

Province of the
EASTERN CAPE
SPORT, RECREATION,
ARTS & CULTURE

**Department of Sport, Recreation, Arts and Culture
Province of the Eastern Cape**

Vote No. 14

**Annual Report
2022/23 Financial Year**

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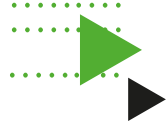
DSRAC ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR • VOTE 14



CONTENTS

PART A: GENERAL INFORMATION.....	5
1. DEPARTMENT GENERAL INFORMATION.....	6
2. LIST OF ABBREVIATIONS/ACRONYMS	7
3. FOREWORD BY THE EXECUTIVE AUTHORITY.....	9
4. REPORT OF THE ACCOUNTING OFFICER	11
5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT.....	17
6. STRATEGIC OVERVIEW.....	18
6.1 VISION	18
6.2 MISSION	18
6.3 VALUES.....	18
7. LEGISLATIVE AND OTHER MANDATES.....	18
7.1 CONSTITUTIONAL MANDATE	18
7.2 OTHER LEGISLATIVE MANDATES.....	19
8. ORGANISATIONAL STRUCTURE.....	20
9. ENTITIES REPORTING TO THE MINISTER/ MEC.....	20
PART B: PERFORMANCE INFORMATION	21
1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES	22
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE.....	22
2.1 SERVICE DELIVERY ENVIRONMENT.....	22
2.2 SERVICE DELIVERY IMPROVEMENT PLAN	23
3. ORGANISATIONAL ENVIRONMENT	25
4. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES	26
5. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION.....	29
5.1 PROGRAMME 1: ADMINISTRATION	29
5.2 PROGRAMME 2: CULTURAL AFFAIRS	35
5.3 PROGRAMME 3: LIBRARY AND ARCHIVES SERVICES.....	49
5.4 PROGRAMME 4: SPORT AND RECREATION.....	60
6. PERFORMANCE IN RELATION TO STANDARDISED OUTPUTS AND OUTPUT INDICATORS FOR SECTORS WITH CONCURRENT FUNCTIONS	71
7. TRANSFER PAYMENTS	71
7.1 TRANSFER PAYMENTS TO PUBLIC ENTITIES.....	71
7.2 TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES.....	71
8. CONDITIONAL GRANTS	74
8.1 CONDITIONAL GRANTS AND EARMARKED FUNDS PAID	74
8.2 CONDITIONAL GRANTS AND EARMARKED FUNDS RECEIVED	74
9. DONOR FUNDS.....	75
9.1 DONOR FUNDS RECEIVED	75





10. CAPITAL INVESTMENT	76
10.1 CAPITAL INVESTMENT, MAINTENANCE, AND ASSET MANAGEMENT PLAN	76
10.2 PROGRESS MADE ON IMPLEMENTING THE CAPITAL, INVESTMENT, AND ASSET MANAGEMENT PLAN.....	76
10.3 INFRASTRUCTURE PROJECTS WHICH HAVE BEEN COMPLETED IN THE CURRENT YEAR AND THE PROGRESS IN COMPARISON TO WHAT WAS PLANNED AT THE BEGINNING OF THE YEAR.	77
10.4 PLANS TO CLOSE DOWN OR DOWN-GRADE ANY CURRENT FACILITIES	77
10.5 PROGRESS MADE ON THE MAINTENANCE OF INFRASTRUCTURE.....	77
10.6 DEVELOPMENTS RELATING TO THE ABOVE THAT ARE EXPECTED TO IMPACT ON THE DEPARTMENT'S CURRENT EXPENDITURE	77
10.7 DETAILS AS TO HOW ASSET HOLDINGS HAVE CHANGED OVER THE PERIOD UNDER REVIEW, INCLUDING INFORMATION ON DISPOSALS, SCRAPPING AND LOSS DUE TO THEFT	77
10.8 MEASURES TAKEN TO ENSURE THAT THE DEPARTMENT'S ASSET REGISTER REMAINED UP TO DATE DURING THE PERIOD UNDER REVIEW.	77
10.9 THE CURRENT STATE OF THE DEPARTMENT'S CAPITAL ASSETS, WHAT PERCENTAGE IS IN GOOD, FAIR OR BAD CONDITION	77
10.10 MAJOR MAINTENANCE PROJECTS THAT HAVE BEEN UNDERTAKEN DURING THE PERIOD UNDER REVIEW. ...	78
10.11 PROGRESS WAS MADE IN ADDRESSING THE MAINTENANCE BACKLOG DURING THE PERIOD UNDER REVIEW	78

PART C: GOVERNANCE 79

1. INTRODUCTION.....	80
2. RISK MANAGEMENT.....	80
2.1 POLICY AND STRATEGY	80
2.2 RISK MANAGEMENT COMMITTEE.....	80
2.3 HIGHLIGHTS OF RISKS THAT WERE CONSIDERED DURING THE YEAR.....	80
3. FRAUD AND CORRUPTION.....	81
3.1 EMERGING RISKS IDENTIFIED THAT HAVE BEEN IDENTIFIED	82
4. MINIMISING CONFLICT OF INTEREST	82
5. CODE OF CONDUCT	83
6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES	83
7. PORTFOLIO COMMITTEES	83
8. PRIOR MODIFICATIONS TO AUDIT REPORTS	84
9. INTERNAL CONTROL UNIT	84
10. INTERNAL AUDIT AND AUDIT COMMITTEES.....	84
10.1 AUDIT COMMITTEE REPORT	86

PART D: HUMAN RESOURCES MANAGEMENT 92

1. INTRODUCTION.....	93
2. OVERVIEW OF HUMAN RESOURCES	93
3. HUMAN RESOURCES OVERSIGHT STATISTICS.....	95
3.1 PERSONNEL RELATED EXPENDITURE	95
3.2 EMPLOYMENT AND VACANCIES	97



3.3 FILLING OF SMS POSTS.....	99
3.4 JOB EVALUATION	100
3.5 EMPLOYMENT CHANGES	101
3.6 EMPLOYMENT EQUITY.....	105
3.7 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS	107
3.8 PERFORMANCE REWARDS	108
3.9 FOREIGN WORKERS	110
3.10 LEAVE UTILISATION	111
3.11 HIV/AIDS & HEALTH PROMOTION PROGRAMMES	113
3.12 LABOUR RELATIONS	113
3.13 SKILLS DEVELOPMENT	115
3.14 INJURY ON DUTY	116
3.15 UTILISATION OF CONSULTANTS	117
3.16 SEVERANCE PACKAGES.....	118

PART E: PFMA COMPLIANCE REPORT 119

1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES.....	120
1.1. IRREGULAR EXPENDITURE	120
1.2. FRUITLESS AND WASTEFUL EXPENDITURE	123
1.3. UNAUTHORISED EXPENDITURE	124
1.4. ADDITIONAL DISCLOSURE RELATING TO MATERIAL LOSSES IN TERMS OF PFMA SECTION 40(3)(B)(I) & (III))	125

PART F: ANNUAL FINANCIAL STATEMENTS 127

AUDIT REPORT	128
APPROPRIATION STATEMENT	135
NOTES TO THE APPROPRIATION STATEMENT	145
STATEMENT OF FINANCIAL PERFORMANCE	150
STATEMENT OF FINANCIAL POSITION	151
STATEMENT OF CHANGES IN NET ASSETS.....	152
CASH FLOW STATEMENT	153
NOTES TO THE ANNUAL FINANCIAL STATEMENTS.....	154
ANNEXURE 1A.....	192
ANNEXURE 1B.....	197
ANNEXURE 1F	198
ANNEXURE 1G	200
ANNEXURE 3B.....	201
ANNEXURE 4	203
ANNEXURE 5	204
ANNEXURE 6	205
ANNEXURE 7	206
ANNEXURE 11	207



PART A: GENERAL INFORMATION



“A United, Active and Winning Province Through Sport, Recreation, Arts, Culture & Heritage”

1. DEPARTMENT GENERAL INFORMATION

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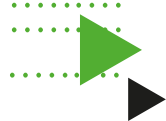
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2. LIST OF ABBREVIATIONS/ACRONYMS

Acronym	Definition
AC	Audit Committee
AOP	Annual Operational Plan
APP	Annual Performance Plan
ARP	Annual Recruitment Plan
AWE	Accelerated Women Empowerment
BBBEE	Broad-Based Black Economic Empowerment
BCMM	Buffalo City Metropolitan Municipality
BEC	Bid Evaluation Committee
CATHSSETA	Culture, Arts, Tourism, Hospitality and Sport SETA
CCIFSA	Creative Cultural Industries Federation of South Africa
CDP	Club Development Programme
COE	Compensation of Employees
COGTA	Co-operative Governance and Traditional Affairs
CRL	Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities
CSD	Central Supplier Database
DSAC	Department of Sport, Arts and Culture
DEDEAT	Department of Economic Development, Environmental Affairs and Tourism
DM	District Municipality
DNA	Deoxyribonucleic acid
DoE	Department of Education
DoH	Department of Health
DoRA	Division of Revenue Act
DoT	Department of Transport
DPSA	Department of Public Service and Administration
DRDAR	Department of Rural Development and Agrarian Reform
DSD	Department of Social Development
DSRAC	Department of Sport, Recreation, Arts and Culture
EADP	Elite Athlete Development Programme
EC	Eastern Cape
ECACA	Eastern Cape Art Centre Association
ECAS	Eastern Cape Academy of Sport
ECD	Early Childhood Development
ECDC	Eastern Cape Development Corporation
ECPACC	Eastern Cape Provincial Arts and Culture Council
ECPGNC	Eastern Cape Provincial Geographical Names Committee

