthening relations and improved service delivery to the Free State populace.

Service Delivery Improvement Plan

The department initiated a process of reviewing the SDIP with the intention of focusing on the main service of security management and fraud prevention, however the department continued with main service of veterinary services.

Due to conditions of COVID-19 the draft could not be finalised due to lack of consultation with affected programmes, therefore the report for the year under review is reflected as no changes from the previously identified services.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Veterinary diagnostic services	Producers; Processors; & Traders	Samples are tested as prescribed by the Animal Diseases Act. The laboratories tests are performed in accordance with the ISO 17025 standards. Continued performance of laboratory requires SANAS accreditation as new requirement	Prepare the labs for SANAS accreditation	The accreditation of both Kroonstad and Bloemfontein Vet labs is at an advanced stage

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
N/A	N/A	N/A

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Website, newsletters, local newspapers and media.	Leverage more on technology and technological platforms.	Constantly updating the media platforms
Reviewed Service Charters, Service Standards and SDIP Task team appointments	Review the departmental Service Charter and other related documents.	All reviewed documents were approved by the HOD.

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
N/A	N/A	N/A

Organisational environment

The organisation operated under conditions and regulations of COVID-19, which lead to the development of interventions that will ensure business continuity whilst taking care of the Employee Health and Wellness. The department operated through a rotational system impacting on the performance of the department.

The post of Chief Financial Officer became vacant since the discharge of the incumbent and the department has since appointed the Acting Chief Financial Officer to ensure that the office remains effective and in due course the vacancy will be filled permanently.

Due to announced National interventions, the departments planned annual targets and budgets were affected leading to under achievement in some areas. However, taking into account our support and contribution to National interventions programmes the under achievement is offset by the reported contribution and achievement to National targets.

Key policy developments and legislative changes

N/A

2.4.3 Progress towards Achievement of Institutional Impacts and Outcomes

MTSF Priority	Contribution	Rationale for Selection	Progress of Mid-Term
Economic Transformation and Job Creation	Core	Equitable land ownership, decentralized economy, ability to stimulate other sectors through the value chain, multiplier effect. Facilitate the commercialization of black farmers to contribute to: GDP, Job creation, transformation of the Agri-food value chain	For the mid-term we have rehabilitated 12729 ha, completed 134 infrastructure, and created 652 green jobs. Implemented commodity base producer support targeting 46 projects benefitting 381 beneficiaries. We facilitated market access for 48 producers and supported 185 agro-processing initiatives.
Education, Skills and Health	Core/ Enabler	Agriculture colleges, university faculties for agriculture, provide skills, mandate to skill existing farmers, nutrition security, building capacity through formal and informal training. Integrated Food Security and Nutrition strategy of South Africa, with specific focus on food safety	For the mid-term we produced 188 graduates from Glen College, we also provided 2274 producers with skills development training.
Consolidating the Social Wage through Reliable and Quality Basic Services	Contributor	Coordination of the delivery of basic services through district rural development plans	N/A
Spatial Integration, Human Settlements and Local Government	Core	Integrated land distribution, spatial transformation, integrated land administration system, equitable access to land for all land uses	N/A
Social Cohesion and Safe Communities	Enabler	Supporting social cohesion and safety of rural communities	For the mid-term we supported producers with stock theft prevention IT technology, established the departmental men's forum and hosted moral regeneration activities.
A Capable, Ethical and Developmental State	Core	Good corporate governance, capable, professional and ethical organisation	We continued to receive qualified audit outcome, 93% risk performance assessment and 98% of payments within 30 days.
A better Africa and World	Enabler	Trade agreements and protocols for market access and implementation of the African free trade. The Department is also part of Protocols related to Animal Diseases, Health, etc.	We facilitated 7147 exports certificates for our productions.

2.4.4 Institutional Programme Performance Information

2.1.4.1 Programme 1: ADMINISTRATION

Programme Purpose

The purpose of the programme is to provide strategic direction and leadership within the Department of Agriculture and Rural Development over the next five years.

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
Outcome 1: Improved governance and service excellence	100% Compliant with Good Governance Policy and Framework	1.1.1 Unqualified audit opinion	Qualification	Qualification	100%	75%	(25%)	Only one item which is opening balance is outstanding and the valuer has finalized the valuation.
		1.2.1 % of compliance with Risk, Anti-corruption and Integrity management	95%	95%	95%	93%	(2%)	Underachievement of 2% due to the Risk Management Committee meeting which could not take place in Q3 due to the unavailability of the external Chairperson.
		1.3.1 % of valid invoices paid within 30 days upon receipt by the department	100%	100%	100%	94%	(6%)	Achieved, the 3 invoices that continue to appear on the LOGIS report is due to a system error. The supplier relating to the 3 invoices were paid. The matter was referred to Provincial and National Treasury to resolve the matter on the system.

Linking performance with budgets

Sub-Programme	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
OFFICE OF THE MEC	7 510	7 415	95	6 383	6 372	11
SENIOR MANAGEMENT	31 386	27 218	4 168	24 935	24 842	93
CORPORATE SERVICES	96 168	91 265	4 903	92 530	90 615	1 915
FINANCIAL MANAGEMENT	62 860	60 798	2 062	51 983	51 927	56
COMMUNICATION SERVICES	8 284	8 204	80	7 511	7 497	14
TOTAL	206 208	194 900	11 308	183 342	181 253	2 089

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
Administration	COVID-19 Management	Free State Province	975	Male – 469 Female - 506	(Administration) R179. 000	R179. 000	N/A	N/A

The Department in response to the COVID-19 pandemic conducted a Business Impact Analysis which resulted into the development of a COVID-19 Risk Adjustment and a Readiness Action Plan that remained implemented during the 2021/2022 financial year. The COVID-19 War Room that was established during the prior year, continued to provide oversight into the departmental management of the pandemic and to mitigate and advice on the implementation of control measures. The appointed COVID-19 Compliance Officer was overseeing the implementation of the guidelines for the management of COVID-19 in the Workplace as issued by the Department of Labour as well as the Department of Public Service and Administration.

The departmental COVID-19 infections, recoveries as well as deaths were monitored and reported on weekly. The necessary Personal Protective Equipment was procured and issued for the protection of employees in the workplace, whilst advocacy campaigns and training were conducted to ensure that employees are equipped and informed.

2.1.4.2 Programme 2: SUSTAINABLE RESOURCE MANAGEMENT

Programme Purpose

To provide agricultural support services to land users in order to ensure sustainable development and management of natural and agricultural resources.

Programme / Sub-programme: Agricultural Engineering 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
Outcome:4 Increased Production in the agricultural sector	Agricultural infrastructure established	2.1.1 Number of agricultural infrastructure established (T)	76	52	65	72	07	Over-achieved due to additional requests received from the districts.
		2.1.2 Number of engineering technology solutions provided (P)	New	350	233	415	182	Over-achieved due to additional requests received from the districts (advisory reports, designs and specifications).

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Programme / Sub-programme: Land Care								
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
Increased Production in the agricultural sector	Hectares of agricultural land rehabilitated	2.2.1 Number of hectares of agricultural land rehabilitated (T)	7 921	6 010	4 375	6 719	2 344	Over-achieved due to high demand for conservation measures, because of above normal rainfall and floods in the province.
	Hectares of cultivated fields under Conservation Agriculture practices	2.2.2 Number of hectares of cultivated land under Conservation Agriculture practices(T)	New	New	500	518	18	Over-achieved due to CA farmer that cultivated 18ha more than planned.
	Green jobs created	2.2.3 Number of green jobs created (T)	405	325	312	337	25	Over-achieved due to savings on projects that led to more jobs created.

Programme / Sub-programme: Land Use 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
Increased Production in the agricultural sector	Agro-ecosystem management plans developed	2.3.1 Number of agro-ecosystem management plans developed (T)	new	1	1	1	0	Achieved
	Farm Management Plans developed	2.3.2 Number of farm management plans developed (T)	New	82	60	80	20	Over-achieved due to more farm management plans done, due to high demand for conservation measures because of above normal rainfall and floods.

Programme / Sub-programme: Disaster Risk Reduction (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
Increased Production in the agricultural sector	Awareness on disaster risk reduction conducted	2.4.1 Number of awareness campaigns on disaster risk reduction conducted (T)	new	3	4	4	0	Achieved
	Surveys on uptake for early warning information conducted	2.4.2 Number of surveys on uptake for early warning information conducted (T)	New	2	4	4	0	Achieved

Linking performance with budgets

Sub-Programme	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
ENGINEERING SERVICES	32 021	30 215	1 806	22 316	22 296	20
LAND CARE	22 945	22 487	458	22 003	21 982	21
LAND USE MANAGEMENT	1 095	923	172	879	876	3
DISASTER RISK MANAGEMENT	8 997	7 750	1 247	7 993	6 877	1 116
TOTAL	65 058	61 375	3 683	53 191	52 031	1 160

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

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

2.1.4.3 Programme 3: AGRICULTURAL PRODUCER SUPPORT AND DEVELOPMENT

Programme Purpose

To provide support to producers through agricultural development programmes. Enable and support transformation of the agriculture sector to actively contribute to economic growth, inclusion, equality and the creation of decent work. Increase food production through producer support and development initiatives.

Programme / Sub-programme: Producer Support 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
Outcome:3 Redress and Equitable Access to Land and Producer Support Outcome:4 Increase Production in the Agricultural Sector	3.1 Production across the agriculture value chain	3.1.1 Number of producers supported in the Red Meat Commodity (T)	New	New	23	23	0	Achieved
		3.1.2 Number of Producers supported in the Grain / Maize (Oil Seeds) Commodity (T)	New	New	11	13	2	Over-achieved due to the additional producer was provided with grain support and the other producer from Red Meat was provided with Grain support
		3.1.3 Number of Producers supported in the Grain / Sunflower Oil seed Commodity (P)	New	New	2	2	0	Achieved
		3.1.4 Number of producers supported under Horticulture (P)	New	New	4	1	(3)	Achieved, one (1) producer was supported and 3 projects were report as cancelled and reprioritised (maize and poultry).

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		3.1.5 Number of producers supported under Poultry (P)	New	New	2	4	2	Over-achieved due to support provided to 2 other projects which were not initially planned.
		3.1.6 Number of producers supported under Aquaculture (P)	New	New	1	1	0	Achieved
		3.1.7 Number of producers supported under Pastures (P)	New	New	2	2	0	Achieved
		3.1.8 Number of producers supported under Apiary (Bee Keeping) Commodity (P)	New	New	1	1	0	Achieved
The below indicator was amended on the approved APP to be removed from Program 7 to Program 3								
Outcome:3 Redress and Equitable Access to Land and Producer Support	Skilled producers	7.2.2 Number of participants trained in skills development programmes in the sector (T)	723	880	1 550	1 409	(141)	Under achieved due to challenges encountered with the payment of stipends to participants

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Programme / Sub-programme: EXTENSION AND 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
The below indicator was amended on the approved APP 2021/22 for Extension Advisory indicators that was 3.2.1 & 3.2.2 to be the following indicator: Number of producers supported with agricultural advice								
Redress and Equitable Access to Land and Producer Support	Compliance with Extension Advisory Policy	3.2.1 Number of producers supported with agricultural advice (P)	17 020	3 144	9 239	9 531	292	Over achieved, more advices were given due to heavy rains, floods, and locust.

Programme / Sub-programme: FOOD SECURITY								
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
Redress and Equitable Access to Land and Producer Support	Compliant with National Food and Nutrition Strategic Plan	3.3.1 Number of smallholder producers supported (T)	New	New	35	22	{13}	Under achieved due to projects still in progress and others rejected
		3.3.2 Number of subsistence producers supported (T)	New	New	466	39	(427)	Under-achieved, due to delays implementation of poultry projects, due to heavy rains.

Linking performance with budgets

Sub-Programme	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
FARMER SETTLEMENT	159 705	145 153	14 552	149 694	142 729	6 965
EXTENSION AND ADVISORY SERVICES	198 076	186 372	11 704	173 310	171 955	1 355
FOOD SECURITY	2 980	2 897	83	2 558	2 551	7
TOTAL	360 761	334 422	26 339	325 562	317 235	8 327

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

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

2.1.4.4 Programme 4: VETERINARY SERVICES

Programme Purpose

To provide veterinary services to clients in order to ensure healthy animals, sustainable and profitable animal production enterprises, safe trade in animals and products of animal origin and the wellbeing of animals and the public.

Programme / Sub-programme: ANIMAL HEALTH								
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
Increased Production in the agricultural sector	Deployment for Community Compulsory Services	4.1.1 Number of vets deployed to do community compulsory services (P)	12	14	10	14	4	Over-achieved due to additional vets deployment linked to newly completed clinic.
	Biosecurity policies and strategies strengthened	4.1.2 Number of samples collected for targeted animal disease surveillance (T)	0	0	2 000	1 468	(532)	Under achieved due to competing priorities linked to African Swine Fever and Notifiable Avian Influenza outbreaks recorded in the province.
		4.1.3 Number of visits to epidemiological units for veterinary interventions (T)	3 000	3 434	3 000	4 373	1 373	Over-achieved due to African Swine Fever and Notifiable Avian Influenza outbreaks that were recorded in the province.

Programme / Sub-programme: VETERINARY INTERNATIONAL TRADE FACILITATION									
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	
Increased Production in the agricultural sector	Biosecurity policies and strategies strengthened	4.2.1 Number of veterinary certificates issued for export facilitation (T)	1 000	3 158	3 500	3 989	489	Over-achieved due to increase exports specially to neighbouring countries such as Lesotho, Botswana and Namibia.	

Programme / Sub-programme: VETERINARY PUBLIC HEALTH									
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	
Increased Production in the agricultural sector	Compliant to Meat Safety Act	4.3.1 Average percentage of compliance of all operating abattoirs in the province to the meat safety legislation (P)	82%	75%	75%	87%	12%	Over-achieved due to abattoirs improving systems, due to frequent visits of VPH (Veterinary Public Health) offices	
	Reduce level of risks associated with food	4.3.2 Number of inspections conducted on facilities producing meat (T)	0	1 194	672	320	(352)	Under achieved due to less facilities renewing their registration for this past financial year.	

Programme / Sub-programme: VETERINARY DIAGNOSTIC 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
Increased Production in the agricultural sector	Reduce level of risks associated with food	4.4.1 Number of laboratory tests performed according to prescribed standards (T)	50 000	1194	750	10 111	9 361	Over-achieved due to the partial accreditation of Kroonstad Provincial Veterinary Laboratory and the resumption of testing for Brucellosis.

Programme / Sub-programme: VETERINARY TECHNICAL SUPPORT 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
Increased Production in the agricultural sector	Reduce level of risks associated with food	4.5.1 Number of Performing Animals Protection Act (PAPA) registration licenses issued (T)	0	0	4	2	(2)	Under achieved due to COVID-19 restrictions for gatherings, and very few performing animal's events being held as a result.

Linking performance with budgets

Sub-Programme	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
ANIMAL HEALTH	55 816	54 794	1 022	48 470	48 408	62
EXPORT CONTROL	794	791	3	757	753	4
VETERINARY PUBLIC HEALTH	5 214	5 043	171	4 955	4 950	5
VETERINARY LABORATORY SERVICES	8 737	8 608	129	9 661	9 633	28
TOTAL	70 561	69 236	1 325	63 843	63 744	99

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

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

2.1.4.5 Programme 5: RESEARCH AND TECHNOLOGY DEVELOPMENT

Programme Purpose

To provide expert, problem focused and client centric agricultural research, technology development and transfer impacting on development.

Programme / Sub-programme: RESEARCH								
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
Increased Production in the agricultural sector	Research projects implemented	5.1.1 Number of research projects implemented to improve agricultural production (T)	37	25	20	20	0	Achieved

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Programme / Sub-programme: TECHNOLOGY TRANSFER 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
Increased Production in the agricultural sector	Scientific papers published	5.2.1 Number of scientific papers published (T)	3	3	2	4	2	Over-achieved due to two publications being published in a shorter timeframe than anticipated.
	Research presented at peer review events	5.2.2 Number of Research presentations made at peer review events (T)	11	4	4	9	5	The increased number of congresses, symposia and conferences which were held virtually allowed more of the peer-reviewed scientific papers to be presented due to increased cost effectiveness and efficiency compared to physical appearance at both national and international congresses, symposia and conferences.
	Research presented at technology transfer events	5.2.3 Research presentations made at technology transfer events (T)	48	15	10	46	36	Over-achieved due to responding to a demand for a series of presentations to Wool producers in the Thaba Nchu area and ATDC.
	Technologies developed for smallholder producers	5.2.4 Number of new Technologies developed for smallholder producers (T)	0	0	1	1	0	Achieved

Programme / Sub-programme: RESEARCH INFRASTRUCTURE SUPPORT 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
Increased Production in the agricultural sector	Research infrastructure managed	5.3.1 Number of research infrastructure managed (T)	3	3	3	3	0	Achieved

Linking performance with budgets

Sub-Programme	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
RESEARCH	32 864	31 741	1 123	35 279	35 201	78
INFRASTRUCTURE SUPPORT SERVICES	28 992	19 141	9 851	11 286	11 278	8
TOTAL	61 856	50 882	10 974	46 565	46 479	86

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

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

2.1.4.6 Programme 6: AGRICULTURAL ECONOMICS SERVICES

Programme Purpose

The purpose of the programme is to provide timely and relevant agricultural economic services to ensure equitable participation in the economy.