Acronym	Definition
ECPHRA	Eastern Cape Provincial Heritage Resource Authority
ECPTA	Eastern Cape Parks and Tourism Agency
ECSC	Eastern Cape Sport Confederation
ECSECC	Eastern Cape Socio Economic Consultative Council
ECTA	Electronic Communications and Transactions Act
EPWP	Expanded Public Works Programme
FS	Free State
GEMS	Government Employees Medical Scheme
GP	Gauteng Province
GRV	Goods Received Voucher
HDI	Historically Disadvantaged Individuals
HOD	Head of Department
HR	Human Resource
HRD	Human Resource Development
HRM	Human Resource Management
ICT	Information and Communications Technology
IG	Indigenous Games
IGR	Inter-Governmental Relations
IT	Information Technology
IYM	In-Year Monitoring
KSD	King Sabata Dalindyebo (Local Municipality)
KWT	King Williams Town
KZN	KwaZulu Natal
LED	Local Economic Development
LM	Local Municipality
LTAD	Long-Term Athlete Development
MEC	Member of the Executive Council
MGE	Mzansi Golden Economy
MIG	Municipal Infrastructure Grant
MISS	Minimum Information Security Standards
MP	Mpumalanga
MPSA	Microsoft Product and Services Agreement
MPTT	Missing Persons Task Team
MTEF	Medium Term Expenditure Framework
MYPE	Mid-Year Population Estimates

Acronym	Definition
NGO	Non-Government Organization
NHC	National Heritage Council
NMM	Nelson Mandela Metro
NPA	National Prosecuting Authority
ORT	OR Tambo
OTP	Office of the Premier
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PFMA	Public Finance Management Act
PILIR	Policy and Procedure on Incapacity Leave and Ill-Health Retirement
PMC	Performance Management Committee
PMDS	Performance Management and Development System
POE	Portfolio of Evidence
POPIA	Protection of Personal Information Act
PSJ	Port St Johns
QRELM	Quarterly Review of the Eastern Cape Labour Market
RPL	Recognition of Prior Learning
RSDP	Rural Sport Development Programme

Acronym	Definition
SA	South Africa
SAFA	South African Football Association
SAGNC	South African Geographical Names Council
SAHRA	South African Heritage Resources Agency
SALB	South African Library for the Blind
SARS	South African Revenue Services
SASCOC	South African Sport Confederation and Olympic Committee
SCM	Supply Chain Management
SMME	Small, Medium and Micro Enterprise
SMS	Senior Management Service
SRSA	Sport and Recreation South Africa
SRV	Sundays River Valley
SSS	Senior Secondary School
Stats SA	Statistics South Africa
TC	Traditional Council
TJRDP	Township Junior Rugby Development Programme
UNISA	University of South Africa
WIL	Work Integrated Learners

3. FOREWORD BY THE EXECUTIVE AUTHORITY



NONCEBA KONTSIWE
Member of the Executive Council

This Annual Report presents a synopsis of the overall performance of the department during 2022/23 financial year. It tracks progress made and the challenges encountered by the sector, in its efforts to achieve the broad and specific policy objectives as set out in the revised 2019 Medium Term Strategic Framework, NDP – vision 2030 and with specific reference to the 2020-2025 departmental strategic plan.

A key part of our function is to work with partners to provide participation opportunities in sport, recreation, arts and culture so that communities can be active, have fun and lead a healthy lifestyle. It is our responsibility to ensure that a culture of reading and lifelong learning is inculcated into EC citizens. Some of the key highlights for 2022/23 financial year include, but not limited to the following.

The department, working with the Department of Education (DoE) and other social partners, managed to organise school sport games with over 9426 young people involved in district games. The programme instils a culture of personal excellence, teamwork, leadership, and determination. It is shaped to culminate in carnival style at provincial and national level events, attracting a wide range of children with different abilities and skills. Approximately a third of the participants in the school games programme come from disadvantaged backgrounds within the province, including representation of young people with both physical and other special educational needs. This enormous competitive school sport programme involved 278 volunteers in capacity building programmes.

Nearly 17 612 young people aged between 11-25 have participated regularly in community recreation hub programmes during the year under review. This programme is designed to develop both a love and a habit of taking part in organised and regular sport and recreation events, with the sports on offer determined by the local community's interest and demand.

The department has supported 240 schools, 120 clubs and 80 community hubs with equipment and attire with a view to provide opportunities for young people to get the sporting bug and be supported to move seamlessly into higher sport echelons. In the same breath, the department, in collaboration with its social partners, managed to host several sport and recreation events which included, amongst others, Elliot Madeira Marathon, Provincial Amateur Boxing Championships, Icon's Journey, U/20 Women Handball Championships, South-Eastern Districts Rugby Union Half Century Tournament, COSSAFA Women's Cup, Spar Netball Championships, Provincial Intellectual Impaired Trials, Triathlon and Rowing International Exchange Competitions, Heritage Rugby Tournament, Umzila kaTambo Marathon, Tele Bridge Half Marathon, Geneva Scholtz Women Rugby Tournament, Amacel'egusha Cricket week, etc. Through these interventions we have seen athletes collecting medals and trophies in various codes of sport at national and international levels.

The province was also afforded an opportunity to host the 2023 Netball World Cup Final Draw and the event was televised live on International Platforms.

The continued government investment in the cultural and creative sector has resulted into a significant economic contribution to the province, as well as stimulate new and innovative ways of working and engaging with communities. Many artists have also received funding to record new music, including albums by beloved performers. One of the most exciting initiatives established as part of the response to the need to develop music in the province is the Music Excellence Accelerated Programme. This programme has seen the establishment of 6 record labels, a step that has taken the department out to music practitioners, bringing people together in immersive and collaborative events that are designed to harness our collective creative energy and innovative spirit.

The screen sector has also responded well. Through the Eastern Cape Provincial Arts and Culture Council (ECPACC), we have supported new screen productions to take advantage of EC's strong position in responding to the demand for our local stories internationally. We are proud for having produced the first screen production, Gqeberha, The Empire. Our work could not have been completed without the support of ECPACC. Today, we pride ourselves for having delivered on the cultural and creative industries, with specific reference to film industry. We are grateful for having worked and delivered services together with the Eastern Cape Provincial Heritage Resources Authority (ECPHRA), Eastern Cape Provincial Geographical Names Committee (ECPGNC), Museums Boards, Library Council, Archives Council, Eastern Cape Provincial Sport Confederation, Eastern Cape Academy of Sport, East London Guild Theatre, etc. We are especially grateful to have experienced mutual value creation with, and hopefully also for, different stakeholders in our network during delivery of services.

However, there have also been fundamental challenges and negative effects posed by a volatile, uncertain, complex, and ambiguous (VUCA) environment during the reporting period and extraordinary responses thereto. Our sectors, sport, recreation, arts, culture, heritage, library and archives, were hit hard, and the wider sectors' response has been driven by recovery, regeneration, and revitalisation. During the year under review, these sectors have shown their power to bring us as a province and society together exploring who we are, challenging our thinking, binding our communities together and bringing our stories to both provincial and national stages.

Finally, I want to acknowledge the commitment and professionalism of departmental staff. I am proud of their determination to make a difference for EC communities.

NONCEBA KONTSIWE

MEC OF THE DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE – EASTERN CAPE

DATE: _____

4. REPORT OF THE ACCOUNTING OFFICER



SIBONGILE MPOFU
Accounting Officer

Overview of the operations of the Department

In the year under review, the department has made significant strides in the development of sport, arts and culture, libraries and languages in the province and remains firmly committed to realising the objectives set for this purpose.

The mandate for the DSRAC in the National Development Plan Vision 2030 is reflected that arts, culture and heritage must provide opportunities to address these outcomes, and the social cohesion, and national building are reflected as key outcomes that unite South Africans and promote and strengthen democracy.

We have thus delivered on our mandate through the delivery of services towards our four strategic goals, being the following:

- Promotion of effective service delivery.
- Development, transformation and promotion of arts and culture and language diversity
- Increased access to information for the promotion of a reading culture, good governance and the preservation of heritage and social memory.
- Improved quality of life through sport and recreation.

We had set ourselves 97 performance indicators of which 79 or 81 percent, were fully achieved while 18 or 19% were partially achieved, an improvement from the 75% of the previous financial year. With the support of our delivery partners we have also maintained our unqualified audit outcome status, for the third consecutive year.

For the reporting period under review, the following key achievements are highlighted:

National days continued to be observed through virtual and hybrid means. The legacy projects linked to these celebrations were used to reach out to communities. The department commissioned heritage events and national days laid the foundation for local beneficiation as emerging entrepreneurs provided requisite goods and services and promoted livelihoods. These events not only contributed to the enhancement of nation building, reconciliation, and social cohesion, they also promoted local economic development and job creation.

The creative sector has innovated rapidly, notably with accelerated digitalisation. The massive digitalisation coupled with emerging technologies, such as virtual and augmented realities, created new forms of cultural experience, dissemination and new business models with market potential. Many public and private providers

within the province moved content on-line to keep audiences engaged and satisfy the sharply increased demand for cultural content. The use of digital platforms for festivals has proven to be effective in terms of audience coverage, and local arts productions including craft works gained mileage internationally.