Programme / Sub-programme: PRODUCTION ECONOMICS AND MARKETING 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 deviation
Increase markets access and maintenance of existing markets	Agri-businesses supported with market access	6.1.1 Number of agri-businesses supported with marketing services (T)	29	24	18	22	4	Over-achieved as a result of facilitation of information days and more clients requested services from the unit.
		6.1.2 Number of clients supported with production economics services (T)	525	733	450	825	375	Over-achieved due to as a result of facilitation of information days and more clients requested services from the unit.
	Agribusinesses supported with BEE	6.1.3 Number of agribusinesses supported with Black Economic Empowerment advisory services (T)	0	0	20	31	11	Over-achieved due to high number of requests received as a result of improved understanding on requirements of Agri-BEE funding

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Programme / Sub-programme: AGRO-PROCESSING 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
Increase markets access and maintenance of existing markets	Agri-businesses supported	6.2.1 Number of agri-businesses supported with agro-processing initiatives (T)	41	57	20	128	108	Over-achieved due to more requests received clients. Some farmers were linked to other sources of funding such as Agri-BEE, and DESTEA funding.

Programme / Sub-programme: MACRO ECONOMICS 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
Increase markets access and maintenance of existing markets	Economic reports	6.3.1 Number of economic reports compiled (T)	7	7	4	7	3	Over-achieved due to advisory report compiled on impact of covid19 on the agricultural industry.

Linking performance with budgets

Sub-Programme	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
AGRIC-BUSINESS SUPPORT AND DEVELOPMENT	13 243	12 743	500	12 667	12 664	3
MACROECONOMICS SUPPORT	927	902	25	745	745	-
TOTAL	14 170	13 645	525	13 412	13 409	3

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

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

2.1.4.7 Programme 7: STRUCTURED AGRICULTURAL EDUCATION AND TRAINING

Programme Purpose

The purpose of the programme is to provide and facilitate structured and vocational agricultural education and training to establish a knowledgeable, prosperous and competitive sector

Programme / Sub-programme: HIGHER EDUCATION AND TRAINING								
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
7.1.1 Number of HEQC compliance report produced (P)	7.1.1 Number of HEQC compliance report produced (P)	7.1.1 Number of HEQC compliance report produced (P)	1	5	5	5	0	Achieved
		7.1.2 Number of students graduated with agricultural qualification (T)	0	111	56	79	23	Over-achieved due to: Two third year classes that graduated at the same time, class of 2021 (registered in 2019 as first years) and the class of 2020 (registered in 2018 as first years). The class of 2020 had to complete practicals that were not complete when they graduated last year in order for them to legally graduate

Programme / Sub-programme: AGRICULTURAL SKILLS DEVELOPMENT								
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
Increased Production in the agricultural sector	Skilled Producers	7.2.1 Number of Agri-SETA compliance reports produced (P)	1	5	5	5	0	Achieved

Linking performance with budgets

Sub-Programme	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
HIGHER EDUCATION AND TRAINING	31 193	27 184	4 009	22 746	20 066	2 680
FURTHER EDUCATION AND TRAINING (FET)	508	67	441	3 241	3 233	8
TOTAL	31 701	27 251	4 450	25 987	23 299	2 688

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

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

2.1.4.8 Programme 8: RURAL DEVELOPMENT

Programme Purpose

The purpose of the programme is to provide rural development coordination and create a vibrant, sustainable and equitable rural community and facilitate implementation of national comprehensive rural development programme in the province

Programme / Sub-programme: AGRICULTURAL SKILLS DEVELOPMENT								
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
Integrated and Rural Economy	Social facilitation	8.1.1 Number of Rural areas profiled to determine rural needs	5	5	5	6	1	Over-Achieved due to request received from programmes.
		8.1.2 Number of skills and capacity building interventions conducted	0	0	5	4	(1)	Under achieved due to challenges reported in skills under skills development.
		8.1.3 Number of coordination meeting held with DARLLD to discuss rural programmes and interventions in line with their mandates	0	0	4	4	0	Achieved

Programme / Sub-programme: AGRICULTURAL SKILLS DEVELOPMENT								
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
Integrated and Inclusive Economy and Rural	Facilitate and coordinate investment and development programmes in Rural areas	8.2.1 Number of Sector departments providing economic-social services in the Rural area meeting coordination	0	0	4	4	0	Achieved
		8.2.2 Number of Rural stakeholder fora held in district/metro	0	0	8	8	0	Achieved

Linking performance with budgets

Sub- Programme	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
RURAL DEVELOPMENT COORDINATION	4 981	4 878	103	6 033	6 024	9
SOCIAL FACILITATION	3 344	3 096	248	2 956	2 926	30
TOTAL	8 325	7 974	351	8 989	8 950	39

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

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

2.4.5 Transfer Payments

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
N/A	N/A	N/A	N/A	N/A

The table below reflects the transfer payments made for the period 1 April 2021 to 31 March 2022

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Producers	Producers	To provide support to producers through agricultural development programmes.	Yes	R195 126	R189 822	Supporting documentation for international students not received to allocate expenditure

The table below reflects the transfer payments which were budgeted for in the period 1 April 2021 to 31 March 2022, but no transfer payments were made.

Name of transferee	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
N/A	N/A	N/A	N/A	N/A	N/A

2.4.6 Conditional Grants

The table/s below detail/s the conditional grants and earmarked funds paid for the period 1 April 2021 to 31 March 2022.

Conditional Grant 1: Comprehensive Agricultural Support Programme (CASP)

Department who transferred the grant	DALRRD
Purpose of the grant	- To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land restitution and redistribution, and other previously disadvantaged producers who have acquired land through private means, and are engaged in value-adding enterprises domestically, or involved in export. - To revitalize agricultural colleges into centres of excellence.
Expected outputs of the grant	Improved production and agricultural infrastructure
Actual outputs achieved	Improved production and agricultural infrastructure
Amount per amended DORA	R 185. 646 million
Amount transferred (R'000)	R 191 611 (RS 965 of roll over)
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department	R 165. 621 million (86%)- R14. 013 million requested for roll-over (committed funds on the system).
Reasons for the funds unspent by the entity	- Underspending on Provincial projects under CASP due to the PPPFA procurement challenges department has also experienced procurement challenges towards February and March 2022. - Tender for Hatchery was non responsive and due to PPPFA challenges new tender could not be advertised.
Reasons for deviation on performance	- The department also experienced delays in implementing production inputs support to farmers due to heavy rains encountered. - Due to rainy weather conditions the contractors experienced challenges to complete construction for Glen College. - The department has commenced the financial year at a slow rate due to the delay in the approval of the CASP business plan by National Department.
Measures taken to improve performance	- Professional Engineering Consulting Firm in collaboration with the Department of Public Works and Infrastructure Free State have completed detail designs, plans specifications, and the BID documents (Tender Ready) for the implementation in the financial year 2022/23. - The Department has already REQUEST FOR EXEMPTION IN TERMS OF SECTION 3 (C) OF THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 5 OF 2000 (THE ACT) TO CONTINUE WITH PROCUREMENT from National Treasury.
Monitoring mechanism by the receiving department	- Decentralised implementation of projects and procurement with strong monitoring and control measures. - Producing monthly and quarterly reports.

Conditional Grant 2: ILIMA/LETSEMA

Department who transferred the grant	DALRRD
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production within strategically identified commodities/products and production areas.
Expected outputs of the grant	Improved production and agricultural infrastructure
Actual outputs achieved	Improved production and agricultural infrastructure
Amount per amended DORA	R 71. 601 million
Amount received (R'000)	R71, 974 (R373 rollover)
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R 62, 380 (87%) – R4 004 (Roll-over requested, funds committed on the system).
Reasons for the funds unspent by the entity	• Underspending on Provincial projects under Ilima/Letsema due to the PPPFA procurement challenges department has also experienced procurement challenges towards February and March 2022. • Tender for Hatchery was non responsive and due to PPPFA challenges new tender could not be advertised.
Reasons for deviations on performance	• The department also experienced delays in implementing production inputs support to farmers due to heavy rains encountered. • The department has commenced the financial year at a slow rate due to the delay in the approval of the Ilima/Letsema business plan by National Department.
Measures taken to improve performance	The Department has already REQUEST FOR EXEMPTION IN TERMS OF SECTION 3 (C) OF THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 5 OF 2000 (THE ACT) TO CONTINUE WITH PROCUREMENT from National Treasury.
Monitoring mechanism by the receiving department	Decentralised implementation of projects and procurement with strong monitoring and control measures.

Conditional Grant 3: EPWP

Department/ Municipality to whom the grant has been transferred	Public Works
Purpose of the grant	Job creation and skills development
Expected outputs of the grant	Job creation and skills development
Actual outputs achieved	Job creation and skills development
Amount per amended DORA	R2. 088 million
Amount transferred (R'000)	R2, 088
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department / municipality (R'000)	R2, 088
Reasons for the funds unspent by the entity	Delay in payment of invoices and commitments.
Monitoring mechanism by the transferring department	Monthly, Quarterly and Annual reporting. Physical project visits (Project Monitoring).

Conditional Grant 4: Land Care

Department who transferred the grant	DALRRD
Purpose of the grant	Enhanced Natural Sustainable Resources
Expected outputs of the grant	Improved land use and natural resource preservation
Actual outputs achieved	Improved land use and natural resource preservation
Amount per amended DORA	R8. 366 million
Amount received (R'000)	R8, 366
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R8, 075
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	Delay in payment of invoices and commitments.
Monitoring mechanism by the receiving department	Monthly, Quarterly and Annual reporting. Physical project visits (Project Monitoring).

2.4.7 Donor Funds

No Donor funding were received during the period of review

2.4.8 Capital Investment

Infrastructure projects	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
New and replacement assets	-	-	-	-	-	-
Existing infrastructure assets	-	-	-	-	-	-
Upgrades and additions	33 570	20 868	12 702	22 658	23 662	(1 004)
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-
Maintenance and repairs	11 500	10 554	946	3 146	2 651	495
Infrastructure transfer	-	-	-	-	-	-
Current	-	-	-	-	-	-
Capital	-	-	-	-	-	-
Total	45 070	31 422	13 648	25 804	26 313	(509)

2.5 Part C: Governance

2.5.1 Introduction

Commitment by the department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the department has good governance structures in place to effectively, efficiently and economically utilize the state resources, which is funded by the tax payer.

2.5.2 Risk Management

Risk Management is defined as an integrated process of proactively identifying threats and opportunities in planning/ setting strategy with the aim of increasing the likelihood of achieving objectives. The Department of Agriculture and Rural Development has an established Risk Management unit as prescribed by Section 38(1)(a)(i) of the PFMA, and it operates within the terms of an approved Risk Management Policy which provides guidance on how to develop and integrate risk management into the culture and strategic decision making of the Department. The approved Risk Management Implementation Plan specifies activities implemented as per the methodology described in the approved Risk Management Strategy.

Due to the fact that the world was still grappling with the Covid-19 pandemic, Risk Management continued to identify and assess threats and the impact of those threats on the achievement of departmental goals and objectives. The emergence of the global pandemic influenced the declining economy and increased food insecurity to the most vulnerable.

The Department identified and assessed the strategic, operational, fraud and Covid-19 related risks and developed mitigation action plans to address the risks identified. The Department also updated the Business Impact Analysis to assess the maximum tolerable period within which key critical areas in the Department were affected including risk treatment measures to be implemented to mitigate against risks during these unprecedented times.

The departmental Risk Management Committee as appointed by the Accounting Officer of the department, continued to provide their oversight role over Risk Management activities.

Risk Management also presented reports to the Audit Committee on the status of Risk Management within the department.

The pandemic created unique Risk Management challenges but also fostered new opportunities to be explored in an effort to improve service delivery. There was a general increase in risk awareness and an appreciation for the alignment of Risk Management processes within the Department. The effectiveness of Risk Management continues to be assessed by an array of independent internal and external assurance providers. The results of these independent assessments have affirmed that Risk Management, despite challenges faced during the financial year, was able to be integrated to a satisfactory extent, into the culture of the Department.

2.5.3 Fraud and Corruption

During this financial year under review, the Department was able to approve the Fraud Prevention Strategy and Whistle-blowing Policy aimed at creating a culture which is intolerable to fraud and corruption. A Fraud Risk Assessment was compiled and monitored during the financial year. Awareness sessions were conducted throughout the Department in line with the strategy and the plan although mostly during risk review workshops due to the human resource capacity constraints within the Risk Management unit.

Different mechanisms for reporting suspicious illegal acts of fraud and corruption have been identified and publicised throughout the Department, and any allegations of suspected fraud are handled in line with the approved policies.

The Department has been able to establish a culture of anti-corruption however more efforts are required to inculcate this ethical culture within the Department.

2.5.4 Minimising Conflict of Interest

Financial disclosures of Members of the Senior Management Service were submitted for the 2020/2021 financial year. The Department managed to comply with the disclosures due date and achieved 100% compliance. Financial disclosure for employees other than those in the Senior Management Service, i.e. Levels 11 – 12, OSD, Finance and SCM were also submitted as required and per the set time-frames.

The Department also embarked on a process of identifying employees who have businesses registered on their names through the PSIRA database. These officials received letters to explain or provide proof that they have deregistered either the company or resigned as directors / members.

The Department also appointed a new Ethics Committee who will be meeting to discuss the outcome of the letters received from officials, consider applications for Remunerative Work Outside the Public Service and advise the Head of Department accordingly.

2.5.5 Code of Conduct

The Code of Conduct indicates the spirit in which employees should perform their duties in the Public Service. The primary purpose thereof is to promote exemplary conduct and compliance with the Code which is expected to enhance professionalism and help to ensure confidence in the Public Service. The Department ensured that every official of the Department has signed receipt of a copy of the Code of Conduct. Training was also provided to staff members on the Code of Conduct during meetings and on one-on-one interventions from the Employee Relations Sub-directorate.

2.5.6 Health Safety and Environmental Issues

The Department of Agriculture and Rural Development is regarded as one of the high-risk sectors in both developing and industrialized countries, and is ranked as one of the three most hazardous industries together with mining and transport.

Machinery such as tractors and harvesters cause the highest frequency and fatality rates of accidents and injury. Exposure to agro-chemicals constitutes another major occupational hazard, which results in accidental and intestinal poisoning and invariably work-related cancers and reproductive impairments.

In order to remedy or minimize the risks in the Department has implemented the following measures during the year under reporting:

- Safety Health Environment Risk and Quality (SHERQ) Management Policy and SHERQ Operational Plans have been developed, approved and implemented.
- Health and Safety Representatives were nominated and appointed by the HOD. Safety inspections were conducted, hazards identified and reported on for mitigation or further management by the relevant sections.
- Safety Awareness information sessions were conducted on e.g. the use of Personal Protective Clothing, OHS Act 83 of 1995 and Procedures for reporting of Injuries on Duty.
- Consultations between the Department and the Department of Labour assisted in the identification of departmental workplace areas where improvements in the health and safety environment are required to ensure the safety of employees of the Department at all times.

2.5.7 Portfolio Committees

The department participated and complied with the set dates of the portfolio committee to ensure that the portfolio committee perform its over-sight role. We provided the portfolio committee with quarterly reports and responded to the resolution taken by the portfolio committee.

2.5.8 SCOPA Resolutions

Indicate the dates SCOPA meetings were held.

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
16/2020 - 1	The Committee noted that the Department received a qualified opinion with material findings due to failure to adhere to Supply Chain Management processes under the following material findings: (a) Movable Lack of tangible capital assets - lack of adequate systems to record these assets, lack of supporting documentation to a project done by an implementing agent. (b) Transfers and subsidies - Lack of supporting documentation to determine the correct understatement of incorrect classification of prior year expenditure. Modified opinion for prior year. (c) Goods and services Lack of supporting documentation to confirm receipt and correct classification of prior year expenditure. Modified opinion for prior year. (d) Expenditure for capital assets - Lack of supporting documentation to confirm receipt and correct classification of prior year expenditure. Modified opinion for prior year	That the Accounting Officer need to developed effective, efficient, and transparent systems and risk management and internal preventative mechanisms in line with Supply chain Management Processes. Institute disciplinary actions against any official in the Department either singularly or collectively and apply consequence management actions against all who contravened the PFMA	(i) Develop internal controls to prevent misclassification of goods and services, transfers and payment for capital assets (ii) Provide training to the officials in the internal controls to prevent the misclassification (iii) Where necessary take disciplinary actions against the officials	Ongoing

16/2020 - 2	The Committee was concerned about the significant commitment of R36 263 000, outstanding accruals of R 1932 000 and payables not recognised of R13 699 000. These events or conditions, along with other matters as set forth in the annual financial statements, indicate the material uncertainty exists that may cast significant doubt on the department's ability to continue as a going concern.	The department should improve controls over the accounting for projects that are still in progress to ensure that work in progress is accounted for accurately and completely in the financial statements.	(i) Establish an asset management committee to monitor the work in progress and completion certificates to ensure that the immovable asset register is updated correctly. (ii) Finalise the already completed projects and include in the immovable asset register.	Ongoing
16/2020 - 2		Management should improve controls over the preparations of the annual financial statements to ensure that the annual financial statements submitted for audit are free from misstatements.	(i) Develop control checklist for the annual financial statements to be checked against to prevent misstatements.	Ongoing
16/2020 - 2		The department should ensure that the internal audit unit is sufficiently capacitated to be able to discharge all its responsibilities. The department should also ensure that the recommendations made by internal audit are appropriately implemented.	(i) Provide training (ii) Appoint additional staff members	Ongoing
16/2020 - 2		The department should ensure that the root cause of irregular expenditure is investigated and corrected so that the department does not incur irregular expenditure in future	(i) Identify the root cause of the irregular (ii) Implement controls to prevent irregular expenditure by providing training and bilateral with the units that cause the irregular. (iii) Identify the irregular by checking the payments for accuracy before the payments are processed to identify possible irregular.	Ongoing
16/2020 - 2		Management should ensure that the annual performance report is appropriately reviewed for accuracy and completeness prior to submission for audit. Actual performance reported in the annual performance report should also be agreed to supporting documentation to ensure that reported performance is accurate and complete.	(i) Implement controls and verification processes to ensure accurate performance reporting.	Ongoing
16/2020 - 2		The department should implement appropriate consequence management to ensure that matters reported in the prior year's done re-occur in future	(i) Implement disciplinary action against employees	Yes
16/2020 - 2		The department ensures that the management of Vrede Dairy, is prioritised and a list of the legitimate beneficiaries is made available to the Committee in order that those beneficiaries occupy and operate the farm and it benefits the communities around Vrede	The Vrede Dairy project was handed over to the beneficiaries on the 14th of January 2022	Yes

2.5.9 Prior modifications to audit reports

Nature of qualification, disclaimer, adverse opinion and matters of noncompliance	Financial year in which it first arose	Progress made in clearing / resolving the matter*
Immovable tangible assets	2019/20	Valuer were appointed to assist with the valuation of the projects and to restate the values of the projects in the opening balance.

2.5.10 Internal Control Unit

N/A

2.5.11 Internal Audit and Audit Committees

Key Activities and Objectives of the Internal Audit Unit

Internal Audit is a function established in terms of Section 38(1) (a)(ii) of the PFMA read with the Treasury Regulations Section 3.2.2. Internal Audit's mandate is to assist the Department to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.

Summary of audit work done

The year under review can be regarded as the period in which majority of activities were performed without major interruptions to the business process, as this affects the timeframes within which specific information requested is submitted for audit purposes. The amount of time employees took from work as a result of the corona virus related incidents, also had an effect in the completing the prescribed work within the specified targets. This was the case mainly during the first half of the current financial year. However, the majority of the planned audits were performed and completed.

Key activities and objectives of the Audit Committee

The Department's Audit Committee is constituted in terms of Sections 76(4) (d) and 77 of the Public Finance Management Act 1 of 1999 as amended, read in conjunction with paragraphs 3.1 to 3.1.16 of the Treasury Regulations. It must among others, review 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; and
- 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

The objective of the Audit Committee is to assist the Accounting Officer in fulfilling his oversight responsibilities of the financial reporting processes, the system of internal controls, the audit process, and the Department processes for monitoring compliance with laws and regulations and the code of conduct.

Previous Audit Committee Members

Name	Qualifications	Internal or external	Date appointed	Term end date	No. of Meetings attended
Mé T Mnqeta	BComm	External	25/01/2017	10/08/2021	3
Adv. T Segoe-Backward	B.Juris, LLB, Postgr. Diploma	External	25/01/2017	10/08/2021	3
Dr. J Laubscher	BCom (Hons), M.S, Ph.D	External	25/01/2017	10/08/2021	2

In August 2021 the department appointed the new Audit Committee and thereby bringing to an end the term of office of the previous members whose agreements expired on the 24 January 2020, and any subsequent arrangement entered into with such Audit Committee members, in line with the conditions of the agreement concluded, which existed at that time (until 10/08/2021 to ensure continued service until the new Audit Committee has been appointed).

New Audit Committee Members

Name	Qualifications	Internal or external	Date appointed	Term end date	No. of Meetings attended
Adv. T Segoe-Backward	B.Juris, LLB, Postgr. Diploma	External	16/08/2021	15/08/2024	2
Mr S Sibam	BCom, Postgr. Diploma in Accounting AGA(SA)	External	16/08/2021	15/08/2024	2
Mr S Maharaj	BCom, Hons BCompt, CA(SA)	External	16/08/2021	15/08/2024	2

The full term of the current membership of the committee extends upto the 15th of August 2024, and with the reappointed of one member of the previous committee into the new committee, will ensure continuity.

2.5.12 Audit Committee Report

With the ease of restrictions in recent times, following the outbreak of the corona virus and the reduction in the related infections, there has been an improvement in the manner in which the department performed its activities. This was greatly assisted by the plans the department put in place, such as the Business Continuity Plan, to mitigate the impact the disruptions would have made to service delivery efforts of the department.

Audit Committee Responsibility

Despite the challenges that the department has faced and the changes in the constitution of the Audit Committee during the year under review, the Audit Committee can report that it has reasonably complied with its responsibilities arising from Section 38(1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 3.1.13 and that it has adopted the Audit Committee Charter as its appropriate formal terms of reference, and has regulated its affairs in compliance with this charter and discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

During this reporting period and through the review of the internal as well as the external assurance providers' reports, the Audit Committee noted the reported deficiencies in internal controls, which indicated level of ineffectiveness of the evaluated controls. However, plans to improve these control weaknesses identified have been prepared by management and presented to the Audit Committee for review.

The Audit Committee further acknowledges the development of the audit improvement plan for 2020/21 financial period and through the ongoing reporting of progress by management, has reviewed among others, management actions to improve information systems environment general controls and has in addition has urged management to increase their effort and to come up with a lasting solution for them, especially those matters that have been reported in the previous audit process/(s).

In addition, the Audit Committee:

- 1.1 Reviewed the Business Continuity Plan (BCP) that management has prepared to minimise disruptions to the delivery of service by the department.
- 1.2 Reviewed the Combined Assurance Plan which co-ordinated assurance activities within the department
- 1.3 Noted the internal control deficiencies reported to management by internal as well as the external assurance providers and which management need to improve on.
- 1.4 Reviewed the operational and the strategic risk registers, as well as other risk management reports giving progress on the implementation of process to manage risks within the department.

Internal audit work completed

The internal audit work was performed as per the approved Three-year Rolling Strategic Plan, and which has been based on identified risk and the progress of which was reported to the Audit Committee during the relevant reporting cycles.

In-Year Management and Monthly/Quarterly Report

The Audit Committee has reviewed and is satisfied with the contents and quality of quarterly reports prepared and issued by the accounting officer of the Department of Agriculture and Rural Development in terms of the PFMA and DORA. Recommendations are made where necessary to further enhance the presentation of the reported information.

Evaluation of Financial Statements

The Audit Committee;

- Reviewed the draft Annual Financial Statements (prepared in accordance with the preparation guide and specimen Financial Statements issued by National Treasury and in compliance with all applicable laws and regulations) having considered also the review comments made by the relevant parties. Additionally, the Audit Committee has noted the disagreement that currently exist between the AGSA and the department over the treatment of payments made by the department to the Implementing Agents during the 2015/16, 2016/17 and 2017/18 financial year, to implementing projects on behalf of the farmers.
- Reviewed and discussed the audited Annual Financial Statements to be included in the Annual Report with the Auditor-General and the Chief Financial Officer.
- Has reviewed the information on the predetermined objectives to be included in the annual report
- Has reviewed (throughout the reporting period) the quality and timeliness of the financial statements availed to it for oversight purposes.

Internal Audit

The Audit Committee has approved the relevant Internal Audit planning documents for the 2021/22 financial year, and reviewed the Internal Audit reports presented to it as per the approved plan, and concludes that, even though there are activities which have been affected by the current situation in the country and globally, the Internal Audit has been effective in discharging its responsibilities.

Auditor General's Report

The matters reported by the Auditor-General in the 2021/22 audit report had decreased as compared to the previous year. Majority of significant matters included in the audit report relates to the prior period reclassification, for which management has appointed an expert to determine their (assets) fair values, and have managed to get this process underway.


Chairperson of the Audit Committee
Department of Agriculture and Rural Development
(Date) 01/08/2022

2.5.13 B-BBEE Compliance Performance Information

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?	Not applicable	
Developing and implementing a preferential procurement policy?	Yes	The department developed and implemented the Preferential Procurement Policy in relation to the procurement of goods, services and works.
Determining qualification criteria for the sale of state-owned enterprises?	Not applicable	
Developing criteria for entering into partnerships with the private sector?	Not applicable	
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	Not applicable	

2.6 Part D: Human Resource Management

2.6.1 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.

OVERVIEW OF HUMAN RESOURCES

The Department has an approved MTEF HR Plan terminating on 31 March 2024. The HR Plan is about determining the demand for and supply of employees that are critical to achieving strategic objectives, analysing the gap between the demand and supply and developing a plan that seeks to close the gap. The total workforce of the department was 876 as at 31 March 2022 with a vacancy rate of 2.9% at the end of the 2021/22 financial year.

The HR plan details the overview of the Department; strategic direction of the department; environmental scan; workforce analysis (Supply and Demand); HR gap analysis; priority departmental HR planning issues; budget analysis; action plan and monitoring and evaluation of the implementation of the action plan.

Key priorities identified in the plan includes amongst other, skills development, filling of posts, management of the staff establishment, etc. Due to budget constraints, the department could only fill a limited number of additional funded vacant posts. During the 2021/2022 financial year, the Department still had to manage within the aftermath of the budget reprioritization process that was done in the prior year due to the COVID-19 Pandemic that saw the Compensation of Employees (CoE) budget of the Department reduced extensively and that continued to impact on the available funding to fill vacant posts in the 2021/2022 financial year. Training was provided to 35 staff members during the year under reporting, whilst 84 Graduates continued to serve as Interns as part of the initiative of the National Department of Agriculture, Land Reform and Rural Development. These graduates were appointed as part of the COHORT 2 intake. The Department also maintained 38 international bursaries holders of which 10 completed in February 2022.

The performance assessment of staff members were completed linked to an audited evidence based approach whereby both the audited non-financial performance indicators as well as financial performance indicators were assessed in line with the audit report.

The Department of Agriculture and Rural Development is regarded as one of the high-risk sectors in both developing and industrialized countries, and is ranked as one of the three most hazardous industries together with mining and transport.

In order to remedy or minimise the risks in the Department has implemented the various OHS activities such as inspections, training, awareness and has established unit inspection committees to provide reports and referrals where necessary.

HIV and AIDS programmes as well as employee productivity management were also implemented and figures are reflected on tables below under the Human Resource Chapter. The Department during the year under review still adhered to and implemented the various Circulars from the Department of Public Service and Administration as well as Labour regarding the management of COVID-19 at the workplace, whilst the established War Room continued to serve as the implementing engine with regard to the management of COVID-19 in the department.

2.6.2 Human Resources Oversight Statistics

3.1. Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands.

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)
Administration	194 904	134 928	0	0	69.2	448
Sustainable Resource Management	61 399	32 835	2	0	53.5	586
Farmer Support and Development	334 943	123 221	6 576	0	36.8	458
Veterinary Services	69 235	57 457	0	0	83	558
Research and Techn Dev Services	50 882	37 361	0	0	73.4	479
Agric Economics	13 645	12 961	0	0	95	682
Structured Agricultural Training	27 251	15 306	0	0	56.2	414
Rural Development	7 975	7 771	0	0	97.4	598
Total	760 234	421 840	6 776	0	55.5	482

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)	22 061	5.23	69	320
Skilled (level 3-5)	88 109	20.89	320	275
Highly skilled production (levels 6-8)	161 984	38.4	318	509
Highly skilled supervision (levels 9-12)	113 929	27.01	139	820
Senior and Top management (levels 13-16)	51 260	12.15	30	1709
Total	437 341	100	876	499

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'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	127 533	94.52	280	0.21	4 820	3.57	9 197	6.48
Sustainable Resource Management	30 686	93.46	0	0	617	1.88	1443	4.39
Farmer Support and Development	114 069	92.57	1	0	4 088	3.32	9 200	7.47
Veterinary Services	51 951	90.42	0	0	1 564	2.72	3 856	6.71
Research and Techn Dev Services	34 887	93.38	1 399	3.74	1 085	2.90	2 571	6.88
Agric Economics	12 773	98.55	0	0	294	2.27	578	4.46
Structured Agricultural Training	13 941	91.08	340	2.22	540	3.53	1 113	0.74
Rural Development	8 174	100	0	0	144	1.85	259	3.33
Total	394 012	93.40	2020	0.48	13 151	3.12	28 218	6.69

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)	18 739	84.9	442	2	1 026	4.65	1 873	8.49
Skilled (level 3-5)	71 515	81.1	687	0.8	5 339	6.06	10 567	11.99
Highly skilled production (levels 6-8)	144 098	88.9	675	0.4	5 083	3.14	12 127	7.49
Highly skilled supervision (levels 9-12)	109 188	95.8	235	0.2	1 156	1	3 350	2.94
Senior management (level 13-16)	50 413	98.3	0	0	547	1	300	0.5
Total	393 952	90	2020	0.5	13 151	3	28 218	6.45

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	319	310	2.8	0
Sustainable Resource Management	60	56	6.7	0
Farmer Support and Development	262	259	1.1	99
Veterinary Services	109	104	4.6	0
Research	83	78	6.0	0
Agric Economics	19	19	0	0
Structured Agricultural Training	37	37	0	0
Rural Development	13	13	0	0
Total	902	876	2.9	99

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)	69	69	0	84
Skilled (3-5)	321	320	0.3	0
Highly skilled production (6-8)	318	318	0	15
Highly skilled supervision (9-12)	160	139	13.1	0
Senior management (13-16)	34	30	11.8	0
Total	902	876	2.9	99

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
Engineer	6	6	0	0
Veterinary Technologist	8	8	0	0
Lab Manager (Soil and Water Laboratory)	1	1	0	0
Total	15	15	0	0

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	1	1	100	0	0
Salary Level 14	6	5	83.3	1	16.7
Salary Level 13	25	22	88.0	3	12.0
Total	34	30	88.2	4	11.8

Table 3.3.2 SMS post information as on 30 September 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	1	1	100	0	0
Salary Level 14	6	5	83.3	1	16.7
Salary Level 13	25	23	92.0	2	8.0
Total	34	31	91.2	3	8.8

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	0	0	0
Salary Level 13	0	0	0
Total	0	0	0

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

Reasons for vacancies not advertised within six months
The vacant posts at SMS level were the following: Chief Financial Officer, Director: SCM and Director: Strategic Planning, Monitoring & Evaluation. The Department was advised not to proceed with the immediate filling of the post of CFO pending the outcome of an Arbitration case, not yet finalized by 31 March 2022. The post of Director: SCM were vacated in December 2021 and the post were advertised in May 2022. The post of Director: Strategic Planning, Monitoring & Evaluation was earmarked for filling through possible internal transfer following the finalization of the review of the organizational structure that is in process.

Reasons for vacancies not filled within twelve months
The vacant posts at SMS level were the following: Chief Financial Officer, Director: SCM and Director: Strategic Planning, Monitoring & Evaluation. The Department was advised not to proceed with the immediate filling of the post of CFO pending the outcome of an Arbitration case, not yet finalized by 31 March 2022. The post of Director: SCM were vacated in December 2021 and the post were advertised in May 2022. The post of Director: Strategic Planning, Monitoring & Evaluation was earmarked for filling through possible internal transfer following the finalization of the review of the organizational structure that is in process.