As part of addressing the injustices of the past, the department, collaborated with Robben Island Museum, Department of Justice, Department of Military Veterans, Department of Correctional Services and the affected municipalities to exhume the remains of James Hambile Booie from Gqeberha, a former Robben prisoner who was incarcerated in 1966, later transferred to Groenput Prison in Vereeniging; as well repatriated and reburied the remains of Nontimber Mbozwana, Bonakele Ngcongolo and Phineas Mlotywa who had been executed at the Pretoria Gallows in the 1960s. Bonakele Ngcongolo and Nontimber Mbozwana, were reburied at Ngcobo on 27 May 2022, while Phineas Mlotywa was reburied in Cofimvaba on the 26 May 2022.

Progress was made during the year towards changing place names that the communities deem inappropriate and through the support provided to the Eastern Cape Provincial Geographical Place Names Committee (ECPGNC), eleven (11) place name changes were approved by the national Minister of Sport, Arts and Culture and published in the government gazette of 26 August 2022.

We have seen greater uptake on the use of internet, online services and mobile technology in our libraries especially, which has influenced the way the department provides its services. We have used this as an opportunity to speed up and register community members and libraries for our e-lending services and have thus increased the budget for the provision of this platform and other online services. Other services, such as the online monitoring of records management by governmental bodies, the online registration by our artists and athletes, as well as the online complaint and compliment system, will be rolled out in the next financial year.

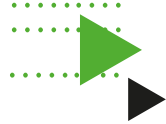
The province has achieved some outstanding results in sport in the last financial year because of the contributions made through departmental programmes and support to federations /sports associations, The athletes from the province particularly in athletics and boxing have been selected to represent the province at national and international championships, winning medals at both platforms. The increased made to participation and capacity in sport and recreation projects implemented by the Eastern Cape Academy of Sport (ECAS) can also be an attribute to the outstanding achievements recorded on the playing field and the participation at international and national level.

As we have been reporting over the years, we pride ourselves with the department's long track record of supporting a variety of dialogue initiatives. These ranged from provincial-level project dialogues to district and local programmes and other lectures that have taken place in the year under review. These dialogues were an important mechanism that sought to bring together different sectors that contribute to social dialogue on pertinent issues that impact on our cohesiveness as the province.

Looking inwardly, the department made significant contributions to women, youth and the unemployed, and as such:

- reinforced its commitment to employment equity and improved its employment of women at SMS level from 43% in females in 2021/22 to 52% representation in 2022/23
- created work opportunities for 112 unemployed youth through the EPWP; and
- created learning opportunities for 164 experiential learners in the form of internships, learnerships and work integrated programmes both for TVET students and university graduates.

The compensation of employees budget stands at 57% of the total allocation of budget, inclusive of conditional grant funding. The vacancy rate of the department stands at 3% and shows a great improvement from the previous years. The staff turnover rate remains constant, although it is high in areas of conditional grant funding due to the termination of some contracts.



As the department moves further towards a modern workplace, significant progress has been made in the automation of the internal business processes with a technologically empowered workforce to optimise operations for better engagement with the citizens of the province.

Challenges during the year under review

The pandemic necessitated the department to develop online presence and automate its operations, systems and processes, moving from mainly face-to-face or physical orientation, to accommodate the remote setting at the time as well as bring about efficiency in the administration. In this regard, a concerted effort by the department's IT services has been made, particularly with regards to the automation of the internal services. However, the provision of online services to clients and stakeholders, remains a challenge, which has been compounded by loadshedding due to the constant energy crisis that the country has been experiencing. The unavailability of these online services to the public places immense pressure on staff capacity to ensure that the department can respond to the changing environment.

The loadshedding, inadequate facilities, limited security, vandalism of departmental facilities, impact negatively both on the systems and personnel and as a result, instances where these have impacted negatively and delayed the provision of services while creating uncertainty and stress on staff had increased in the year under review. We have since upgraded security, even though still not adequate, as well as provided some energy solutions to mitigate against loadshedding especially in our service centres.

Overview of the financial results of the department

PROGRAMME EXPENDITURE

	2022/23			2021/22		
PROGRAMMES	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	
Administration	330 422	326 593	3 829	307 894	305 971	1 923
Cultural Affairs	241 060	238 876	2 184	248 611	247 317	1 294
Library and Archives Services	276 695	251 411	25 284	254 011	238 205	15 806
Sport and Recreation	168 792	157 573	11 219	167 108	161 451	5 657
TOTAL	1 016 969	974 453	42 516	977 624	952 944	24 680

The department spent R976 615 or 95.8% of its R1 billion budget, resulting in under expenditure of R42 391 000 or 4.2% for the year under review. In the previous financial year, the spending was 97% of the allocated budget. The decrease in the actual expenditure is 1,2 % when compared to the previous year's expenditure.

Programme 1 - Administration

Programme 1 has underspent by R3.7 million, with R600 thousand from the COE due to unplanned terminations of staff, R2.9 million was due to the non-responsiveness of the tender for leasing of computers which was advertised during the year. Buildings and other fixed structures was underspent by R369 thousand because of the construction work of revamping the entrance area at the Head Office building not being completed. The department has applied for a rollover for these funds.

Programme 2 - Cultural Affairs

The programme has underspent by R2.1 million mainly due to goods and services and heritage assets. Goods and services is underspent due to a tender for the maintenance of Thombo Arts Centre in Port St Johns whose procurement started in the last quarter of the year as its budget was made available through reprioritisation in the adjustment period. This tender was awarded in March 2023. Heritage assets on the

other hand had underspent due to the work on the revitalisation of Chief Maqoma's grave in preparation for the commemoration of 150 years since his death. The grave will be finished in the 2023/24 financial year and the commemoration will take place in the second half of 2023.

Programme 3 - Libraries and Archives

The programme has underspent by R25.3 million due to COE, goods and services and buildings and other fixed structures. COE for the year has underspent by R2.4 million due delays in the filling of 52 posts funded through the Community Library Grant due to a concurrence that had to be sought from the national Department of Sport, Arts and Culture (DSAC) before they could be filled. About 44 of these posts were filled in the third and fourth quarter of the year, with 8 filled in April of 2023.

Goods and services in the programme has also underspent by R6.5 million due to a tender for digitisation of records which was awarded in the fourth quarter of the year and had not been invoiced at the end of the year. A rollover for this amount was applied for. On buildings and other fixed structures, the under expenditure of R16 million was due to delays in the awarding of tenders for the New Ntabankulu Library, renovations at Patterson Library and Izingcuka Modular Library.

Programme 4 - Sport and Recreation

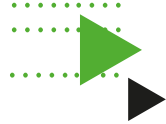
The programme is underspent by R11.2 million. COE is underspent by R2.2 million due to vacancies in the districts which were filled during the year whilst were budgeted for a full year. The other reason for under expenditure on COE is that there are some posts especially in the middle management that were filled through internal upward mobility and as such resulting in savings.

Goods and services in the programme is underspent by R6.3 million mainly because of the rescheduling of National School Athletics and Swimming events to the new financial year by the national Department of Sport, Arts and Culture. National athletics event was rescheduled to the first week of April 2023 and their commitments were already done in March 2023.

A rollover application for these funds has been done. Procurement for women's football to the value of R500 thousand could not be completed due to unresponsiveness of suppliers. Households is underspent by R1 million due to leave gratuities for officials who retired at end February 2023 and were paid in April of the new financial year. Capital assets was underspent by R1.5 million due to savings on rental of fleet as some meetings were moved from physical to virtual formats.

DEVIATIONS AND VARIANCE EXPLANATIONS PER PROGRAMME AND ECONOMIC CLASSIFICATION

Programmes	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Administration	332 459	328 689	3 770	1,1%
Cultural Affairs	241 060	238 876	2 184	0,9 %
Library & Archives	276 695	251 411	25 284	9,1%
Sport & Recreation	168 792	157 573	11 219	6,6%
Total	1 019 006	976 549	42 457	4,2%



Departmental Receipts

Revenue Collection

The department collected own revenue amounting to R2,593 million as at 31 March 2023. This amount was more than the budgeted own revenue amount of R1,419 million. The over collection of R1 174 million is due to collection of commission, insurance, garnishees, photocopies income, fares, Interest received from departmental debtors, receipts from salary overpayments, staff debts, sale of MEC vehicle and refunds from GEMS. In 2021/22 however, the department collected R3 448 million which was more than the 2022/23 financial year by R855 thousand due to a refund from Eastern Cape Provincial Arts and Culture Council (ECPACC).

VIREMENTS AND ROLLOVERS

From Programme	Standard Item	Amount R'000	To Programme	Standard Item	Amount R'000
Programme 1	Current Payments (G&S)	R5 728	Programme 2	Buildings and other fixed structures	R3 280
				Transfers & Subsidies NPI	R2 448
		R5 728			R5 728

Virements

During the year under review, the department made a virement of R5 728 million from Programme 1 to Programme 2 was made. An amount of R3 280 million was made available to address the cashflow challenges for the renovations of the Uitenhage and Fort Beaufort museums which are due for completion in the 2023/24 financial year; while the R2 448 million was transferred to the three provincial museums (viz: Bayworld, Uitenhage and East London) to address the increased municipal bills which emanate from the categorisation of these institutions as commercial entities instead of non-profit institutions. The department is in negotiations with the affected municipalities and other relevant bodies to deal with the matter as these institutions are not making profit.

Rollovers

During the year under review, rollover applications to the tune of R14.914 million were approved.

Programme 3: Libraries and Archives

R11.345 million has been allocated to the Community Libraries Services Conditional Grant for the completion of construction work in the Cookhouse Library and Mango Modular Library. Also, for the upgrade to the following modular libraries: Ntshunqa, Tsembeyi, Mabhobho and Sulenkama modular libraries.

Programme 4: Sport and Recreation

R3.569 million has been allocated for the Mass Participation and Sport Development conditional grant for projects that took place late in March 2022 for school athletics meetings in the province and nationally.

Unauthorised, fruitless and wasteful expenditure

The Department did not incur any unauthorised, fruitless, or wasteful expenditure for the period under review.

Public-Private Partnerships

The department did not have public-private partnerships.

Tariff and collections

The department does not collect revenue for services that are rendered. Funds collected by the provincial aided museums are utilised as operational income as stipulated in the Act. Fines collected for lost books and photocopies are very minimal and are deposited in the provincial revenue account in terms of the Division of Revenue Act. The department does not charge for translations done for other departments as this is part of its mandate.

Utilisation of donor funds

The department did not receive any donor funds for the reporting period. The twinning agreement with Lower Saxony in Germany is without financial benefits.

Discontinued key activities / activities to be discontinued

The delegation to the department of organising some institutionalised and significant days that are sector based has been relocated to the Office of the Premier since the beginning of the 2021/22 financial year.

Gifts and donations received

The department did not receive goods and services as gifts or donations for the reporting period.

Conclusion

In conclusion, I would like to acknowledge the work of the Auditor-General South Africa who conducted an audit of the annual financial statements and performance information. I extend my appreciation to the audit committee which provided a critical appraisal of the annual report.

I also want to acknowledge the contribution of our stakeholders in civil society, inter-governmental structures, and our sister departments for their continued support.

A special word of appreciation to management and staff for their dedication, loyalty and support throughout the financial year and for the commitment displayed in the implementation of departmental programmes.

Finally, I would like to acknowledge our executive authority, MEC Nonceba Kotsiwe for her role and support of the work of the department.

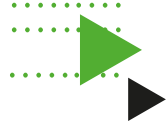


SIBONGILE MPOFU

ACCOUNTING OFFICER FOR DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE

DATE: 31 MAY 2023





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

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

All information and amounts disclosed throughout the annual report are consistent. The annual report is complete, accurate and is free from any omissions. The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

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

The accounting officer is responsible for the preparation of the annual financial statements and for the judgements made on this information.

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2023.

Yours faithfully,

SIBONGILE MPOFU
ACCOUNTING OFFICER

31 MAY 2023

6. STRATEGIC OVERVIEW

6.1 VISION

“A United, Active and Winning Province through Sport, Recreation, Arts, Culture and Heritage”.

6.2 MISSION

“Developing, Preserving and Promoting Sport, Recreation, Arts, Culture and Heritage for Spiritual, Intellectual, and Socio-Economic Upliftment of the People of the Eastern Cape”.

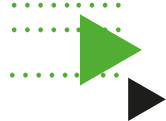
6.3 VALUES

Values	What they mean to us
Unity of Purpose	Working together, using different strategies and approaches, to achieve common goals.
Respect	Treating customers, the way you would want to be treated.
Communication	Sharing precise and unambiguous communicative commonalities internally and externally in all forms.
Equity	Impartial, fair and just provision of services to all Eastern Cape citizens.
Accountability	Obligated to improve services, pursue excellence and answerable for our actions.

7. LEGISLATIVE AND OTHER MANDATES

7.1 CONSTITUTIONAL MANDATE

Schedule 4: Functional Areas of Concurrent National and Provincial Legislative Competence	The department works with the national DSAC and associated organs of state regarding concurrent arts, culture, and heritage matters.
Schedule 5: Functional Areas of Exclusive Provincial Legislative Competence	The department is responsible for the following: • Archives other than national archives • Libraries other than national libraries • Museums other than national museums • Provincial cultural matters (including heritage resources and geographical names) • Provincial recreation and amenities • Provincial sport
Section 195 of the Constitution	The department is required to adhere to the basic values and principles governing public administration as enshrined in Section 195.



7.2 OTHER LEGISLATIVE MANDATES

National and Provincial Legislation	Key Responsibilities Placed on the Department
Public Finance Management Act No 1 of 1999 (PFMA)	Regulates financial management in the public service and prevents corruption by ensuring that all governmental bodies manage their financial and other resources properly.
Municipal Finance Management Act, No 56 of 2003 (MFMA)	Controls the utilisation of finances by municipalities, as our key service delivery partners in libraries.
Public Service Amendment Act No Act 30 of 2007	Provides for the organisation and administration of the department; regulates the conditions of employment, terms of office, discipline, retirement, and discharge of members of the public service, and related matters.
Division of Revenue Act	Provides for the equitable share of revenue - national, provinces, local government subject to conditions and conditional grants that are received from the national DSAC that the department manages and is responsible for.
Cultural Institutions Act, 1998	Requires that the Department liaises and co-operates with nationally declared cultural institutions regarding arts, culture, and heritage matters.
Cultural Promotions Act, 1983	Function is assigned to the Province and the DSRAC is responsible for meeting the national norms and standards set in the legislation.
National Arts Council Act, 1997	The department is responsible for the nomination of a provincial representative to the National Arts Council, and National Arts Council funding for the development of arts and culture in the province.
National Heritage Council Act, 1999	The department coordinates activities related to funding projects that the NHC is conducting in the province and is required to nominate a provincial representative to the National Heritage Council.
National Heritage Resources Act, 1999	Requires the Department to oversee the nomination of an Eastern Cape Provincial Representative on the Council of the South African Heritage Resources Agency (SAHRA).
	The Member of the Executive Council responsible for heritage matters, must appoint a Council for the Eastern Cape Provincial Heritage Resources Authority (ECPHRA).
South African Geographical Names Council Act, 1998	The department is responsible for complying with the provisions in the legislation to nominate an Eastern Cape Representative on the South African Geographical Names Council, to research geographical names in the province and to ensure standardisation and where necessary to facilitate consultation regarding proposed changes to these names.
National White Paper on Arts, Culture and Heritage (1996)	The policy paper provides a national framework for a joint policy for both the national and all nine provinces for policy on arts, culture, and heritage.
Guidelines for National and Provincial Departments for the Preparation of an M&E Framework	The guidelines provide for the development of a monitoring and evaluation framework in all government institutions.
EC Use of Official Languages Act 2016	The Act regulates and monitors the use of official languages in terms of Sections 6(3) and (4) of the Constitution.
EC Provincial Library and information services Act No 6 of 2003	The Act regulates the rendering of library services.
National Archives and Records Service Act, No. 43 of 1996 as amended	Public records identified in a disposal authority as having enduring value shall be transferred to an archives repository when they have been in existence for 20 years.
Provincial Archives and Records Service Act, No 7 of 2003, Eastern Cape	Requires that Provincial Archives preserve and maintain public and non-public records with enduring value for use by public and provincial administration.
Promotion of Access to Information Act, No 2 of 2000 (PAIA)	The purpose of this Act is to promote transparency, accountability, and effective governance by empowering and educating the public.
Promotion of Administrative Justice Act No 3 of 2000 (PAJA)	This Act imposes a duty on the state to ensure that the administrative action is lawful, reasonable, and procedurally fair.
Promotion of Personal Information Act No 4 of 2013 (POPIA)	Promotes the protection of personal information by public and private bodies.
Minimum Information Security Standards of 1996 (MISS)	The responsibility of grading and degrading of document classifications rests with the institution where the documents originate.
Electronic Communications and Transactions Act, No 25 of 2002 (ECTA)	The evidential weight of electronic records (including e-mails) would depend amongst others on the reliability of the way the messages were managed by the originator.
Copyright Act No 9 of 2002 as amended	Copyright prevents illegal duplication, destruction of original work and legally protects the originator of literary work, music, and artwork against copying.
National Sport and Recreation Act 110 of 1998	Provides for the promotion and development of sport and recreation; and coordination of relationships

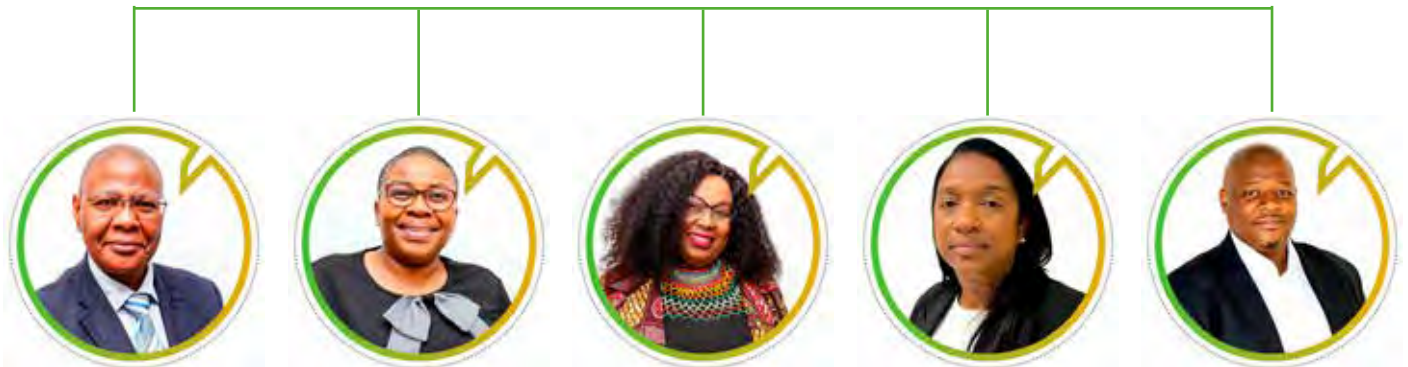
8. ORGANISATIONAL STRUCTURE



NONCEBA KONTSIWE
Member of the Executive Council



SIBONGILE MPOFU
Accounting Officer



N. ADONIS

N. FOLOLO

N. GOBOZI-NIBE

D. SEDRAS

P. MFENYANA

9. ENTITIES REPORTING TO THE MINISTER/ MEC

The table below indicates the entity that reports to the MEC.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Eastern Cape Provincial Arts and Culture Council (ECPACC)	Provide support to the creative industries in terms of the ECPACC Act No. 6 of 2000	Transfer payment	To provide grant funding and technical support to projects, individuals, and communities in the creative sector.