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
None

Reasons for vacancies not filled within six months
None

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)	69	0	0	0	0	0	0
Skilled (Levels 3-5)	321	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	318	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	160	0	0	0	0	0	0
Senior Management Service Band A	25	0	0	0	0	0	0
Senior Management Service Band B	6	0	0	0	0	0	0
Senior Management Service Band C	1	0	0	0	0	0	0
Senior Management Service Band D	2	0	0	0	0	0	0
Total	902	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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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
None				
Total number of employees whose salaries exceeded the level determined by job evaluation				None
Percentage of total employed				

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

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

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)	67	4	2	2.98
Skilled (Levels 3-5)	343	3	31	9.03
Highly skilled production (Levels 6-8)	308	1	9	2.92
Highly skilled supervision (Levels 9-12)	137	0	13	9.48
Senior Management Service Bands A	23	0	1	4.34
Senior Management Service Bands B	5	0	0	0
Senior Management Service Bands C	1	0	0	0
Senior Management Service Bands D	2	1	1	50
Contracts	51	94	18	35
Total	937	103	75	8

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
Engineer	6	0	0	0
Veterinary Technologist	8	0	0	0
Lab Manager (Soil and Water Laboratory)	1	0	0	0
Total	15	0	0	0

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	10	13.33
Resignation	12	16
Expiry of contract	15	20
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	2	2.66
Retirement	30	40
Transfer to other Public Service Departments	6	8
Other	0	0
Total	75	100
Total number of employees who left as a % of total employment		8

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

Occupation	Employees 1 April 20YY	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
Engineer	6	0	0.0	0	0.0
Veterinary Technologist	8	0	0.0	0	0.0
Lab Manager (Soil and Water Laboratory)	1	0	0.0	0	0.0
TOTAL	15	0	0.0	0	0.0

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)	73	0	0	70	95.89
Skilled (Levels3-5)	344	0	0	328	95.34
Highly skilled production (Levels 6-8)	346	0	0	310	89.59
Highly skilled supervision (Levels 9-12)	142	3	4.11	140	98.59
Senior Management (Level 13-16)	32	0	0	32	100
Total	937	3	28.11	880	93.91

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	18	0	0	2	8	0	0	2	30
Professionals	91	2	0	20	107	1	0	12	233
Technicians and associate professionals	77	2	0	23	79	4	1	11	197
Clerks	55	1	0	0	100	3	0	9	168
Service and sales workers	62	1	0	0	42	0	0	0	105
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	17	1	0	0	1	0	0	0	19
Elementary occupations	93	1	0	2	125	1	0	0	222
Total	414	8	0	47	462	9	1	34	975
Employees with disabilities	7	0	0	2	5	0	0	1	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	3	0	0	0	0	0	0	0	3
Senior Management	15	0	0	2	8	0	0	2	27
Professionally qualified and experienced specialists and mid management	47	1	0	29	48	1	0	13	139
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	126	3	0	14	166	5	1	18	333
Semi-skilled and discretionary decision making	166	4	0	1	146	2	0	1	320
Unskilled and defined decision making	57	0	0	1	94	1	0	0	153
Total	414	8	0	47	462	9	1	34	975

Table 3.6.3 Recruitment for the period 1 April 2021 and 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	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	3	0	0	0	1	0	0	0	4
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	1	0	0	0	2
Semi-skilled and discretionary decision making	2	0	0	0	1	0	0	0	3
Unskilled and defined decision making	34	0	0	1	54	0	0	0	89
Total	41	0	0	1	57	0	0	0	99
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2021 and 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	0	0	0	0	0	0	0	0	0
specialists and mid-management	2	0	0	0	1	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	2	0	0	0	1	0	0	0	3
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 1 April 2021 and 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	2	0	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and midmanagement	4	0	0	5	5	0	0	0	14
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	4	0	0	1	7	0	0	1	13
Semi-skilled and discretionary decision making	16	0	0	0	13	0	0	0	29
Unskilled and defined decision making	7	0	0	0	4	0	0	0	11
Total	33	0	0	6	29	0	0	1	69
Employees with Disabilities	0	0	0	0	0	0	0	0	0

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

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Precautionary Suspensions	3	0	0	0	0	0	0	0	3

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

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	6	0	0	1	5	0	0	1	13
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	13	0	0	0	17	0	0	0	30
Clerks	2	1	0	0	2	0	0	0	5
Service and sales workers	1	0	0	0	0	0	0	0	1
Skilled agriculture and fishery workers	1	0	0	0	0	0	0	0	1
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	2	0	0	0	3
Total	24	1	0	1	26	0	0	1	53
Employees with disabilities	0	0	0	0	0	0	0	0	0

3.7. Signing of Performance Agreements by SMS Members

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2022

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	3.4
Salary Level 16	0	0	0	0
Salary Level 15	1	1	1	3.4
Salary Level 14	6	5	5	17.2
Salary Level 13	25	22	21	72.4
Total	33	29	28	96.5

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

Reasons
SMS Member who did not sign his performance agreement is on precautionary suspension whilst the disciplinary hearing is continuing.

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

Reasons
None. SMS Member is on precautionary suspension pending the outcome of a disciplinary hearing for unrelated matters.

3.8. Performance Rewards

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

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	29	406		307154,55	12 539,00
Female	19	430		236492,40	10 823,00
Asian					
Male	0	0		0,00	0,00
Female	0	1		0,00	0,00
Coloured					
Male	0	8		0,00	0,00
Female	0	9		0,00	0,00
White					
Male	3	51		0,00	0,00
Female	0	35		96484,05	38912,85
Total	51	946			
Employees with disabilities	3	15			

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2021 and 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)	11	69	15.9	69	6 272	0.02
Skilled (level 3-5)	15	322	4.6	139	9 266	0.03
Highly skilled production (level 6-8)	11	334	3.3	187	17 000	0.04
Highly skilled supervision (level 9-12)	6	139	4.3	236	29 500	0.05
Total	43	864	4.9	631	14 674	0.14

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

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Engineer	1	6	16.6	30	30
Veterinary Technologist	0	8	0	0	0
Lab Manager (Soil and Water Laboratory)	0	1	0	0	0

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2021 and 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	
Band A	0	23	0	0	0	0
Band B	0	5	0	0	0	0
Band C	0	1	0	0	0	0
Band D	0	1	0	0	0	0
Total	0	30	0	0	0	0

3.9. Foreign Workers

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	0	0.0
Highly skilled production (Lev. 6-8)	1	14.3	1	20.0	0	100.0
Highly skilled supervision (Lev. 9-12)	6	85.7	4	80.0	-2.00	100.0
Contract (level 9-12)	0	0.0	0	0.0	0	0.0
Contract (level 13-16)	0	0.0	0	0.0	0	0.0
Total	7	100.0	5	100.0	-2.00	100.0

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
Professionals and Managers	6	85.7	4	80.0	2	100.0
Technicians and associated professionals	1	14.3	1	20.0	0	0.0
Total	7	100.0	5	100.0	2	100.0

3.10. Leave utilisation

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 Skills (Level 1-2)	188	95.70	31	7.3	8	109
Skilled (levels 3-5)	1251	91.70	172	40.6	7	1 057
Highly skilled production (levels 6-8)	1085	91.40	143	33.7	13	1 835
Highly skilled supervision (levels 9-12)	511	100.0	68	16.0	9	1 566
Top and Senior management (levels 13-16)	110	97.30	10	2.40	11	484
Total	3145	91.60	424	100	7	5 050

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	0.0	0	0
Skilled (Levels 3-5)	254	100.0	10	47.6	25	237
Highly skilled production (Levels 6-8)	284	100.0	7	33.3	41	451
Highly skilled supervision (Levels 9-12)	112	100.0	2	9.5	56	333
Senior management (Levels 13-16)	98	100.0	2	9.5	49	418
Total	748	100.0	21	100.0	36	1 440

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)	1 294	77	26
Skilled (Levels 3-5)	7 421	323	23
Highly skilled production (Levels 6-8)	7 674	336	39
Highly skilled supervision (Levels 9-12)	3 472	143	33
Senior management (Levels 13-16)	595	29	21
Total	20 456	908	23

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 2022
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	11	2	6	54
Highly skilled production (Levels 6-8)	0	0	0	56
Highly skilled supervision (Levels 9-12)	6	3	2	46
Senior management (Levels 13-16)	0	0	0	54
Total	17	5	3	54

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

Table 3.10.5 Leave pay-outs for the period 1 April 2021 and 31 March 2022

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave pay out for 2021/22 due to non-utilisation of leave for the previous cycle	330	5	66
Capped leave pay outs on termination of service for 2021/22	2 232	36	62
Current leave pay out on termination of service for 2021/22	1 417	62	58
Total	3979	103	62

3.11. HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Women, Youth and People Living with disabilities	Development of HIV/AIDS, TB and STI's Management Policy. HIV/AIDS TB and STI's Awareness Programmes Distribution of HIV/AIDS TB and STI's flyers Conduction of workplace HCT on-site programme. Condom accessibility and distribution.

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.		x	
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.			4 Officials Budget: R300. 000
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.			Consultation and Training Problem Identification Assessments and intervention Constructive Consultation Referral for Confrontation Referral for Diagnosis Implementation of four EHW Strategic Framework Pillars Monitoring and Evaluation

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 (s) and the stakeholder(s) that they represent.		OHS & Wellness Committee T. Mamaorne -OHS M. Mmutle – OHS & Wellness L. Msibi - OHS M. Maduna – OHS & Wellness M.A. Motsoeneng _ OHS & Wellness N.D. Mollo – OHS & Wellness M. Motloung – OHS & Wellness M. Molibeli – Sports & Wellness R. Setlogelo – Sports & Wellness S. Lebitsa – OHS E. Mokhobo- OHS & Wellness M. Stawete – Wellness M. Popo – Wellness P. Bohlale – Sports P. Themba – Sports L. Mokhonyane – OHS & Sports T. Nonyayi – Sports P Direko – Sports D. Stawete - Sports
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.		All 4 Pillar Employee Health & Wellness reviewed namely: - HIV&AIDS, TB & STI's Management Policy - Health & Productivity Management Policy -Safety Health Environment Risk Quality Management Policy - Wellness Management Policy - Bereavement Policy - Substance and Drug Misuse Policy -Smoking 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.		Development of HIV&AIDS, TB & STI's Management Policy addresses issues of: - Unfair Discrimination on the basis of HIV status; - Human Rights, Stigmatization and Confidentiality; - EAP maintains issues of Confidentiality, Counselling, Provision of Care and Support and referral to external Specialized Services for the infected and affected if need be.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.		by creating an enabling environment, awareness, and promotion accessibility to on-site / workplace HIV Counselling and Testing (HCT) - HCT is made accessible (on-site) for officials in the department. - Officials are eager to test but mostly we have noticed the same officials testing each time and others preferring to test privately with their GP's.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.		No. HTC's conducted No. of health awareness campaigns conducted No. of HIV information sessions conducted No. of Chronic Diseases awareness campaigns conducted No. of Male Condoms distributed No. of Female Condoms distributes No. of employees screened for TB No. of employees referred for ARV's

3.12. Labour Relations

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

Subject matter	Date
None	

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	1	16.7
Verbal warning	1	16.7
Written warning	1	16.7
Final written warning	2	33.2
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	1	16.7
Not guilty	0	0
Case withdrawn	0	0
Total	6	100

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
Non Compliance & Irregularities with payments.	1	50
Irregularities around the running of the Glen College of Agriculture	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	1	25
Number of grievances not resolved	2	50
Total number of grievances lodged	1	25
TOTAL	4	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	0	0
Number of disputes dismissed	1	16.7
Total number of disputes lodged	5	83.3
TOTAL	6	100

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

Total number of persons working days lost	None
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

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

Number of people suspended	3
Number of people who's suspension exceeded 30 days	2
Average number of days suspended	267
Cost of suspension(R'000)	R 1 844

3.13. Skills development

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

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

Occupational category	Gender	Number of employees as at 1 April 2020	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	14	0	Bid Committees course		1
		1	0	SAMTREK		2
				OHS Liability		
	Male	5	0	Bid Committees course		1
		1	0	GMR Machinery		1
		1	0	MBA Essentials		1
Professionals	Female	4	0	Internal audit related courses		1
		8	0	AEASA conference		1
		7	0		Research related congresses	1
	Male	2	0	Internal audit related courses		1
		8	0		AEASA conference	1
		11	0		Research related congresses	1
Technicians and associate professionals	Female	24	0	Vets Refresher TB and AC course Legislation for vets	SASVEPM, SAVVA, RUVASA congress, Vets SAVVT	6
		23	0	Ms Office for extension officers		1
		3	0	Irrigation		1
		17	0	Commodity based training		3

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				Project Management for extension officers		
	Male	40	0	Vets Refresher TB and AC course Legislation for vets	SASVEPM, SAVVA, RUVASA congress, Vets SAVVT	6
		7	0		Irrigation system course	1
		27	0	MS office for extension officers		1
		13	0	Commodity based training Project Management for extension officers		3
Clerks	Female	12	0	SCM in the Public Sector Inventory and contract management		2
		1	0	EAP		1
	Male	7	0	SCM in the Public Sector Inventory and contract management		2
		2	0	OHS Incident EAP		2
Service and sales workers	Female		0			
	Male		0			
Skilled agriculture and fishery workers	Female	5	0	OHS Representative training		1
		5	0	Fire Marshall		1
		5	0	First Aid		1
	Male		0			
Craft and related trades workers	Female		0			
	Male		0			
Plant and machine operators and assemblers	Female	1	0	OHS Representative training		1
		1	0	Fire Marshall		1
		1	0	First Aid		1
	Male	2	0	OHS Representative training		1
		2	0	Fire Marshall		1
		2	0	First Aid		1
	Female	11	0	OHS Representative training		1

Elementary occupations		11	0	Fire Marshall		1
		11	0	First Aid		1
	Male	18	0	OHS Representative training		1
		18	0	Fire Marshall		1
		18	0	First Aid		1
Sub Total	Female	165	0			165
	Male	184	0			184
Total		349	0			349

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	5	0	Bid Committees Mentoring and coaching		2
	Male	6	0	Bid Committees		1
Professionals	Female	0	0			0
	Male	0	0			0
Technicians and associate professionals	Female	17	0	Project Management for Extension Officers		1
	Male	13	0	Project Management for Extension Officers		1
Clerks	Female	2	0	Presentation skills		
	Male	5	0	Bid Committees Presentation skills		2
Service and sales workers	Female	0	0			0
	Male	1	0	Presentation skills		
	Female	0	0			

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Skilled agriculture and fishery workers	Male	1	0	Bid Committees		1
Craft and related trades workers	Female	0	0			0
	Male	0	0			0
Plant and machine operators and assemblers	Female	0	0			0
	Male	0	0			0
Elementary occupations	Female	2	0	Presentation skills		1
	Male	1	0	Presentation skills		1
Sub Total	Female	26	0			26
	Male	27	0			27
Total		53	0			53

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	2	40
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	3	60
Total	5	100

3.14. Utilisation of Consultants

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	N/A	N/A	N/A

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

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	N/A	N/A	N/A

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

3.16. 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

2.7 Part E: Financial Information

2.7.1 Report of the Auditor General

Report of the auditor-general to the Free State Provincial Legislature on vote no. 11: Department of Agriculture and Rural Development

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Department of Agriculture and Rural Development set out on pages ... to ..., 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, except for the effects and possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Department of Agriculture and Rural Development 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 qualified opinion

Capital work-in-progress

3. I was unable to obtain sufficient appropriate audit evidence for capital work-in-progress, as the department did not have adequate systems to record capital projects. This was due to adequate supporting documents not being projects completed by the implementing agents. I was unable to confirm capital work-in-progress by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to capital work-in-progress, stated at R199 834 000 (2021: R190 275 000) in note 29.2 to the financial statements.
4. In addition, the department did not classify capital work-in-progress in accordance with MCS Chapter 11, *Capital assets*, as the department did not capitalise projects completed during the year. As a result, capital projects completed at year-end were disclosed as work-in-progress instead of being capitalised to immovable tangible capital assets. Consequently, capital work-in-progress stated in note 29.2 was overstated and immovable tangible capital assets stated in note 29 to the financial statements were understated by R22 196 881 (2021: R44 206 484).

Context for the opinion

5. 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 financial statements section of my report.

6. 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.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Material uncertainty relating to going concern

8. I draw attention to the matter below. My opinion is not modified in respect of this matter.
9. As disclosed in note 18 to the annual financial statements, the department had disclosed significant claims against the department of R10 291 000, commitments of R13 014 964 and unpaid employee benefits of R53 549 000 as at 31 March 2022. These events or conditions, along with other matters as set forth in note 16, indicate that a material uncertainty exists that may cast significant doubt on the department's ability to continue as a going concern.

Emphasis of matters

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

Irregular expenditure

11. As disclosed in note 23 to the financial statements, the department incurred irregular expenditure of R8 622 000 (2021: R6 111 000), due to non-compliance with supply chain management (SCM) requirements. In addition, the full extent of irregular expenditure is still in the process of being determined.

Restatement of corresponding figures

12. As disclosed in note 30 to the financial statements, the corresponding figures for 31 March 2021 were restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2022.

Other matter

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

Unaudited supplementary schedules

14. 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 on them.

Responsibilities of the accounting officer for the financial statements

15. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and DORA, and for

such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

16. 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

17. 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.
18. 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

19. 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.
20. 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.
21. 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 3 – agricultural producer support and development	x – x

22. 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.
23. The material findings on the usefulness and reliability of the performance information of the selected programmes are as follows:

Programme 3: agricultural producer support and development

Number of producers supported with agricultural advice

24. The achievement of 9 531 producers supported with agricultural advice was reported against target of 9 239 producers supported with agricultural advice in the annual performance report. However, some supporting evidence provided materially differed from the reported achievement, while in other instances I was unable to obtain sufficient appropriate audit evidence. This was due to the lack of accurate and complete records. I was unable to further confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievement.

Number of producers supported in the grain/maize (oil seeds) commodity

25. The source information and/or evidence and/or method of calculation for achieving the planned indicator were not clearly defined. Furthermore, the reasons for the variance between the planned targets and the reported achievements were not supported by corroborative evidence.

Number of producers supported in the grain/sunflower oil seed commodity

26. The source information and/or evidence and/or method of calculation for achieving the planned indicator were not clearly defined.

Various indicators

27. I was unable to obtain sufficient appropriate audit evidence for the achievements listed below reported against targets in the annual performance reports, due to the lack of accurate and complete records. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements. In addition, the reasons for the variance between the planned targets and the reported achievements were not supported by corroborative evidence for the indicators listed below:

Indicator descriptions	Planned targets	Reported achievements
Number of smallholder producers supported	35	22
Number of subsistence producers supported	466	39

Other matters

28. I draw attention to the matters below.

Achievement of planned targets

29. Refer to the annual performance report on pages xx to xx for information on the achievement of planned targets for the year and management's explanations provided for the under and over achievement of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 24 to 27 of this report.

Adjustment of material misstatements

30. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Programme 3 – agricultural producer support and development. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

31. 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.

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

Annual financial statements

33. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by section 40(1)(e) and (b) of the PFMA. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected, which resulted in the financial statements receiving a qualified opinion.

Expenditure management

34. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R8 622 000, as disclosed in note 23 to the annual financial statements, as required by section

38(1)(c)(ii) of the PFMA and treasury regulation (TR) 9.1.1. The majority of the irregular expenditure was caused by non-compliance with the SCM processes.

35. Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R18 530 000, as disclosed in note 24 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and TR 9.1.1. The majority of the fruitless and wasteful expenditure was caused by the fact that suppliers were paid for services not rendered to the department.

Strategic planning and performance management

36. Specific information systems were not established 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).

Procurement and contract management

37. Some of the goods and services of a transaction value above R500 000 were procured without inviting competitive bids and deviations were approved by the accounting officer but it was practical to invite competitive bids, as required by TR 16A6.1 and paragraph 3.4.1 of Practice Note 8 of 2007/2008 and TR 16A6.4. This non-compliance was identified in the procurement processes for the bus services.
38. Some of the IT related goods and services, classified as mandatory, were not procured through the State Information Technology Agency (SITA) as required by TR 16A6.3(e) and section 7(3) of the State Information Technology Agency Act 18 of 1998.

Asset management

39. I was unable to obtain sufficient appropriate audit evidence that proper control systems were in place at the department to ensure the safeguarding of assets, as required by TR 10.1.1(a).

Consequence management

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

Other information

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

43. My opinion on the financial statements and findings on the reported performance information and compliance with legislation does not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
44. 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.
45. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to 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

46. 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 basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.
47. Leadership did not ensure that all significant matters reported in the previous year were adequately addressed. Furthermore, management did not adequately oversee compliance with laws and regulations and the implementation of internal controls. This resulted in repeat material misstatements in the annual financial statements, annual performance report and findings on compliance with legislation being identified by the auditors.
48. Management did not monitor compliance with the required financial reporting framework, which resulted in material misstatements being identified in the financial statements submitted for auditing. The performance management system implemented was inadequate, resulting in material findings being identified in the annual performance report submitted for auditing.
49. The position of the chief financial officer was vacant during the financial year and different officials acted in his position. Management also did not ensure that the capacity constraints in the internal audit division were addressed.

Other reports

50. 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.

51. During the current year, there were allegations that an official of the Glen College of Agriculture has opened a bank account without approval from the Treasury and the department and made numerous cash withdrawals and transfers from the College's account without approval. This matter has been reported to the South African Police Services and the investigation had not yet been finalised at the date of this report.

Auditor General

Bloemfontein

31 July 2022



Annexure – Auditor-general's responsibility for the audit

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

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in 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 Department of Agriculture and Rural Development 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 to communicate with them all relationships and

2.7.2 ANNUAL FINANCIAL STATEMENTS FOR PROVINCIAL DEPARTMENTS

For the year ended
31 March 2022

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
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ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

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DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
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ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

Appropriation per programme									
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
Programme									
1. Administration	201 930	-	4 278	206 208	194 900	11 308	94,5%	183 342	181 253
2. Sustainable Resource Management	64 688	-	370	65 058	61 375	3 683	94,3%	53 191	52 031
3. Farmer Support and Development	363 779	-	(3 018)	360 761	334 422	26 339	92,7%	325 562	317 235
4. Veterinary Services	70 497	-	64	70 561	69 236	1 325	98,1%	63 843	63 744
5. Technology, Research and Development Services	62 013	-	(157)	61 856	50 882	10 974	82,3%	46 565	46 479
6. Agricultural Economics	14 148	-	22	14 170	13 645	525	96,3%	13 412	13 409
7. Structured Agricultural Training	33 200	-	(1 499)	31 701	27 251	4 450	86,0%	25 987	23 299
8. Rural Development	8 385	-	(60)	8 325	7 974	351	95,8%	8 989	8 950
Subtotal	818 640	-	-	818 640	759 685	58 955	92,8%	720 891	706 400
TOTAL	818 640	-	-	818 640	759 685	58 955	92,8%	720 891	706 400
Reconciliation with statement of financial performance:									
Actual amounts per statement of financial performance (total revenue)				818 640				720 891	
Actual amounts per statement of financial performance (total expenditure)					759 685				706 400

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
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ANNUAL FINANCIAL STATEMENTS
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
Current payments	584 996	1 761	(466)	586 291	540 989	45 302	92,3%	515 551	509 641
Compensation of employees	436 205	-	-	436 205	421 838	14 367	96,7%	418 129	417 763
Goods and services	148 791	1 761	(466)	150 086	119 151	30 935	79,4%	97 422	91 878
Transfers and subsidies	198 672	(3 546)	-	195 126	189 822	5 304	97,3%	169 337	165 589
Households	198 672	(3 546)	-	195 126	189 822	5 304	97,3%	169 337	165 589
Payments for capital assets	34 972	1 638	374	36 984	28 635	8 349	77,4%	36 003	31 170
Buildings and other fixed structures	18 553	5 048	-	23 601	20 118	3 483	85,2%	22 965	22 743
Machinery and equipment	16 419	(3 410)	374	13 383	8 517	4 866	63,6%	11 094	6 484
Biological assets	-	-	-	-	-	-	-	1 700	1 699
Software and other intangible assets	-	-	-	-	-	-	-	244	244
Payments for financial assets	-	147	92	239	239	-	100,0%	-	-
Total	818 640	-	-	818 640	759 685	58 955	92,8%	720 891	706 400

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
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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									
1.1 Office of the MEC	7 775	(265)	-	7 510	7 415	95	98,7%	6 383	6 372
1.2 Senior Management	32 521	(1 135)	-	31 386	27 218	4 168	86,7%	24 935	24 842
1.3 Corporate Services	96 861	(1 067)	374	96 168	91 265	4 903	94,9%	92 530	90 615
1.4 Financial Management	56 099	2 857	3 904	62 860	60 798	2 062	96,7%	51 983	51 927
1.5 Communication Services	8 674	(390)	-	8 284	8 204	80	99,0%	7 511	7 497
Total for sub programmes	201 930	-	4 278	206 208	194 900	11 308	94,5%	183 342	181 253
Economic classification									
Current payments	177 314	(264)	3 904	180 954	174 098	6 856	96,2%	164 386	162 299
Compensation of employees	141 510	-	-	141 510	134 925	6 585	95,3%	129 628	129 472
Goods and services	35 804	(264)	3 904	39 444	39 173	271	99,3%	34 758	32 827
Transfers and subsidies	23 947	-	-	23 947	19 866	4 081	83,0%	18 132	18 132
Households	23 947	-	-	23 947	19 866	4 081	83,0%	18 132	18 132
Payments for capital assets	669	223	374	1 266	895	371	70,7%	824	822
Buildings and other fixed structures	-	236	-	236	236	-	100,0%	-	-
Machinery and equipment	669	(13)	374	1 030	659	371	64,0%	824	822
Payments for financial assets	-	41	-	41	41	-	100,0%	-	-
Total	201 930	-	4 278	206 208	194 900	11 308	94,5%	183 342	181 253

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APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 2: SUSTAINABLE RESOURCE MANAGEMENT									
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									
2.1 Engineering Services	31 971	50	-	32 021	30 215	1 806	94,4%	22 316	22 296
2.2 Land Care	22 668	27	250	22 945	22 487	458	98,0%	22 003	21 982
2.3 Land Use Management	1 075	20	-	1 095	923	172	84,3%	879	876
2.4 Disaster Risk Management	8 974	(97)	120	8 997	7 750	1 247	86,1%	7 993	6 877
Total for sub programmes	64 688	-	370	65 058	61 375	3 683	94,3%	53 191	52 031
Economic classification									
Current payments	64 177	(3 718)	370	60 829	57 148	3 681	93,9%	48 996	47 838
Compensation of employees	34 044	-	-	34 044	32 835	1 209	96,4%	33 438	33 402
Goods and services	30 133	(3 718)	370	26 785	24 313	2 472	90,8%	15 558	14 436
Transfers and subsidies	-	-	-	-	-	-	-	798	797
Households	-	-	-	-	-	-	-	798	797
Payments for capital assets	511	3 718	-	4 229	4 227	2	100,0%	3 397	3 396
Buildings and other fixed structures	-	4 212	-	4 212	4 211	1	100,0%	3 057	3 056
Machinery and equipment	511	(494)	-	17	16	1	94,1%	340	340
Total	64 688	-	370	65 058	61 375	3 683	94,3%	53 191	52 031

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APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 3: FARMER SUPPORT AND 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									
3.1 Farmer Settlement and Development	159 705	-	-	159 705	145 153	14 552	90.9%	149 694	142 729
3.2 Extension & Advisory Services	200 842	-	(2 766)	198 076	186 372	11 704	94,1%	173 310	171 955
3.3 Food Security	3 232	-	(252)	2 980	2 897	83	97,2%	2 558	2 551
Total for sub programmes	363 779	-	(3 018)	360 761	334 422	26 339	92,7%	325 562	317 235
Economic classification									
Current payments	180 188	7 524	(3 018)	184 694	162 153	22 541	87.8%	154 020	152 455
Compensation of employees	126 240	-	-	126 240	123 222	3 018	97,6%	118 676	118 633
Goods and services	53 948	7 524	(3 018)	58 454	38 931	19 523	66.6%	35 344	33 822
Transfers and subsidies	174 725	(3 546)	-	171 179	169 956	1 223	99,3%	150 407	146 660
Households	174 725	(3 546)	-	171 179	169 956	1 223	99,3%	150 407	146 660
Payments for capital assets	8 866	(3 986)	-	4 880	2 305	2 575	47,2%	21 135	18 120
Buildings and other fixed structures	6 656	(3 990)	-	2 666	938	1 728	35,2%	14 244	14 087
Machinery and equipment	2 210	4	-	2 214	1 367	847	61,7%	4 947	2 090
Biological assets	-	-	-	-	-	-	-	1 700	1 699
Software and other intangible assets	-	-	-	-	-	-	-	244	244
Payments for financial assets	-	8	-	8	8	-	100,0%	-	-
Total	363 779	-	(3 018)	360 761	334 422	26 339	92,7%	325 562	317 235

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
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APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 4: VETERINARY SERVICES									
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									
4.1 Animal health	55 646	170	-	55 816	54 794	1 022	98,2%	48 470	48 408
4.2 Veterinary public health	5 368	(126)	(28)	5 214	5 043	171	96,7%	4 955	4 950
4.3 Veterinary laboratory services	8 557	88	92	8 737	8 608	129	98,5%	9 661	9 633
4.4 Export control	926	(132)	-	794	791	3	99,6%	757	753
Total for sub programmes	70 497	-	64	70 561	69 236	1 325	98,1%	63 843	63 744
Economic classification									
Current payments	68 848	(1 656)	(28)	67 164	65 844	1 320	98,0%	62 508	62 412
Compensation of employees	58 194	-	-	58 194	57 457	737	98,7%	56 774	56 732
Goods and services	10 654	(1 656)	(28)	8 970	8 387	583	93,5%	5 734	5 680
Payment for capital assets	1 649	1 558	-	3 207	3 202	5	99,8%	1 335	1 332
Buildings and other fixed structures	-	968	-	968	967	1	99,9%	172	172
Machinery and equipment	1 649	590	-	2 239	2 235	4	99,8%	1 163	1 160
Payments for financial assets	-	98	92	190	190	-	100,0%	-	-
Total	70 497	-	64	70 561	69 236	1 325	98,1%	63 843	63 744

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APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 5: TECHNOLOGY, RESEARCH AND 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									
5.1 Research	33 001	-	(137)	32 864	31 741	1 123	96,6%	35 279	35 201
5.2 Infrastructure Support Services	29 012	-	(20)	28 992	19 141	9 851	66,0%	11 286	11 278
Total for sub programmes	62 013	-	(157)	61 856	50 882	10 974	82,3%	46 565	46 479
Economic classification									
Current payments	49 345	(494)	(157)	48 694	40 467	8 227	83,1%	42 801	42 718
Compensation of employees	38 778	-	-	38 778	37 362	1 416	96,3%	39 549	39 496
Goods and services	10 567	(494)	(157)	9 916	3 105	6 811	31,3%	3 252	3 222
Payments for capital assets	12 668	494	-	13 162	10 415	2 747	79,1%	3 764	3 761
Buildings and other fixed structures	9 965	2 003	-	11 968	10 415	1 553	87,0%	3 764	3 761
Machinery and equipment	2 703	(1 509)	-	1 194	-	1 194	-	-	-
Total	62 013	-	(157)	61 856	50 882	10 974	82,3%	46 565	46 479

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APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 6: AGRICULTURAL ECONOMICS									
	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									
6.1 Agric-Business Development	13 221	-	22	13 243	12 743	500	96,2%	12 667	12 664
6.2 Macro-Economics and Statistics	927	-	-	927	902	25	97,3%	745	745
Total for sub programmes	14 148	-	22	14 170	13 645	525	96,3%	13 412	13 409
Economic classification									
Current payments	14 148	-	22	14 170	13 645	525	96,3%	13 386	13 383
Compensation of employees	13 477	-	-	13 477	12 961	516	96,2%	12 861	12 861
Goods and services	671	-	22	693	684	9	98,7%	525	522
Payments for capital assets	-	-	-	-	-	-	-	26	26
Machinery and equipment	-	-	-	-	-	-	-	26	26
Total	14 148	-	22	14 170	13 645	525	96,3%	13 412	13 409

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APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 7: STRUCTURED AGRICULTURAL TRAINING									
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									
7.1 Higher Education and Training	32 243	-	(1 050)	31 193	27 184	4 009	87,1%	22 746	20 066
7.2 Further Education and Training (FET)	957	-	(449)	508	67	441	13,2%	3 241	3 233
Total for sub programmes	33 200	-	(1 499)	31 701	27 251	4 450	86,0%	25 987	23 299
Economic classification									
Current payments	22 591	369	(1 499)	21 461	19 660	1 801	91,6%	20 465	19 586
Compensation of employees	15 870	-	-	15 870	15 306	564	96,4%	18 392	18 384
Goods and services	6 721	369	(1 499)	5 591	4 354	1 237	77,9%	2 073	1 202
Payments for capital assets	10 609	(369)	-	10 240	7 591	2 649	74,1%	5 522	3 713
Other fixed structures	1 932	1 619	-	3 551	3 351	200	94,4%	1 728	1 667
Machinery and equipment	8 677	(1 988)	-	6 689	4 240	2 449	63,4%	3 794	2 046
Total	33 200	-	(1 499)	31 701	27 251	4 450	86,0%	25 987	23 299

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APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 8: RURAL 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									
8.1 Development Planning and Reporting	5 006	-	(25)	4 981	4 878	103	97,9%	6 033	6 024
8.2 Social Facilitation	3 379	-	(35)	3 344	3 096	248	92,6%	2 956	2 926
Total for sub programmes	8 385	-	(60)	8 325	7 974	351	95,8%	8 989	8 950
Economic classification									
Current payments	8 385	-	(60)	8 325	7 974	351	95,8%	8 989	8 950
Compensation of employees	8 092	-	-	8 092	7 770	322	96,0%	8 811	8 783
Goods and services	293	-	(60)	233	204	29	87,6%	178	167
Payments for capital assets	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Total	8 385	-	(60)	8 325	7 974	351	95,8%	8 989	8 950

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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2022

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-C) 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 R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Administration	206 208	194 900	11 308	5,5%
Explanation of variance: The under spending is on compensation of employees due to vacancies that are not filled and under transfers and subsidies for bursaries for international students.				
Sustainable Resource Management	65 058	61 375	3 683	5,7%
Explanation of variance: The under expenditure on this programme is on Disaster Risk Management fund, due to contractor not being able to deliver services in time due to lack of capacity.				
Farmer Support and Development	360 761	334 422	26 339	7,3%
Explanation of variance: The programme under spend on the CASP and Ilima/Letsema grants. Impact of the court judgement on the PPPFA Framework				
Veterinary Services	70 561	69 236	1 325	1,9%
No material variance				
Research & Technology Development Services	61 856	50 882	10 974	17,7%
No Explanation of variance: The programme under spends on Xhariep Fish Hatchery project. Impact of the court judgement on the PPPFA Framework				

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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2022

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Agricultural Economics Services	14 170	13 645	525	3,7%
Savings on compensation of employees due to vacancies in the unit				
Structured Agricultural Education & Training	31 701	27 251	4 450	14,0%
Due to College Revitalisation project of CASP still under implementation				
Rural Development	8 325	7 974	351	4,2%
Savings on compensation of employees due to vacancies in the unit				

4.2	Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
		R'000	R'000	R'000	%
	Current payments				
	Compensation of employees	436 205	421 838	14 367	3,3%
	Goods and services	150 086	119 151	30 935	20,6%
	Transfers and subsidies				
	Households	195 126	189 822	5 304	2,7%
	Payments for capital assets				
	Buildings and other fixed structures	23 601	20 118	3 483	14,8%
	Machinery and equipment	13 383	8 517	4 866	36,4%
	Biological assets				
	Intangible assets				
	Payments for financial assets	239	239	-	-

Under spending due to Provincial CASP, Ilima/Letsema and Infrastructure Enhancement Allocation Projects still in process. The impact of the court judgement on the PPPFA framework.