PART B: PERFORMANCE INFORMATION



“A United, Active and Winning Province Through Sport, Recreation, Arts, Culture & Heritage”

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

Please refer to Part F.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 SERVICE DELIVERY ENVIRONMENT

Sport and culture have always had a special significance brought about by the performance by sporting and creative arts clubs, teams, high profile athletes and artists that enhance the reputation of the province. Currently, there is an increasing number of people in the province who participate in sport and cultural activities, and this encourages a balanced lifestyle as well as build our communities. The department has made great strides in strengthening the implementation of its programs and has used these as levers that contribute to the socioeconomic development of the province through skills development and job creation.

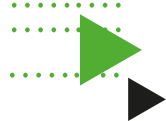
The department has in the year under review made significant progress in supporting culture and heritage through identifying several cultural heritages and practices that have not been documented before and has documented these and has increased education and training, of the four Eastern Cape official languages, including sign language and this has had great impact in the sustainability and preservation of these mediums in and outside the province.

As research has shown that the creative industries have a great potential in stimulating the economy, through this sector, the SACO, June 2022 Report, noted that approximately 0.2 percent of the population of the province were employed. This is despite the challenges of maintaining standards, the use of low levels of technology and the low levels of mobilisation in this industry. In addressing some of these, the department has continued to facilitate and strengthen the organisation of the different sectors in creative arts under a federation, CCIFSA, to deal with some of these issues.

The department is of the view that strong formations by artists would enable greater access to technical and financial support from different development partners as well as improve their operations which would allow them greater opportunities in terms of finance and markets where they could sell their products. The momentum that has been created through the resurrection of consultations on the legislative framework on copyrights regulations of images, sounds, tests, books, and symbols, once completed, it is believed that this will greatly improve their income generation through the protection of their intellectual property rights.

The province has achieved some outstanding results in sport in the last financial year because of the contributions made through departmental programmes and support to federations and/or sports associations. The athletes from the province particularly in athletics and boxing have been selected to represent the province at national championships and have gone as far as competing at the global stage, winning medals both in national and international championships.

The demand for support and services of the department continues to grow because of increasing levels of poverty and unemployment especially amongst the youth. Interestingly, there seems to be greater concentration of young people in the areas along major public transport corridors and near retail centres particularly in the areas of BCM, NMM, ORT due to migration as young people continue to look for services and job opportunities.



Currently, at provincial level, 69% of the population is young and under the age of 35 years; while 32.7% of the population of that segment is between the ages of 0 and 14 years. The potentially economically active population (15 – 65 years) constitutes 53.3% of the population, while the elderly make up 6.9%. The youth unemployment rate (aged 15 - 34 years) reached to 60.2% in the 1st quarter of 2022. In dealing with this crisis, the department has implemented various intervention for arts and culture, sport and libraries, as well as created job opportunities within these sectors.

In the year under review, there seemed to have been higher than average take up of internet, online services and mobile technology which has influenced the way the department provides its services. We have seen an increase in the popularity of e-book formats within the community and this may have influenced the drop in loans of printed books. Through this medium, there were 1 000 loans to library members up to December 2022, and these appear to be gradually increasing. As our e-book collection grows, our loans may increase further, and we have taken this into consideration in our current plans.

We have and continue to battle with maintaining and protecting heritage resources due to high cost of retention as compared to new construction. Complications in the underlying conditions of a heritage building and upgrade requirements (even when alternate compliance is taken into consideration), are all factors that threaten heritage resources. In some cases, changing social and economic factors have resulted in pressures to redevelop sites with historic buildings on them. Some of these industrial and office buildings do not meet current industry standards and are therefore considered redundant. Taken together, as well as the retraction of heritage sites by communities and all the other pressures associated with the upkeep of sites, indicate that it is time for the province to review the state of heritage planning and management of these resources and come up with the best approach to ensuring that heritage resources are planned, managed and conserved in a sustainable manner.

We have started embarking on this journey through review of the current policy frameworks with an aim of developing approaches that will make it possible for the province to manage its heritage resources for future generations.

2.2 SERVICE DELIVERY IMPROVEMENT PLAN

The department is reporting on the existing service delivery improvement plan (SDIP) as the new version of the SDIP is not complete yet. The table below highlights the SDIP achievements to date.

2.2.1 Service delivery improvement plan

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

Current/actual arrangements	Desired arrangements	Actual achievements
Provincial archives conduct sessions with governmental bodies	Records managers to conduct sessions for the review of classification systems for governmental bodies	Officials at archives repositories led by the provincial archivist conducted sessions with governmental bodies to review classification systems, conduct records management inspections and proper records management
Oral history conference roadshows in educational institutions	Oral history conference roadshows in educational institutions for the celebration of icons	Conducted interviews with stakeholders for oral history project on the life and times of John Knox Bokwe
Walk-in clients Telephone requests	Walk-in clients Telephone requests	Walk -in and telephone requests processed to 744 community members for them to access the archives services
Treat all stakeholders' enquiries with respect Conduct training programmes	Treat all stakeholders' enquiries with respect Conduct training programmes	The provincial archives conducted records management training and inspections to governmental bodies
Roll out community outreach programmes Exhibitions through provincial and national days Issue directives to governmental bodies	Conduct advocacy and marketing programmes in schools and communities	Archives awareness campaigns and awareness on national symbols and orders conducted as part of reaching out to communities and schools by all three (3) archives repositories, (Qonce Mthatha and Gqeberha) Disposal authorities issued to governmental bodies

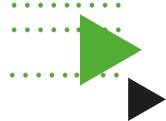
Current/actual arrangements	Desired arrangements	Actual achievements
Oral history consultative meetings Archives Council meetings Archives' awareness week	Oral history consultative meetings Archives Council meetings Archives' awareness week	Oral history consultative meeting were held in Ugie and Maclear Archives council meeting held to provide support to the structure as advisers to the MEC Archives awareness, national symbols and orders were conducted with schools and local communities
Address telephone enquiries with maximum of 7 days	Address telephone enquiries with maximum of 5 days	Telephonic enquiries were responded to within the period of 5 days

MAIN SERVICES AND STANDARDS

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Administer records and preservation services	Government bodies, municipalities, schools, researchers	25 governmental bodies	20 governmental bodies	34 governmental bodies
Refurbishment of museum facilities	Community groups, schools, researchers	4 museums targeted for refurbishment	2 museums targeted for refurbishment	0
Facilitate distribution of library material to libraries	Communities, public libraries	61 libraries targeted for the distribution of library material	201 libraries targeted for the distribution of library material	197 library material distributed to libraries
Facilitate distribution of equipment and/or attire	365 schools, clubs, hubs	schools provided with equipment and or attire	440 schools, clubs, hubs provided with equipment and or attire	436 schools, hubs, clubs provided with equipment

BATHO PELE ARRANGEMENTS WITH BENEFICIARIES (CONSULTATION ACCESS ETC)

Current/actual arrangements	Desired arrangements	Actual achievements
Museum facilities used as visit centres	Refurbishment of two (2) museum facilities: Uitenhage, Fort Beaufort	The two (2) museums could not be refurbished however transformation through exhibitions done at Great Fish River and Fort Beaufort museums
District International Museum Day hosted	Provincial International Museum Day	International Museum Day build up events conducted by all eight (8) district offices and a Provincial International Museum Day was held in Bayworld museum
Use of manual bookings	Online booking system through conditional grant	Manual bookings are still conducted in all museum facilities as there is no conditional grant
Complaints, suggestions, and queries	Complaints, suggestions and queries at the museum facilities	Complaints, suggestions and queries are responded to by the managers at the museum facilities and not escalated to the provincial office
Use of pamphlets, brochures, sessions	Use of pamphlets, brochures, sessions	Pamphlets, brochures used during Interpretation of museum displays and exhibitions to schools
Selection meeting with librarians	Selection meeting with district management and municipal librarians	Book selection meeting conducted physically with officials from all district offices
Library walk-ins	Library patrons' visits library to access information	82 8303 community members accessed information using the e-book platform and walk-ins. 25 libraries have been configured with SLIMS
Complaints, suggestions and queries responded to	Complaints, suggestions and queries responded to	Complaints, suggestions boxes are displayed in public libraries and queries are attended to by principal librarians
Visit by district office, meeting, legislation, policy	Visit by district office, meeting, legislation, policy	District offices conducted monitoring visits to local municipalities and metropolitan municipalities. Outreach programme to promote a culture of reading conducted in public libraries to the benefit of local communities
Pre-qualification list	Pre-qualification list	Library procurement progress report submitted for library material
All library queries and necessary processes addressed	All library queries and necessary processes addressed	Queries relating to public libraries were resolved by principal librarians and corporate service managers in local municipalities
Cost per library material	Cost per library material	R7 319 065 was spent towards procurement of library material for distribution to public libraries