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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2022

4.3	Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
		R'000	R'000	R'000	%
	Comprehensive Agricultural Support Programme	191 611	165 621	25 990	13,6%
	Ilima/Letsema Grant	71 974	62 380	9 594	13,3%
	Landcare	8 366	8 072	294	3,5%
	EPWP	2 088	2 088	-	-

Under spending due to Provincial CASP, Ilima/Letsema and Landcare Projects still in process. The impact of the court judgement on the PPPFA framework.

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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>	818 640	720 891
TOTAL REVENUE		818 640	720 891
EXPENDITURE			
Current expenditure			
Compensation of employees	<u>3</u>	421 837	417 759
Goods and services	<u>4</u>	119 151	91 883
Total current expenditure		540 988	509 642
Transfers and subsidies			
Transfers and subsidies	<u>6</u>	189 822	165 590
Total transfers and subsidies		189 822	165 590
Expenditure for capital assets			
Tangible assets	<u>7</u>	28 636	30 924
Intangible assets	<u>7</u>	-	244
Total expenditure for capital assets		28 636	31 168
Payments for financial assets	<u>5</u>	239	-
TOTAL EXPENDITURE		759 685	706 400
SURPLUS FOR THE YEAR		58 955	14 491

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STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2022

Reconciliation of Net Surplus for the year

	2021/22	2020/21
	R'000	R'000
Voted funds	58 955	14 491
Annual appropriation	23 077	4 243
Conditional grants	35 878	10 248
SURPLUS FOR THE YEAR	58 955	14 491

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STATEMENT OF FINANCIAL POSITION
as at 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
ASSETS			
Current assets			
		62 499	17 377
Cash and cash equivalents	<u>8</u>	51 899	4 531
Prepayments and advances	<u>9</u>	4 476	7 932
Receivables	<u>10</u>	6 124	4 914
Non-current assets			
		125	91
Receivables	<u>10</u>	125	91
TOTAL ASSETS		62 624	17 468
LIABILITIES			
Current liabilities			
		59 977	16 816
Voted funds to be surrendered to the Revenue Fund	<u>11</u>	58 955	14 491
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>12</u>	558	258
Payables	<u>13</u>	464	2 067
Non-current liabilities			
Payables	<u>14</u>	1 988	-
TOTAL LIABILITIES		61 965	16 816
NET ASSETS		659	652

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STATEMENT OF FINANCIAL POSITION
as at 31 March 2022

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Represented by:			
Recoverable revenue		659	652
TOTAL		659	652

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

	Note	2021/22 R'000	2020/21 R'000
Recoverable revenue			
Opening balance		652	539
Transfers:		7	113
Debts recovered (included in departmental receipts)		(38)	(159)
Debts raised		45	272
Closing balance		659	652
TOTAL		659	652

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CASH FLOW STATEMENT
for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		824 122	725 883
Annual appropriated funds received	<u>1.1</u>	818 640	720 891
Departmental revenue received	<u>2</u>	5 482	4 992
Net decrease in working capital		643	1 110
Surrendered to Revenue Fund		(19 673)	(43 879)
Current payments		(540 988)	(509 642)
Payments for financial assets		(239)	-
Transfers and subsidies paid		(189 822)	(165 590)
Net cash flow available from operating activities	<u>15</u>	74 043	7 882
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	<u>7</u>	(28 636)	(31 168)
(Increase)/decrease in non-current receivables	<u>10</u>	(34)	7
Net cash flows from investing activities		(28 670)	(31 161)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in net assets		7	113
Increase in non-current payables		1 988	-
Net cash flows from financing activities		1 995	113
Net increase/(decrease) in cash and cash equivalents		47 368	(23 166)
Cash and cash equivalents at beginning of period		4 531	27 697
Cash and cash equivalents at end of period	<u>16</u>	51 899	4 531

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

	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

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	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. Prepayments are expensed when the recognition in the statement of Financial Position will have a negative impact on the Appropriation Statement and actual cash flow of the department
12	Receivables 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

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	policy.
13	Payables Payables recognised in the statement of financial position are recognised at cost.
14	Capital Assets
14.1	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.
14.2	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 2005 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.
14.3	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 2005 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.
14.4	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

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	asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
15	Provisions and Contingents
15.1	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.
15.2	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.
15.3	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.
15.4	Capital commitments Capital commitments are recorded at cost in the notes to the financial statements.
16	Unauthorised expenditure Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either: • approved by the Provincial Legislature with funding and the related funds are received; or • approved by 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.
17	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

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	are de-recognised when settled or subsequently written-off as irrecoverable.
18	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.
19	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.
20	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.
21	Departures from the MCS requirements 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.
22	Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
23	Related party transactions Related party transactions within the 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. The key management personnel of the department consist of the MEC, HOD and Executive Management.
24	Inventories At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

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	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.
25	Employee benefits The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

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1. Annual Appropriation

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for 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	206 208	206 208	-	183 849	183 849	-
Sustainable Resource Management	65 058	65 058	-	53 031	53 031	-
Farmer Support and Development	360 761	360 761	-	325 244	325 244	-
Veterinary Services	70 561	70 561	-	63 070	63 070	-
Research and Technology Development	61 856	61 856	-	46 457	46 457	-
Agricultural Economics Services	14 170	14 170	-	13 402	13 402	-
Structured Agricultural Education and Training	31 701	31 701	-	26 664	26 664	-
Rural Development	8 325	8 325	-	9 174	9 174	-
Total	818 640	818 640	-	720 891	720 891	-

1.2 Conditional grants

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Total grants received	<u>31</u>	<u>274 039</u>	<u>222 691</u>

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2. Departmental revenue

	Note	2021/22 R'000	2020/21 R'000
Sales of goods and services other than capital assets	2.1	4 923	4 570
Transactions in financial assets and liabilities	2.2	559	422
Total revenue collected		5 482	4 992
Less: Own revenue included in appropriation	19	5 482	4 992
Departmental revenue collected		-	-

2.1 Sales of goods and services other than capital assets

	Note	2021/22 R'000	2020/21 R'000
Sales of goods and services produced by the department	2	4 923	4 570
Administrative fees		1 829	1 572
Other sales		3 094	2 998
Total		4 923	4 570

2.2 Transactions in financial assets and liabilities

	Note	2021/22 R'000	2020/21 R'000
Receivables	2	66	189
Stale cheques written back		-	19
Other Receipts including Recoverable Revenue		493	214
Total		559	422

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

	2021/22 R'000	2020/21 R'000
<i>List in kind donations received</i>		
Goods and service	-	85
Soap	-	-
Hand sanitisers (5l)	-	322
FFP2 Ansell orange filtering masks	-	2
hand sanitisers (500ml pump spout)	-	88
Disinfectant	-	49
glove examination	-	87
Cloth Masks	-	1
Cloth Masks	-	79
Digital Thermometer	-	192
Visor/ face shield	-	270
	<u>-</u>	<u>1 175</u>

In the 2020/21 financial year, these donations were reported in note 4.5. In 2021/22 financial year departments were informed that sub-note 3.6.1 has been added to comply with TR21.2.4 and that for 2021/22 only donations received in kind where there is a technical assistance agreement in place should be disclosed in note 4.5. Other donations in kind should be reported in note 3.6.1.

3. Compensation of employees

3.1 Salaries and Wages

	Note 3	2021/22 R'000	2020/21 R'000
Basic salary		280 479	292 175
Performance award		704	675
Service Based		895	793
Compensative/circumstantial		4 663	3 950
Other non-pensionable allowances		72 935	58 889
Total		<u>359 676</u>	<u>356 482</u>

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3.1 Social contributions

	Note 3	2021/22 R'000	2020/21 R'000
Employer contributions			
Pension		34 709	35 790
Medical		25 934	24 951
Bargaining council		104	102
Insurance		1 414	434
Total		62 161	61 277
 Total compensation of employees		 421 837	 417 759
 Average number of employees		 948	 1 039

Included in average number of employees as at end of financial year is 82 interns. The reported misclassification of expenditure for Vrede farm workers (CoAF 48) has been referred to Provincial Treasury and state law advisor for their advice as there is a difference in opinion between the Department and AGSA. Therefor it is impractical to restate the figures as final clarity on the difference in opinion has not been received at reporting date.

4. Goods and services

	Note	2021/22 R'000	2020/21 R'000
Administrative fees		698	253
Advertising		437	196
Minor assets	4.1	756	799
Bursaries (employees)		56	1 690
Catering		451	1 866
Communication		5 202	5 212
Computer services	4.2	4 833	1 968
Consultants: Business and advisory services	4.9	903	293
Infrastructure and planning services		5	51
Laboratory services		26	-
Legal services		2 037	2 111
Contractors		35 018	24 811
Agency and support / outsourced services		1 777	1 726
Audit cost – external	4.3	10 657	7 566
Fleet services		4 110	2 895
Inventory	4.4	15 181	14 351
Consumables	4.5	7 786	5 159
Operating leases		4 391	5 126
Property payments	4.6	1 303	666
Rental and hiring		1	1
Transport provided as part of the departmental activities		-	62
Travel and subsistence	4.7	13 404	9 928

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Venues and facilities		590	8
Training and development		7 862	3 521
Other operating expenditure	4.8	1 667	1 624
Total		119 151	91 883

The reported misclassification of expenditure for Vrede farm workers (CoAF 48) has been referred to Provincial Treasury and state law advisor for their advice as there is a difference in opinion between the Department and AGSA. Therefor it is impractical to restate the figures as final clarity on the difference in opinion has not been received.

Prior year incorrect sub classification within goods and services has been rectified; consumables credited with R112k and Property payment debited R112k.

4.1 Minor assets

	Note	2021/22	2020/21
	4	R'000	R'000
Tangible assets		756	799
Machinery and equipment		756	799
Total		756	799

4.2 Computer services

	Note	2021/22	2020/21
	4	R'000	R'000
SITA computer services		4 270	1 197
External computer service providers		563	771
Total		4 833	1 968

4.3 Audit cost – External

	Note	2021/22	2020/21
	4	R'000	R'000
Regularity audits		10 657	7 566
Total		10 657	7 566

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4.4 Inventory

	Note 4	2021/22 R'000	2020/21 R'000
Clothing material and accessories		439	206
Farming supplies		11 508	11 649
Fuel, oil and gas		719	1 009
Medical supplies		-	117
Medicine		2 354	1 126
Other supplies	4.4.1	161	244
Total		15 181	14 351

4.4.1 Other supplies

	Note 4.4	2021/22 R'000	2020/21 R'000
Assets for distribution			
Machinery and equipment		-	-
Other assets for distribution		-	-
Other		161	244
Total		161	244

Prior year incorrect sub classification within goods and services has been rectified; Landcare, EPWP and Food Security expenditure has been reclassified from consumables to inventory in accordance with the MCS

4.5 Consumables

	Note 4	2021/22 R'000	2020/21 R'000
Consumable supplies		5 797	3 849
Uniform and clothing		1 419	1 268
Household supplies		2 036	1 665
IT consumables		25	-
Other consumables		2 317	916
Stationery, printing and office supplies		1 989	1 310
Total		7 786	5 159

Prior year incorrect sub classification within goods and services has been rectified; consumables credited with R112k and Property payment debited R112k. Prior year incorrect sub classification within goods and services has been rectified; Landcare, EPWP and Food Security expenditure has been reclassified from consumables to inventory in accordance with the MCS.

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4.6 Property payments

	<i>Note</i> 4	2021/22 R'000	2020/21 R'000
Municipal services		534	489
Other		769	177
Total		1 303	666

Prior year incorrect sub classification within goods and services has been rectified; consumables credited with R112k and Property payment debited R112k.

4.7 Travel and subsistence

	<i>Note</i> 4	2021/22 R'000	2020/21 R'000
Local		13 215	9 928
Foreign		189	-
Total		13 404	9 928

4.8 Other operating expenditure

	<i>Note</i> 4	2021/22 R'000	2020/21 R'000
Resettlement costs		256	65
Other		1 411	1 559
Total		1 667	1 624

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

Name of Committee	No. of members	<i>Note</i> 4	2021/22 R'000	2020/21 R'000
Audit Committee	3		128	60
Total			128	60

New reporting on commission/committees based on the MCS

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5. Payments for financial assets

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Other material losses written off	5.2	71	-
Debts written off	5.3	168	-
Total		239	-

5.1 Other material losses written off

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Nature of losses			
Computer Equipment		31	-
Garden equipment		32	-
Books & other equipment		8	-
Total		71	-

5.2 Debts written off

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Other debt written off	5		
Salary overpayment		8	-
Communication debt		1	-
Tax debt		1	-
Veterinary laboratory services		158	-
Total		168	-
Total debt written off		168	-

6. Transfers and subsidies

		2021/22	2020/21
		R'000	R'000
Households	<i>Note</i>		
	<i>Annexure 1A</i>	189 822	165 590
Total		189 822	165 590

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7. Expenditure for capital assets

	Note	2021/22 R'000	2020/21 R'000
Tangible assets		28 636	30 924
Buildings and other fixed structures	29	20 118	22 742
Machinery and equipment	27	8 518	6 483
Biological assets	27	-	1 699
Intangible assets			244
Software	28	-	244
Total		28 636	31 168

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

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	28 636	-	28 636
Buildings and other fixed structures	20 118	-	20 118
Machinery and equipment	8 518	-	8 518
Intangible assets			
Software	-	-	-
Total	28 636	-	28 636

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

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	30 924	-	30 924
Buildings and other fixed structures	22 742	-	22 742
Machinery and equipment	6 483	-	6 483
Biological assets	1 699	-	1 699
Intangible assets			
Software	244	-	244
Total	31 168	-	31 168

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7.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2021/22 R'000	2020/21 R'000
Tangible assets			
Machinery and equipment		749	1 054
Total		749	1 054

8. Cash and cash equivalents

	Note	2021/22 R'000	2020/21 R'000
Consolidated Paymaster General Account		51 834	4 466
Cash on hand		65	65
Total		51 899	4 531

There are no amount of significant cash and cash equivalent balances held by the department that are not available for use

Prior period error- Amount previously classified as Disbursement in 2020/21 has been rectified to be consolidated payment general account.

As per comparison between the bank balance at 31 March 2021 and the funds to be surrendered to Treasury there are not sufficient funds to pay for this liability and will have an impact on the cash for the 2021/22 financial year.

9. Prepayments and advances

	Note	2021/22 R'000	2020/21 R'000
Advances paid (Not expensed)	9.1	4 476	7 932
Total		4 476	7 932

Advance for payment DIRCO for students studying abroad. No standing advances were issued to employees for the year under review. The supporting documentation for the advances paid is still awaited from DIRCO.