Current/actual arrangements	Desired arrangements	Actual achievements
Consultation with schools by district offices	Each district office to provide list of targeted schools during planning phase	District officials conduct visit to schools to ascertain needs of the schools. The district compile a list of targeted schools, clubs and hubs and submit to head office to form part of the annual performance plan
Schools access equipment and/or attire through district offices	Schools, clubs, community hubs access equipment and/or attire through district offices	Schools, hubs, clubs submit request for equipment to district offices and a total of 238 schools; 118 clubs and 80 community hubs received equipment and /or attire emanating from the consultation process
Complaints, suggestions, and queries responded with courtesy	Complaints, suggestions and queries responded with courtesy	Complaints, suggestions boxes provided, and queries are dealt with at the level of district offices
Schools informed of the material they will receive as per sport code	Schools, clubs, community hubs informed of the material they will receive as per sport code	Equipment and/or attire is procured as per requests from schools, clubs and hubs and are informed to collect their equipment as per the priority codes
District offices liaise with local schools and compile a list of identified schools	District offices liaise with local schools, clubs and community hubs and compile a list of identified schools	List of targeted schools, clubs and community hubs submitted and formed part of the annual performance plan
All queries from schools addressed	All queries from schools addressed	District and provincial offices in liaison with education department addresses sport related queries from the schools
R3000.00 per school	R3000 value per school for equipment	Equipment and/or attire procured at the value of R15 000.00 per school

SERVICE DELIVERY INFORMATION TOOL

Current/actual information tools	Desired information tools	Actual achievements
Walk-ins Telephone enquiries	Walk-ins Telephone enquiries	Attendance registers drawn in line with POPI Act for walk-ins and telephone enquiries recorded in all three (3) repositories and a total of 656 community members accessed archives services. PAIA form is also used as part of tools for service delivery
Walk in registers Pink cards Yellow cards	Walk in registers Pink cards Yellow cards	Walk in registers are attended to by librarians in all public libraries During the processing of library material, pink cards are used to paste the details of the book and yellow cards to paste the barcode of the book
Request letters Acknowledgment letters	Request letters Acknowledgment letters	The schools, clubs and community hubs submitted request letters and acknowledged receipt of equipment distributed by district offices

COMPLAINTS MECHANISMS

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Treat all stakeholder enquiries with respect	Treat all stakeholder enquiries with respect	All stakeholders are treated equally however the archives council coordinates issues raised by stakeholders and escalates them as sort of advice to the executive authority
Treat all stakeholder enquiries with respect	Treat all stakeholder enquiries with respect	All stakeholders are treated equally however the library council coordinates issues raised by stakeholders and escalates them as sort of advice to the executive authority
Treat all stakeholders with respect	Treat all stakeholders with respect	Cooperation between the department and school sport structures assist for the consideration of schools at both rural and urban areas

3. ORGANISATIONAL ENVIRONMENT

The period under review the undesirable economic outlook as a result of the slow economic growth. This has resulted in budget cuts for the department and the province at large, and has affected how we do business.

To ensure that services continue to be delivered to our most vulnerable beneficiaries, despite budget cuts, we have had to rationalise our operations, as well as drastically reduce our COE budget. We have also had to transfer some of the savings from the COE to service delivery projects that contain some of the costs that would have been applicable and apply a value for money principle by using the money allocated to the department as efficiently and effectively as possible.

In strengthening our administrative and management capacity, the department has focused on implementing accelerated development programmes, leadership development, mentorship and coaching programmes, as well as targeted individual training for specific employees. Through these programmes and the implementation of the employment equity plan, the department has improved in the employment of women at SMS. This figure is currently sitting at 50% from 41% in the prior years.

Resignation and/or appointment of key personnel

- Appointment of District Manager: Amathole in August 2022
- Appointment of Director Library and Archives services in January 2023
- Chief Director Corporate Services – transferred to another department in January 2023
- Director: Recreation and School Sport retired in March 2023.

Restructuring efforts

In the period under review, following the approving of the service delivery model in 2021, the process of embarking on the review of the structure was initiated. However, there have been delays with the process and no major consultations were undertaken in the period under review due to challenges with the finalisation of the framework and the agreement on areas of consultations. These matters have now been sorted and the process of consultation will be commencing in the first quarter of 2023/4 financial year.

Systems failure

There was no system failure in the period under review except the negative impact of load shedding which compromises our systems and result in serious downtime due to connectivity challenges.

Key policies and legislative changes

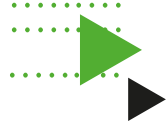
There were no major policy nor legislative changes.

4. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The impact statement for the Eastern Cape Department of Sport, Recreation, Arts and Culture is “an inclusive, transformed and socio-economically empowered citizenry”. The department has programmes that promote active citizenry through arts festivals and sporting activities from all races and vulnerable groups in both rural and urban areas. Through sport, arts and culture programmes participants become exposed to income generating opportunities that offer growth and empower them to change their social and economic status.

The department, in its endeavour to develop and promote cultural and creative industries hosted several arts and culture festivals, in the different municipal district including the National Arts Festival in Sarah Baartman, Sondela Youth Festival in Joe Gqabi, Isingqi Sethu Wild Coast Festival in OR Tambo, Battle of Maskhandi Festival in Alfred Nzo, etc. As a result, these platforms created opportunities for local artists to participate and showcase their talent, owing to improved programming which incorporated various cultural manifestations in the province and the country at large. These festivals brought communities together from all walks of life thereby forging unity and cultural diversity.

During the period under review, the department has seen an increase in the popularity of e-book formats within communities. With the growing reader/user population, e-books have become the book format that most people are using and has become an important part of the education system as well as the format used by the publishing industry; hence the department has focused on marketing the e-lending system and



increased access to internet through providing wi-fi and broadband in some of our public libraries. These services will be rolled out further to the remaining libraries in the current financial year.

Visits to public libraries have increased in the current financial year 2021/22, as compared to last year, owing to the return to normality after Covid 19 as well as the increase in the range of activities and campaigns undertaken by the department in poorest communities and villages to make literacy a priority for citizens, parents and school going children. Some of these campaigns included reading programmes such as World Book Day, World Play Day, Holiday Programmes, Book Club sessions, National Book Week, South African Library Week, Read Aloud Day, etc.

The department has also continued to implement active recreation and sport activities to promote an ethos of lifelong activity. Clubs in rural areas were supported through the club development programme and school-going learners participated in after-school activities, thus creating a safe space and environment for participation in fun-filled activities, play, recreation, sport as well as academic activities. These programmes, amongst others, provided opportunities for persons from under-represented/marginalised groups to actively participate in sport as athletes, coaches, officials and volunteer leaders. They further supported projects that strengthened physical literacy and assisted children and youth in learning fundamental movement skills and acquiring general sport skills that are the cornerstone of all athletic development.



Highlights

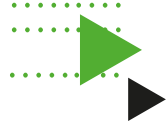
PROGRAMME 1: **ADMINISTRATION**



**DSRAC Achieves 100% Compliance on
Financial Interest Disclosure and Leading
to Its Third Consecutive Unqualified Audit**



“A United, Active and Winning Province Through Sport, Recreation, Arts, Culture & Heritage”



5. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

5.1 PROGRAMME 1: ADMINISTRATION

Programme description

The aim of the programme is to provide political leadership and administrative support to the department as well as create an enabling environment for the strategic direction in interpreting the political mandate and adjudicating the pro-active approach in building cohesive intergovernmental relations. The programme consists of two sub-programmes, namely

Sub – programme 1.1: Office of the MEC

This sub-programme is responsible for providing political leadership and administrative support to the department by ensuring that:

- Administrative back-office support systems are responsive to requests from communities and stakeholders.
- Service delivery intervention programmes are implemented by relevant programmes.
- Communication from the office of the Executive Authority is accurate and provides a positive image of the department.
- Positive interaction with the provincial legislature and well-coordinated programmes.

Sub-programme 1.2: Corporate Services

This sub-programme is key to enabling the successful coordination and strategic management of the department. It is premised on interpreting the political mandate for administrative implementation on a pro-active approach to crafting and sustaining cohesive intergovernmental relations.

SUMMARY OF PERFORMANCE HIGHLIGHTS AND ACHIEVEMENTS

The following are the summary of highlights implemented in creating efficient and effective administration:

Management of risk to improve performance

Implementation and monitoring of risk management has improved greatly in the period under review as there seems to be greater understanding in the department of the correlation between managing risk and improvement of performance. As in previous financial years, the department has continued to evaluate its exposure and has put measures in place to mitigate against these through the development implementation and monitoring of the risk registers.