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9.1 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
9	R'000	R'000	R'000	R'000	R'000
National departments	7 932	(16 325)	-	12 869	4 476
Total	7 932	(16 325)	-	12 869	4 476

<i>Note</i>	Balance as at 1 April 2020	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advances	Balance as at 31 March 2021
9	R'000	R'000	R'000	R'000	R'000
National departments	7 966	(4 736)	-	4 702	7 932
Total	7 966	(4 736)	-	4 702	7 932

9.2 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	13 810	-	-	-	13 810
Capital assets	4 700	-	-	-	4 700
Total	18 510	-	-	-	18 510

<i>Note</i>	Amount as at 1 April 2020	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	13 810	-	-	-	13 810
Capital assets	4 700	-	-	-	4 700
Total	18 510	-	-	-	18 510

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10. Receivables

		2021/22			2020/21		
	Note	Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable	10.1	1 377	-	1 377	1 732	-	1 732
Recoverable expenditure	10.2	1 750	-	1 750	-	-	-
Staff debt	10.3	2 353	111	2 464	2 560	78	2 638
Fruitless and wasteful expenditure	10.5	1	-	1	1	-	1
Other receivables	10.4	643	14	657	621	13	634
Total		6 124	125	6 249	4 914	91	5 005

10.1 Claims recoverable

	Note	2021/22 R'000	2020/21 R'000
National departments	10	1 222	1 346
Provincial departments		155	386
Total		1 377	1 732

10.2 Recoverable expenditure (disallowance accounts)

	Note	2021/22 R'000	2020/21 R'000
DISALLOWANCE MISCELLANEOUS:CA	10	1 750	-
Total		1 750	-

Disallowance for amount paid to supplier to pay the projects beneficiaries

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10.3	Staff debt			
		<i>Note</i>	2021/22	2020/21
		10	R'000	R'000
	BREACH OF CONTRACT		75	75
	COMMUNICATION DEBT		56	57
	LEAVE WITHOUT PAY		163	175
	LOSSES/DAMAGES		89	84
	OTHER		6	6
	OVERTIME PAYMENT		26	26
	SALARY OVERPAYMENT		1 743	1 909
	SUBSISTENCE & TRAVEL		202	202
	TAX DEBT		82	82
	DISALLOWANCE		22	22
	Total		2 464	2 638
10.4	Other receivables			
		<i>Note</i>	2021/22	2020/21
		10	R'000	R'000
	OTHER		104	104
	SUPPLIER		553	530
	Total		657	634
10.5	Fruitless and wasteful expenditure			
		<i>Note</i>	2021/22	2020/21
		10	R'000	R'000
	Opening balance		1	1
	Total		1	1
10.6	Impairment of receivables			
		<i>Note</i>	2021/22	2020/21
			R'000	R'000
	Estimate of impairment of receivables		237	13
	Total		237	13
11.	Voted funds to be surrendered to the Revenue Fund			
		<i>Note</i>	2021/22	2020/21
			R'000	R'000
	Opening balance		14 491	38 400
	Transfer from statement of financial performance		58 955	14 491
	Paid during the year		(14 491)	(38 400)
	Closing balance		58 955	14 491

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

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Opening balance		258	745
Own revenue included in appropriation		5 482	4 992
Paid during the year		(5 182)	(5 479)
Closing balance		558	258

13. Payables – current

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Advances received	13.1	-	1 988
Clearing accounts	13.2	464	79
Total		464	2 067

Current amounts include unpaid transactions and amounts payables for housing allowance. Advance payable received has been transferred to non-current payables

13.1 Advances received

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Other institutions	13 <i>Annex</i> 7B	-	1 988
Total		-	1 988

Advance payable received has been transferred to non-current payables

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13.2 Clearing accounts

	Note 13	2021/22 R'000	2020/21 R'000
Description			
Sal ACB Recalls		-	6
Sal Pension Fund		-	65
Tender Deposit		-	1
Travel&Sub Cl		-	3
GRV Suspense CL		-	4
Unallocated Receipts:30 Day:Cl		103	-
Sal:GEHS Refund Control Acc:Cl		361	-
Total		464	79

Current amounts include unpaid transactions and amounts payables for housing allowance

14. Payables – non-current

		2021/22			2020/21
		One to two years	Two to three years	More than three years	Total
		R'000	R'000	R'000	R'000
Advances received	Note 14.1	1 988	-	-	1 988
Total		1 988	-	-	1 988

Advance received from Agriseta for more than one year, classified from current to non-current

14.1 Advances received

	Note 14	2021/22 R'000	2020/21 R'000
Other institutions	Annexure 7B	1 988	-
Total		1 988	-

Advance received from Agriseta for more than one year, classified from current to non-current

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15. Net cash flow available from operating activities

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Net surplus as per Statement of Financial Performance		58 955	14 491
Add back non cash/cash movements not deemed operating activities		15 088	(6 609)
(Increase)/decrease in receivables		(1 210)	688
Decrease in prepayments and advances		3 456	34
Increase/(decrease) in payables – current		(1 603)	388
Expenditure on capital assets		28 636	31 168
Surrenders to Revenue Fund		(19 673)	(43 879)
Own revenue included in appropriation		5 482	4 992
Net cash flow generated by operating activities		74 043	7 882

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

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Consolidated Paymaster General account		51 834	4 466
Cash on hand		65	65
Total		51 899	4 531

The financial statements revealed that the following aspects might influence the department's obligations due to the level of claims against the department of R10 291 000, accruals of R2 770 000 payables to the amount of R2 000, commitments of R12 980 000 and unpaid employee benefits of R53 130 000 as at 31 March 2022. These events indicate that a material uncertainty exist that may cast significant doubt on the department's ability to meet its financial objective.

There are no amount of significant cash and cash equivalent balances held by the department that are not available for use. Prior period error- Amount previously classified as Disbursement in 2020/21 has been rectified to be consolidated payment general account.

As per comparison between the bank balance at 31 March 2021 and the funds to be surrendered to Treasury there are not sufficient funds to pay for this liability and will have an impact on the cash for the 2021/22 financial year.

17. Contingent liabilities and contingent assets

17.1 Contingent liabilities

		<i>Note</i>	2021/22	2020/21
			R'000	R'000
Liable to	Nature			
Housing loan guarantees	Employees	<i>Annex 2A</i>	-	-
Claims against the department		<i>Annex 2B</i>	10 291	8 822
Intergovernmental payables (unconfirmed balances)		<i>Annex 4</i>	19	-
Total			10 310	8 822

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Due to the cases currently under investigation the department are not in a position to determine the final amount and timing of the outflow of cash

18. Capital commitments

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Buildings and other fixed structures		10 097	15 922
Machinery and equipment		2 883	5 156
Total		12 980	21 078

Capital commitments were understated and overstated by R518000 and R635000 respectively as per CoAF117..

19. Accruals and payables not recognised

19.1 Accruals

			2021/22	2020/21
			R'000	R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
		-		
Goods and services	2 603		2 603	1 361
Transfers and subsidies	-	-	-	46
Capital assets	167	-	167	-
Total	2 770	-	2 770	1 407

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Listed by programme level			
Programme 1: Administration		1 936	937
Programme 2: Sustainable Resource Management		146	274
Programme 3: Farmer Support and Development		675	98
Programme 4: Veterinary Services		-	95
Programme 5: Technology, Research and Development		8	3
Programme 7: Structured Agricultural Training		5	-
Total		2 770	1 407

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19.2 Payables not recognised

	2021/22			2020/21
	R'000			R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	2	-	2	461
Transfers and subsidies	-	-	-	61
Capital assets	-	-	-	-
Total	2	-	2	522

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Listed by programme level			
Programme 1: Administration		-	516
Programme 3: Farmer Support and Development		2	1
Programme 4: Veterinary Services		-	4
Programme 5: Technology, Research and Development		-	1
Total		2	522

Rectified prior period error (CoAF70)

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Included in the above totals are the following:			
Confirmed balances with other departments	<i>Annex 4</i>	430	22
Confirmed balances with other government entities	<i>Annex 4</i>	1 146	1 198
Total		1 576	1 220

20. Employee benefits

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Leave entitlement		25 077	32 174
Service bonus		10 665	10 994
Performance awards		-	1 455
Capped leave		16 680	19 076
Other		708	727
Total		53 130	64 426

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Leave entitlement exclude leave with negative balance amounting to R242 249.60. Service bonus refers to amount accumulated at end of financial year and is only about 50% of annual payment. No amount for performance awards disclosed following the DPSA directive not to pay such bonuses. 2019/20. Capped leave commitments refer to leave days accumulated prior. Others refers to long service award for 20, 30 and 40 years for 2022/23.

21. Lease commitments

21.1 Operating leases

	Machinery and equipment R'000	Total R'000
2021/22		
Not later than 1 year	2 034	2 034
Later than 1 year and not later than 5 years	2 755	2 755
Total lease commitments	4 789	4 789

	Machinery and equipment R'000	Total R'000
2020/21		
Not later than 1 year	1 523	1 523
Later than 1 year and not later than 5 years	838	838
Total lease commitments	2 361	2 361

The lease amount reported is for the lease of 57 Government vehicles from Fleet Management

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21.2 Finance leases **

	Machinery and equipment R'000	Total R'000
2021/22		
Not later than 1 year	1 179	1 179
Later than 1 year and not later than 5 years	3	3
Total lease commitments	1 182	1 182

	Machinery and equipment R'000	Total R'000
2020/21		
Not later than 1 year	923	923
Later than 1 year and not later than 5 years	185	185
Total lease commitments	1 108	1 108

The amounts reported are for finance lease of photocopy machines (Par.7.5 - No price increase on rental amount) and cell phones as per transversal contract. The new cell phone contract only commenced in April 2022.

22. Accrued departmental revenue

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Sales of goods and services other than capital assets		575	1 033
Interest, dividends and rent on land		4	20
Total		579	1 053

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22.1 Analysis of accrued departmental revenue

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Opening balance		1 053	909
Less: amounts received		(340)	(200)
Add: amounts recorded		31	344
Less: amounts written-off/reversed as irrecoverable		(158)	-
Less: amounts transferred to receivables for recovery		(7)	-
Closing balance		579	1 053

22.2 Accrued department revenue written off

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Nature of losses			
Veterinary laboratory services		158	-
Total		158	-

22.3 Impairment of accrued departmental revenue

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Estimate of impairment of accrued departmental revenue		265	153
Total		265	153

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23. Irregular expenditure

23.1 Reconciliation of irregular expenditure

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Opening balance		325 176	319 088
Prior period error		(23)	(23)
As restated		325 176	319 065
Add: Irregular expenditure – relating to prior year		2 241	1 641
Add: Irregular expenditure – relating to current year		6 381	4 470
Less: Prior year amounts not condoned and removed		(18 947)	-
Closing balance		314 851	325 176

Analysis of closing balance

Current year	6 381	4 470
Prior years	308 470	320 706
Total	314 851	325 176

23.2 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
Bidding process for the appointment of training panel		5 670
Participating contract PRF023/2017		50
Incorrect suppliers on panel-Tender 1		
Infrastructure		139
Peo Production		247
SCM processed not followed		2 324
Printers not procured through SITA		192
Total		8 622

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23.3	Details of irregular expenditure removed - (not condoned)		
	Incident	Not condoned by (relevant authority)	2021/22 R'000
	SCM processes not followed Batho Pele	Accounting Officer	1 522
	Central Media Group	Accounting Officer	63
	Astra	Accounting Officer	75
	Ernest & Young	Accounting Officer	443
	Quantum Biotechnologies	Accounting Officer	41
	Alere Healthcare	Accounting Officer	233
	Mokoailane Productions	Accounting Officer	134
	Competitive bidding process not followed	Accounting Officer	
	Lasec		1 008
	SCM processes not followed: 4 cases	Accounting Officer	1 181
	Delegations of authority	Accounting Officer	4 373
	Competitive bidding process not followed	Accounting Officer	
	Dikgoja Trading and Jorian Construction		9 766
	Contract identified as Irreg by PT	Accounting Officer	
	FSPT001/17/18 Sonaqua		108
	Total		18 947

23.4	Details of irregular expenditures under assessment (not included in the main note)		
	Incident		2021/22 R'000
	Possible irregular expenditure regarding implementing Agents 2015/16		316 489
	Possible irregular expenditure regarding implementing Agents 2016/17		224 342
	Possible irregular expenditure regarding implementing Agents 2017/18		161 125
	SCM processes not followed livestock tender		14 452
	Transversal contract has expired		467
	Employee bus transport services - contract extended		4 864
	Declaration of local production and content (SBD6.2) not obtained		77
	Interest not declared by supplier		83
	Participating in contract after original contract ended		430
	Quotation obtained not according to SCM policy		528
	Total		722 857

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It was impractical for the department to finalise the investigation into the matter of Implementing Agents due to the outcome of the classification matter as per the Supreme Court Judgement as well as the legal opinion the Department has received from the State Law Advisors Office, which confirms similarities in the processes followed by the two affected departments (WCDARD & FSDARD) while implementing their projects, and therefore by implication, suggesting that similar conclusion be applied in the case of the FSDARD. In the department's discussions with AGSA during the audit process, AGSA agreed that the relationship which existed between FSDARD and the Implementing Agents for the 2015/16, 2016/17 and 2017/18 financial years was not that of a Principle-Agent (as was also stipulated in the SCA Judgement involving WCDARD). However, there is still a difference of opinion in the accounting treatment, brought about by the AGSA's view that the processes followed by the department (and their related risks and rewards) for payments made to the Implementing Agents during the 2015/16, 2016/17 and 2017/18 financial year to implement projects on behalf of the farmers, changes the substance and classification of those transactions from being transfers (unrequited) to goods and services and payment for capital assets, suggesting that there is a direct benefit of similar value that the department has received through this process. The impact thereof on the annual financial statements is that the affected notes and disclosure notes is not a fair presentation of the Annual Financial Statements to stakeholders.

The investigation report for the Livestock tender of R14 452 000 was received after year end and will be included as confirmed irregular expenditure in the 2022/23 financial year.

23.5 Prior period error

<i>Note</i>	2020/21 R'000
Nature of prior period error	
Relating to 2019/20 <i>[affecting the opening balance]</i>	(23)
Incorrect amount disclosed	(23)
Total	(23)

Amount was incorrectly disclosed as indicated in the audit finding

24. Fruitless and wasteful expenditure

24.1 Reconciliation of fruitless and wasteful expenditure

<i>Note</i>	2021/22 R'000	2020/21 R'000
Opening balance	11 461	11 457
As restated	11 461	11 457
Fruitless and wasteful expenditure – relating to prior year	18 530	4
Closing balance	29 991	11 461

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The two cases of fruitless and wasteful relating to prior year were referred to the State Attorney to determine the level of recoverability.

A report was received from Department of Public Works and Infrastructure after year end that indicate that the plans for the project that was cancelled for the Water Purification Plant can still be used and therefor the amount of R4 784 134 will be removed in the 2022/23 financial year.

24.2 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
No work done on site but paid		17 485
Apple and peach trees paid but not delivered		1 045
Total		18 530

24.3 Details of fruitless and wasteful expenditure under investigation (not in the main note)

Incident	2021/22 R'000
Planning cost incurred on long outstanding WIP projects	4 644
Total	4 644

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25. Key management personnel

	No. of Individuals	2021/22 R'000	2020/21 R'000
Political office bearers (provide detail below)			
	2	1 987	1 978
Officials:			-
Level 15-16	2	4 363	3 930
Level 14	5	6 848	6 604
Level 13	1	202	-
Family members of key management personnel	2	2 032	1 921
Total		15 432	14 433

Two political office bearers are included in the disclosure due to changes that happened during the year. One Chief director on level 14 seconded to other department and not part of key management personnel. Director at level 13 included while acting on level 14

26. Provisions

	Note	2021/22 R'000	2020/21 R'000
Credits balances due to debtors		98	98
Claim against the department		228	228
Retention fees		1 412	472
Losses written off		4	75
Total		1 742	873

26.1 Reconciliation of movement in provisions – 2021/22

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Provision 4 R'000	Total provisions R'000
Opening balance	98	228	472	75	873
Increase in provision	-	-	940	-	940
Settlement of provision	-	-	-	(71)	(71)
Closing balance	98	228	1 412	4	1 742

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Provision 1: Payment of outstanding debt incorrectly recovered. Due to the challenges experienced with the registration of the beneficiaries on BAS the exact time cannot be indicated.

Provision 2: Payment of a claim against the department. Due to the delay in the submission of the supporting documentation for the payment of the claim the exact time cannot be indicated.

Provision 3: Retention fees withheld

Provision 4: Losses written off

Reconciliation of movement in provisions – 2020/21

	Provision 1	Provision 2	Provision 3	Provision 4	Total provisions
	R'000	R'000	R'000	R'000	R'000
Opening balance	98	228	352	75	753
Increase in provision	-	-	120	-	120
Closing balance	98	228	472	75	873

Provision 1: Payment of outstanding debt incorrectly recovered. Due to the challenges experienced with the registration of the beneficiaries on BAS the exact time cannot be indicated.

Provision 2: Payment of a claim against the department. Due to the delay in the submission of the supporting documentation for the payment of the claim the exact time cannot be indicated.