With the support of the risk management unit, the strategic, operational, ethics and fraud risk registers were developed. Mitigation actions were monitored and reported on a monthly and quarterly to the risk management committee. The department has a function risk management committee that meets quarterly. In the year under review, all the risk management committee meetings sat as planned and all the required reports were presented and submitted to Treasury as well as the audit committee.

As the department strived to improve its risk maturity levels, trainings were conducted in each quarter for departmental staff from various salary levels to empower them to be able to identify risk factors and mitigating against these.

The department achieved 100% compliance on financial interest disclosures for all the designated officials and managed to submit all the required lifestyle audit reports.



A series of fraud and anti-corruption sessions were conducted with the aim of raising awareness to departmental employees. All cases that were reported were investigated and those that remain open will be finalised in the current final year. The department's capacity to finalise cases on time is hampered by limited capacity of resources and skill in this area. In mitigating against these delays, the department will build its capacity and will seek collaboration with other departments on case management.

Through internal audit, all the planned audit committee meetings that were scheduled for the 2022/23 financial year sat. The department has taken great strides in implementing the combined assurance with regular interactions with the AGSA and other assurance providers. All internal and external audit findings have been closely monitored; and regular feedback and reports are discussed with the audit committee.

Legislative compliance, review and management of litigations

During the period under review, the department submitted the section 32 Promotion of Access to Information (PAIA) and translated the section 14 PAIA manual into isiXhosa, Afrikaans and Sesotho. Training and empowerment sessions were held for officials with the aim of empowering them as the department implements the personal information compliance frameworks in accordance with POPIA.

In seeking to improve the process of reviewing legislation administered by the department, consultative sessions were conducted internally, in view of initiating the process for reviewing the Eastern Cape Provincial Arts and Culture Council Act, 2000 EC (Act No. 6 of 2000); Libraries and Information Services Act, 2003 EC (Act No. 6 of 2003), Archives and Records Services Act, 2003 EC (Act No. 7 of 2003); and the Museums Act, 2004 EC (Act No. 7 of 2004). The process plan to finalise the review of the above legislative instruments, was presented in the provincial legislature.

With regards to litigation, there were only two new reported litigation cases against the department during the period under review, moderately low in comparison to other years due to interventions introduced by legal services as well as the implementation of the provincial litigation management strategy.

Modernisation and automation of business processes

The department has continued to make progress in the automation of the internal business processes and has added more focus on the adoption of the new business processes as the department moves further towards a modern workplace, with a technologically empowered workforce to optimise operations and for better engagement with the citizens of the province. This has laid a solid foundation for the automation of additional business areas that include internal processes relating to quotation management, organisational performance management, as well as subsistence and travelling.



OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

The department did not re-table its annual performance plan during the financial year under review

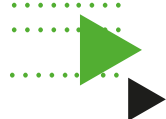
SUB-PROGRAMME 1.1: OFFICE OF THE MEC.

Sub-programme 1.1: Office of the MEC								
Outcome	Outputs	Output indicators	Audited actual performance 2020/2021	Audited actual performance 2021/2022	Planned annual target 2022/2023	Actual achievement 2022/2023	Deviation from planned target to actual achievement 2022/2023	Reasons for deviations
Compliant and responsive governance	Resolutions implemented	OMEC1: Implementation of MINMEC and Portfolio Committee resolutions monitored	1	Revised indicator	4	4	-	None
	Outreach programmes conducted	OMEC2: Number of community outreach programmes implemented	1	Revised indicator	2	2	-	None
	Twinning agreement serviced	OMEC3: Number of twinning agreements serviced	0	Revised indicator	1	1	-	None

LINKING PERFORMANCE WITH BUDGETS

SUB-PROGRAMME EXPENDITURE

Economic classification	2022/23			2021/22		
	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
Sub-programme 1.1: Office of the MEC						
Current payments	9 522	9 257	265	7 045	7 098	(53)
Compensation of employees	6 875	5 482	1 393	4 708	4 706	2
Goods and services	2 647	3 775	(1 128)	2 337	2 392	(55)
Transfers and subsidies	-	324	(324)	52	52	-
Households	-	324	(324)	52	52	-
Payments for capital assets	-	-	-	105	-	105
Machinery and equipment	-	-	-	105	-	105
Total	9 522	9 581	(59)	7 202	7 150	52



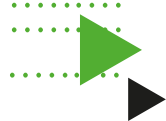
STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

There was no underperformance recorded in this sub-programme.

SUB-PROGRAMME 1.2: CORPORATE SERVICES

Sub-programme 1.2: Corporate Services

Outcome	Output	Output indicator	Audited actual performance 2020/2021	Audited actual performance 2021/2022	Planned annual target 2022/2023	Actual achievement 2022/2023	Deviation from planned target to actual achievement 2022/2023	Reasons for deviations
Compliant and responsive governance	Improved corporate governance practices and accountability	CS1: % implementation of corporate governance practices framework	25%	-	100%	100%	-	None
	Registered fraudulent case load reduced	CS2: % Reduction in the registered fraudulent case load	0%		80%	80%	-	None
	Pieces of legislation reviewed	CS3: Number of pieces of legislation reviewed	0%	Revised indicator	4	3	-1	The discussion document for the review of the Archives Act could not be completed.
	Reports submitted to oversight bodies	CS4: Number of reports submitted to oversight bodies	1	5	5	5	-	None
	Evaluation reports submitted	CS5: Number of evaluations conducted per annum	1	2	2	2	-	None
	Strategic planning documents developed	CS6: Number of strategic planning documents developed	2	2	2	2	-	None
	Policy development and management framework implemented	CS7: % implementation of policy development and management framework	-	-	100%	100%	-	None
	Corporate Governance of ICT Policy Framework implemented	CS8: % Implementation of corporate governance of ICT policy framework	-	-	100%	100%	-	None
	Audit Improvement Plan implemented	CS9: % Implementation of audit improvement plan	-	-	100%	100%	-	None
	Financial statements developed	CS10: Number of financial statements developed	-	-	4	4	-	None
	Suppliers paid within 30 days	CS11: Timely payment of suppliers	-	-	95%	95%	-	None
	Integrated Human Resource Plan implemented	CS12: % implementation of the approved integrated human resource plan	-	-	100%	100%	-	None
	Local Economic Development supported	CS13: % Support for local economic development	-	-	65%	65%	-	None
	Reports on designated groups submitted to oversight bodies	CS14: Number of reports of designated groups benefiting in departmental programmes submitted	-	-	4	4	-	None



LINKING PERFORMANCE WITH BUDGETS

SUB-PROGRAMME EXPENDITURE

Sub-programme 1.2: Corporate Services	Final Appropriation	Actual Expenditure	Over/under expenditure	Final Budget	Actual Expenditure	Over/under expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	295 159	291 954	3 205	282 222	280 395	1 827
Compensation of employees	235 263	236 115	(852)	225 529	225 482	47
Goods and services	59 896	55 839	4 057	56 693	54 913	1 780
Transfers and subsidies	4 288	3 965	323	3 829	3 827	2
Payments for capital assets	21 453	21 093	360	14 641	14 599	42
Total	320 900	317 012	3 888	300 692	298 821	1871

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

PMI REF NO.	Reasons for under/over performance	Remedial actions	Timeframes
CS3	Discussion document for the review of the Archives Act could not be completed.	Discussion document to be completed	September 2023

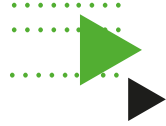
Highlights

PROGRAMME 2: **CULTURAL AFFAIRS**



- **Joint Commemoration of National Days with Governmental Departments and Other Stakeholders to Promote Social Cohesion**
- **DSRAC invests on the cultural and creative industry to boost the arts in the province**
- **Department's language services translate PAIA manual from English to IsiXhosa, Afrikaans and Sesotho in a bid to promote multilingualism**





5.2 PROGRAMME 2: CULTURAL AFFAIRS

Programme description

The programme is responsible for the preservation, conservation, promotion and development of arts and culture, museums and heritage and the provision of language services. The programme has five sub-programmes namely:

- **Management:** To develop, monitor implementation, review policies and control performance for effective service delivery through internal capacity and strategic partnerships
- **Arts and culture:** To promote arts and culture through the development of visual arts, crafts and performing arts by assisting projects, programmes and community art centres.
- **Museum services:** To promote and preserve heritage through museum services and institutions.
- **Heritage services:** To conserve, promote and develop culture and heritage. To further assist heritage resource management by implementing the national mandates of the South African Geographical Names Council Act, 1998, and the South African Heritage Resource Act, 1999
- **Language services:** To render language services to ensure that the constitutional rights of the people are met through the utilisation of the main languages of the province.

SUMMARY OF HIGHLIGHTS AND ACHIEVEMENTS

The following are the summary of highlights on performance and achievements towards the attainment of outcomes:

Policy review and development

A comprehensive review of policy content in the cultural and creative sector was undertaken with a view to create a new modern, flexible, and coherent policy framework that will underpin department's longer-term programme of work to support a thriving and sustainable sector. This resulted in the identification of the community art centre, visual arts and design, music and the museum policies that needed review of which the process to initiate that was undertaken through consultations and comments and inputs were received from stakeholders. As at the end of the financial year, the policies were ready to be processed for approval except for the museum policy which is still undergoing intensive consultations as the development of this policy is meant to culminate towards the process of legislative review as the current legislation is out of touch with the current context.