Provision 3: Retention fees withheld

Provision 4: Losses written off

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27. 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
MACHINERY AND EQUIPMENT	95 811	-	7 768	(7 419)	96 160
Transport assets	3 088	-	-	(618)	2 470
Computer equipment	31 119	-	2 783	(160)	33 742
Furniture and office equipment	7 931	-	8	-	7 939
Other machinery and equipment	53 673	-	4 977	(6 641)	52 009
BIOLOGICAL ASSETS	6 772	349	34	(4 811)	2 344
Biological assets	6 772	349	34	(4 811)	2 344
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	102 583	349	7 802	(12 230)	98 504

Included in disposals is assets written off due theft or losses

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:		
Machinery and equipment	1 703	27 822
Biological assets		

During the asset count and verification, these assets were not seen by the verification team and will be investigated in the new financial year

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27.1 Movement for 2020/21

MOVEMENT IN 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
MACHINERY AND EQUIPMENT	91 178	-	4 633	-	95 811
Transport assets	3 088	-	-	-	3 088
Computer equipment	29 406	-	1 713	-	31 119
Furniture and office equipment	6 567	-	1 364	-	7 931
Other machinery and equipment	52 117	-	1 556	-	53 673
BIOLOGICAL ASSETS		-			
	4 558		2 666	(452)	6 772
Biological assets	4 558	-	2 666	(452)	6 772
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	95 736	-	7 299	(452)	102 583

27.2 Minor assets

	Intangible assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000
Opening balance	237	25 462	947	26 646
Value adjustments	-	-	93	93
Additions	-	756	345	1 101
Disposals	-	(1 167)	(543)	(1 710)
TOTAL MINOR ASSETS	237	25 051	842	26 130

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	Intangible assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	54	14 010	-	14 064
Number of minor assets at cost	81	19 969	288	20 338
TOTAL NUMBER OF MINOR ASSETS	135	33 979	288	34 402

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:		
Intangible assets	47	116
Machinery and equipment	11 670	8 613

During the asset count and verification, these assets were not seen by the verification team and will be investigated in the new financial year

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

	Intangible assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	237	24 722	758	25 717
Prior period error	-	-	-	-
Additions	-	805	399	1 204
Disposals	-	(65)	(210)	(275)
TOTAL MINOR ASSETS	237	25 462	947	26 646
	Intangible assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	54	15 412	-	15 466
Number of minor assets at cost	90	22 647	310	23 047
TOTAL NUMBER OF MINOR ASSETS	144	38 059	310	38 513

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27.3 Movable assets written off

	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000
Assets written off		92	92
TOTAL MOVABLE ASSETS WRITTEN OFF		92	92

28. Intangible Capital Assets

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	1 708	-	-	1 708
TOTAL INTANGIBLE CAPITAL ASSETS	1 708	-	-	1 708

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	109	1 623

During the asset count and verification, these assets were not seen by the verification team and will be investigated in the new financial year

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28.1 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	1 464	-	244	-	1 708
TOTAL INTANGIBLE CAPITAL ASSETS	1 464	-	244	-	1 708

29. Immovable Tangible Capital Assets

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	153 986	10 559	(13 866)	150 679
Non-residential buildings	150 034	-	(7 332)	142 702
Other fixed structures	3 952	10 559	(6 534)	7 977
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	153 986	10 559	(13 866)	150 679

29.1 Movement for 2020/21

MOVEMENT IN IMMOVABLE TANGIBLE 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
BUILDINGS AND OTHER FIXED STRUCTURES	149 525	13 492	-	(9 031)	153 986
Non-residential buildings	145 573	13 492	-	(9 031)	150 034
Other fixed structures	3 952	-	-	-	3 952
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	149 525	13 492	-	(9 031)	153 986

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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29.1.1 Prior period error

	<i>Note</i>	2020/21 R'000
Nature of prior period error		13 492
Relating to 2020/21 <i>[affecting the opening balance]</i>		
Reduce WIP and increase immovable assets with amounts of project completed in previous years		13 492
Total		13 492

29.2 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2022

	<i>Note</i>	Opening balance 1 April 2021 R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing balance 31 March 2022 R'000
	<i>Annexure 6</i>				
Buildings and other fixed structures		190 275	20 118	(10 559)	199 834
TOTAL		190 275	20 118	(10 559)	199 834

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2021

	<i>Note</i>	Opening balance 1 April 2020 R'000	Prior period error R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing balance 31 March 2021 R'000
	<i>Annexure 6</i>					
Buildings and other fixed structures		234 528	(66 995)	22 742	-	190 275
TOTAL		234 528	(66 995)	22 742	-	190 275

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It was impractical for the department to restate the opening balances due to the outcome of the classification matter as per the Supreme Court Judgement as well as the legal opinion the Department has received from the State Law Advisors Office, which confirms similarities in the processes followed by the two affected departments (WCDARD & FSDARD) while implemented their projects, and therefore by implication, suggesting that similar conclusion be applied in the case of the FSDARD. In the department's discussions with AGSA during the audit process, AGSA agreed that the relationship which existed between FSDARD and the Implementing Agents for the 2015/16, 2016/17 and 2017/18 financial years was not that of a Principle-Agent (as was also stipulated in the SCA Judgement involving WCDARD). However, there is still a difference of opinion in the accounting treatment, brought about by the AGSA's view that the processes followed by the department (and their related risks and rewards) for payments made to the Implementing Agents during the 2015/16, 2016/17 and 2017/18 financial year to implement projects on behalf of the farmers, changes the substance and classification of those transactions from being transfers (unrequited) to goods and services and payment for capital assets, suggesting that there is a direct benefit of similar value that the department has received through this process. The impact thereof on the annual financial statements is that the affected notes and disclosure notes is not a fair presentation of the Annual Financial Statements to stakeholders.

30. Prior period errors

30.1 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
Expenditure: (E.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)				
Consumables supplies	4	10 766	(5 607)	5 159
Property payments	4	554	112	666
Inventory supplies	4	8 856	5 495	14 351
Net effect		20 176	-	20 176

	Note	Amount bef error correction 2020/21 R'000	Prior period error 2020/21 R'000	Restated Amount 2020/21 R'000
Assets: (E.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)				
Consolidated Paymaster General Account	8	11 052	(6 586)	4 466
Disbursements	8	(6 586)	6 586	-
Immovable assets	29	140 494	13 492	153 986
Capital work in progress	29	257 270	(66 995)	190 275
Net effect		402 230	(53 503)	348 727

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Prior period error- Amount previously classified as Disbursement in 2020/21 has been rectified to be consolidated payment general account.

	<i>Note</i>	Amount bef error correction 2020/21 R'000	Prior period error 2020/21 R'000	Restated Amount 2020/21 R'000
Liabilities: (E.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)				
Payables not recognised	19	313	209	522
Net effect		313	209	522

	<i>Note</i>	Amount bef error correction 2020/21 R'000	Prior period error 2020/21 R'000	Restated Amount 2020/21 R'000
Other: (E.g. Irregular expenditure, Fruitless and wasteful expenditure, etc.)				
Commitments	18	21 195	(117)	21 078
Net effect		21 195	(117)	21 078

Capital commitments were understated and overstated by R518000 and R635000 respectively as per CoAF117.

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31. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2021/22	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjust-ments	Other Adjust-ments	Total Available	Amount received by depart-ment	Amount spent by depart-ment	Under / (Overspen ding)	% of available funds spent by depart-ment	Division of Revenue Act	Amount spent by departmen t
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. CASP: Extension Recovery Plan Serv	185 645	5 966	-	-	191 611	191 611	165 621	25 990	86%	159 764	150 105
2. Ilima /letsema Grant	71 601	373	-	-	71 974	71 974	62 380	9 594	87%	52 649	52 060
3. Landcare Programme Grant	8 366	-	-	-	8 366	8 366	8 072	294	96%	8 278	8 278
4. EPWP Grant	2 088	-	-	-	2 088	2 088	2 088	-	100%	2 000	2 000
TOTAL	267 700	6 339	-	-	274 039	274 039	238 161	35 878		222 691	212 443

CASP: Extension Recovery Plan Serv: Amount spent by department was incorrectly disclosed as R150 101 mil in 2020/21

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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32. 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.

33. COVID 19 Response Expenditure

	<i>Note</i>	2021/22	2020/21
	<i>Annexure 8</i>	R'000	R'000
Compensation of employees		-	-
Goods and services		179	731
Total		<u>179</u>	<u>731</u>

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ANNEXURE 1A

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2020/21
	Adjusted Appropriation Act	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
HOUSEHOLDS							
Transfers							
Farmer support households	174 725	-	(5 795)	168 930	169 903	101%	150 765
Leave gratuities	1 250	-	2 249	3 499	3 498	100%	2 542
Bursaries- Non employees	22 660	-	-	22 660	16 385	72%	16 595
Claims Against State	37	-	-	37	36	97%	-
TOTAL	198 672	-	(3 546)	195 126	189 822		169 902

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ANNEXURE 1B

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 kind			
Agriseta	Goods and services	-	85
Free State Provincial Treasury	Bar soap (dettol, protex, lifebuoy or similar)	-	-
Free State Provincial Treasury	hand sanitisers (5l)	-	322
Free State Provincial Treasury	FFP2 Ansell orange filtering masks	-	2
Free State Provincial Treasury	hand sanitisers (500ml pump spout)	-	88
Free State Provincial Treasury	Disinfectant	-	49
Free State Provincial Treasury	glove examination	-	87
Free State Provincial Treasury	Cloth Masks	-	1
Free State Provincial Treasury	Cloth Masks	-	79
Free State Provincial Treasury	Digital Thermometer	-	192
Free State Provincial Treasury	Visor/ face shield	-	270
Subtotal		-	1 175
TOTAL		-	1 175

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ANNEXURE 1C

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP	2021/22	2020/21
	R'000	R'000
Made in kind		
Gifts & Awards	-	45
Female Farmer awards	670	-
Youth in Agriculture, Forestry and Fisheries	1 545	-
TOTAL	2 215	45

Payments of awards in support and recognition of female famers and youth in agriculture, forestry and fisheries

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 2A

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 2021	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2022	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

The amount of R27 600 for housing guarantees of FDC loans are not regarded as contingent liabilities as there is no obligation on Provincial Revenue Fund.

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ANNEXURE 2B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2022

	Opening Balance 1 April 2021	Liabilities incurred during the year	Liabilities paid/cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2022
Nature of Liability	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Kegakilwe J	986	73	-	-	1 059
Mokoena Farming	2 391	183	-	-	2 574
Evert Strydom	1 449	110	-	-	1 559
Morerishi	917	89	-	-	1 006
Agrimark Tendense	894	72	-	-	966
Frankfort Truck & Car (Pty)Ltd	557	45	-	-	602
EVN Africa Consulting Services (Pty)Ltd	1 528	135	-	-	1 663
Ranja Ali Butto	75	6	-	-	81
Nehawu obo Mosia and Others	-	-	-	-	-
Susan Beuzana	25	-	(25)	-	-
MG Commodities (Pty) Ltd	-	781	-	-	781
Subtotal	8 822	1 494	(25)	-	10 291
Total	8 822	1 494	(25)	-	10 291

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ANNEXURE 2B (continued)

Nature of Liabilities recoverable	Opening Balance	Details of Liability and Recoverability	Movement during year	Closing Balance
	1 April 2021			31 March 2022
	R'000		R'000	R'000
Kekgakilwe J	986	Payment of outstanding traveling allowance	73	1 059
Mokoena Farming	2 391	Contractual claim based on alleged non-payment for services rendered	183	2 574
Evert Strydom	1 449	Contractual claim based on alleged non-payment for services rendered	110	1 559
Morerishi	917	Contractual claim based on alleged non-payment for services rendered	89	1 006
Agrimark Tendense	894	Contractual claim is based on non-payment for services	72	966
Frankfort Truck & Car (Pty)Ltd	557	Contractual claim is based on non-payment for services	45	602
EVN Africa Consulting Services (Pty)Ltd	1 528	Plaintiff's claim is based on contractual dispute	135	1 663
Ranja Ali Butto	75	Plaintiff's delictual claim is based on vicarious liability as a result of a motor collision	6	81
Nehawu obo Mosia and Others	-	Application seeks to review	-	-

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		the arbitration award that was issued in favour of DARD.		
		Plaintiff's delictual claim is based on vicarious liability as		
Susan Beuzana	25	a result of a motor collision	(25)	-
		Plaintiff's delictual claim is based on vicarious liability as		
MG Commodities (Pty) Ltd	-	a result of a motor collision	781	781
TOTAL		8 822	1 469	10 291

No amount indicated Nehawu obo Mosia and Others: The Applicants' application seeks to review the arbitration award that was issued
The department has received an application i.t.o PAJA from former HoD seeking court to direct DARD to pay for his legal fees in

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ANNEXURE 3
CLAIMS RECOVERABLE

Government 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
Department						
Dept Int Relation & Cooperation:	-	-	1 222	1 346	1 222	1 346
Department of Health: FS:	135	352	-	-	135	352
Dept. Economic, Tourism, and Environment Affairs	-	-	-	34	-	34
Department of Agric & Rural Dev: GP			20	-	20	-
	135	352	1 242	1 380	1 377	1 732
TOTAL	135	352	1 242	1 380	1 377	1 732

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ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT 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
DEPARTMENTS						
Current						
Department of Justice & Constitutional Development	430	-	-	-	430	-
Department of Premier: FS	-	22	-	-	-	22
Department of Health: FS	-	-	19	-	19	-
Subtotal	430	22	19	-	449	22
TOTAL	430	22	19	-	449	22
OTHER GOVERNMENT ENTITY						
Current						
Fleet Management Services	1 146	1 198	-	-	1 146	1 198
Subtotal	1 146	1 198	-	-	1 146	1 198
TOTAL INTERGOVERNMENT PAYABLES	1 576	1 220	19	-	1 595	1 220

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ANNEXURE 5
INVENTORIES

Inventories for the year ended 31 March 2022

	Clothing material and accessories	Farming supplies	Fuel, oil and gas	Medicine	Materials and supplies	Other supplies	TOTAL
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	51	-	-	-	51
Add: Additions/Purchases – Cash	439	11 508	719	2 354	-	161	15 181
(Less): Issues	(439)	(11 508)	(756)	(2 354)	-	(161)	(15 218)
Closing balance	-	-	14	-	-	-	14

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for the year ended 31 March 2022

Inventories for the year ended 31 March 2021

	Clothing material and accessories	Farming supplies	Fuel, oil and gas	Medicine	Materials and supplies	Other supplies	TOTAL
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	13	-	-	-	13
Add: Additions/Purchases – Cash	206	11 649	1 009	1 126	117	244	14 351
(Less): Issues	-	(6 477)	(971)	(1 126)	(117)	(244)	(8 935)
Closing balance	-	-	51	-	-	-	-

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ANNEXURE 6

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
BUILDINGS AND OTHER FIXED STRUCTURES	190 275	20 118	(10 559)	199 834
Non-residential buildings	118 818	-	-	118 818
Other fixed structures	71 457	20 118	(10 559)	81 016
TOTAL	190 275	20 118	(10 559)	199 834

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
BUILDINGS AND OTHER FIXED STRUCTURES	234 528	(66 995)	22 742	-	190 275
Non-residential buildings	118 818	-	-	-	118 818
Other fixed structures	115 710	(66 995)	22 742	-	71 457
TOTAL	234 528	(66 995)	22 742	-	190 275

It was impractical for the department to restate the opening balances due to the outcome of the classification matter as per the Supreme Court Judgement as well as the legal opinion the Department has received from the State Law Advisors Office, which confirms similarities in the processes followed by the two affected departments (WCDARD & FSDARD) while implemented their projects, and therefore by implication, suggesting that similar conclusion be applied in the case of the FSDARD. In the department's discussions with AGSA during the audit process, AGSA agreed that the relationship which existed between FSDARD and the Implementing Agents for the 2015/16, 2016/17 and 2017/18 financial years was not that of a Principle-Agent (as was also stipulated in the SCA Judgement involving WCDARD). However, there is still a difference of opinion in the accounting treatment, brought about by the AGSA's view that the processes followed by the department (and their related risks and rewards) for payments made to the Implementing Agents during the 2015/16, 2016/17 and 2017/18 financial year to implement projects on behalf of the farmers, changes the substance and classification of those transactions from being transfers (unrequited) to goods and services and payment for capital assets, suggesting that there is a direct benefit of similar value that the department has received through this process. The impact thereof on the annual financial statements is that the affected notes and disclosure notes is not a fair presentation of the Annual Financial Statements to stakeholders.

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ANNEXURE 7A

INTER-ENTITY ADVANCES PAID (note 9)

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						
Department International Relations & Co-operations	4 476	7 932	-	-	4 476	7 932
Subtotal	4 476	7 932	-	-	4 476	7 932
TOTAL	4 476	7 932	-	-	4 476	7 932

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ANNEXURE 7B

INTER-ENTITY ADVANCES RECEIVED (note 13 AND 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
OTHER ENTITIES						
Current						
AGRISETA	-	1 988	-	-	-	1 988
Subtotal	-	1 988	-	-	-	1 988
Non-Current						
AGRISETA	1 988	-	-	-	1 988	-
Subtotal	1 988	-	-	-	1 988	-
TOTAL	1 988	1 988	-	-	1 988	1 988
Current	-	1 988	-	-	-	1 988
Non-current	1 988	-	-	-	1 988	-

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for the year ended 31 March 2022

ANNEXURE 8

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
Goods and services	-	2	2	175	179	731
Minor Assets	-	-	-	9	9	297
Consumable Supplies	-	2	2	166	170	174
Sanitization	-	-	-	-	-	260
TOTAL COVID 19 RESPONSE EXPENDITURE	-	2	2	175	179	731