Commemoration of national days to promote social cohesion

The department collaborated with other government departments, state agencies, municipalities, stakeholders, and social partners to host national days and significant events to promote nation building, unity, peace, reconciliation and social cohesion in the Eastern Cape. Also, these events serve to showcase the richness and diversity of the province's heritage resources and lay the foundation for education of local communities and visitors on the importance of heritage as a symbol of national unity. They are also used as the lever and a vehicle for local economic development and job creation.

The Freedom Day celebrations were held in Ugie on the 27th of April using a hybrid approach for maximised reach and access. The Africa Day was successfully hosted in collaboration with the Community of African Nations in South Africa (CANISA), and other governmental bodies at Nangoza Jebe Hall in Gqeberha. The ethos of this commemoration was to unite South Africans and their fellow African nationals who had been victims of xenophobic attacks in many parts of the country especially in Gauteng because of the spread of "Operation Dudula".

In July 2022, the province hosted Nelson Mandela International Day at Mthatha. The programme strengthened inter-governmental relations and inter-departmental collaboration as local communities and learners benefited from exposure to the life and legacy of Nelson Mandela, his ideals, and artefacts that are on display at the museum at the Bhunga Building. In September 2022, the province celebrated the Heritage Day, at Ngcobo,



in Dr AB Xuma municipality with all districts having hosted build up activities to enable all local communities to celebrate and promote their cultural heritage.

The Reconciliation Day was celebrated at Graaff-Reinet on 16 December 2022 in collaboration with Sarah Baartman District and Dr Beyers Naude Local Municipalities. The day was dedicated to the life and legacy of Robert Mangaliso Sobukwe who was one of the founders of South Africa's democracy and an icon of the liberation struggles. The Department also worked closely with Graaff-Reinet Museum as well as the Robert Sobukwe Museum and Learning Centre to ensure the legacy of Sobukwe was kept alive.

The Human Rights Day was celebrated at the Sisa Dukashe Stadium in Mdantsane on 21 March 2023 and it was dedicated to the 60th anniversary of the forced removal of East London communities to Mdantsane in 1963 going forward. One of the Mdantsane icons that was celebrated was Happy Boy Mgxaji who incidentally was a victim of the forced removals as his family was displaced from Tsolo Location in East London to Mdantsane in 1965.

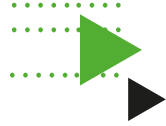
Investing more on the cultural and creative industry

The department has made great strides in the year under review to invest resources in creating vibrant creative industries for the different sectors. The following areas deserve to be highlighted as tremendous effort has been made by the department:

- a) Film development** – A variety of new film flagship projects aimed at putting the EC on a growth path in the creative and cultural industries space were implemented. Three Eastern Cape made television drama series were launched in partnership with SABC and Tshedza Pictures. These were driven together with the Eastern Cape Provincial Arts and Culture Council (ECPACC), entity of the department and have profiled the Eastern Cape as a destination of choice in terms of film production.
- b) Performing arts** – The department has established a Music Excellence Acceleration Programme Eastern Cape (MEAPEC) as a programme that focuses on excellence to develop musicians in the province, through a public call, for record labels to carry the all-important task of accelerating EC talent for distribution and marketing.
- c) Support to arts and culture festivals** – In the year under review the department facilitated several platforms for showcasing arts and culture products including Sondela, Isingqi Sethu, Maskandi, Jazz festivals which seek to show case talent as well as generate income for both artists and the local economy. Part of the programme support to creatives is facilitating exposure and access to different markets inside and outside the province, hence the continued support for our crafters to participate in the Rand Easter show held at Nasrec in Johannesburg from 13 to 18 April 2022. The response from the festival patrons was encouraging to our crafters, bringing in sales of R180 020.00 with orders to the value of R57 320.00.

The year 2022 marked the 20th year for the Department's has supported the National Arts Festival. Due to the challenges that were brought about by the pandemic, the department's support was refocused and was extended towards operational support in the infrastructural development of the National Art Festival (NAF) so that the festival could continue to be available on online platforms and the benefits throughout the sector have been realised through the successful hosting of National Art Festival in Makhanda from 23 June to 03 July 2022. The announcement on the 22 June 2022 to repeal the wearing of masks and remaining restrictions on public gatherings provided the necessary boost for the shows that were initially geared to operate at half capacity. The Eastern Cape showcase was well executed with the literature festival gaining and overwhelming support from the Free State Province.

A new dance festival, Udaba, was launched to create a niche market into bouquet of what already exist in the province's offering. It aimed to highlight and celebrate local productions which could be positioned as touring ventures. The festival also seeks to expose various solutions towards access, redress, promotion and development of dance in the province. This festival is implemented in collaboration with the Mandela Bay Theatre Complex.



Capacity building programme

The programme contributed to capacitating the Eastern Cape creative extensively during the period under review. As the creative sector was steadily getting back to normalcy after the slumber caused by Covid-19 pandemic restrictions, it became apparent that skills/ products needed to be improved to respond to the existing demands.

Through various capacity building programmes, creatives were trained through workshops covering a variety of skills and techniques necessary for the sector. The department trained the community of Mangolong on clay excavation, its preparations and sifting until the final product. The training drew a huge interest on the locals and even the teachers. The village of Mangolong was selected to create awareness for local people to demonstrate that jobs can be created from the natural resources that people tend to ignore.

The pottery training was well attended, and huge interest was shown even by the local municipality as projects like must be developed further with the aim of creating “One product one Village” concept. The project can produce the much-needed job throughout the value chain in collaboration with other key stakeholders, including clay excavators, the refiners, potters, and marketers.

As a concerted effort to capacitate women, the department facilitated various training workshops. These included the group of women potters from both Mdantsane and Gompo arts centres that were trained on the Raku firing technique. The Raku firing is a rare skill that is not commonly practiced by most potters due to the specialised skill required, scarce and costly material. A photography workshop was also conducted in Tsitsikama arts centre where women photographers were trained in basic photography skills and equipment handling. The workshop was done in collaboration with the Photo Workshop.

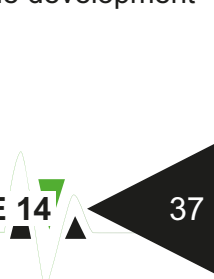
Other training included music management and development, IT based marketing, beadwork, leatherworks, recycling, sewing, dance, and drama to improve their skills and develop their products. The first ever music programming focusing on capacitating the budding DJs from the eight districts was conducted in East London. This session provided the much need exposure for the young artists.

Transformation of heritage landscape

Our museum and heritage staff members during 2022/23 financial year did not only enhance ways to share history, but they also created unforgettable experiences, and focused on developing further partnerships and collaborations with communities. Our partnerships with Department of Basic Education, schools, teachers and students, and researchers continues to grow each year as we continually to expand our support to the provincial education curriculum. Our on-site and in-classroom field trips became more popular during the year under review, as well as our programs offered to several community groups.

Even in the current financial year, we continue to grow our partnerships with communities, government agencies, other non-profit organisations, and local businesses. These partnerships allowed us to expand how we serve communities by building and sharing knowledge about our history. More than ever, in the last financial year, community partners approached our museum and heritage site staff members to work together to provide these services to the citizens of the province through exhibitions, student field trip or community program, providing access to archival materials, or simply through a visit to a museum. Our museum and heritage buildings have provided long lasting experiences and memories and 2022/23 financial year was no exception.

The Eastern Cape Provincial Heritage Resources Authority (ECPHRA) is known as the primary resource for historic experiences by our community. The department together with ECPHRA embarked on business site visits to the Klasies River Caves Archaeological Site in Humansdorp – Tsitsikama corridor, and Qhemegha Fossil Paleontological Site in Sterkspruit respectively as the province is in the process of submitting nomination to the World Heritage Committee for the Klasies River caves to be declared the World Heritage Site have started; as well as processes to appoint a service provider to conduct a feasibility study on the development of a Fossil Park at Qhemegha Village in Sterkspruit have taken off the ground.



In the last financial year, the department has developed exhibitions and used these as vehicles to change historical narratives. Some of the exhibitions that were developed included the exhibition on the Pondo revolt of 1960 with specific focus on the local communities that led the resistance campaign, some of whom were arrested and executed at the Pretoria gallows in the mid-1960s. The plan was to mainstream historically significant stories based on popular memory to share them with the nation and world at large. This was also to profile unsung heroes and heroines from the rural areas that had contributed significantly to attainment of freedom and democracy in South Africa. The exhibition is currently on display at the Ingquza Hill museum in Flagstaff.

The interactive exhibition on the land struggles by the Eastern Cape Africans in a bid to stop colonial invasion and white domination stretching from the time of the wars of resistance to the apartheid era that was planned for the year under review could not be finalised due to the limited budget that had been allocated. This will be carried through in the current financial year. The other exhibitions that were developed and completed are the one on Cradock Four at the Great Fish River museum, as well as the Healdtown exhibition at the Fort Beaufort museum.

Advocacy programmes

The department rolled out outreach programmes where museum artefacts were utilised to promote heritage resources and academic careers in the field of museology. Museum artefacts were taken out to schools in townships and rural areas and utilized to promote the importance of protecting and preserving heritage resources in the Eastern Cape. A sizeable number of schools and youth centres were visited in all the districts, and were provided with museum education, exposed to museum collections and displays, and encouraged to visit nearby museums to gather more information and knowledge about the Eastern Cape's rich and diverse cultural heritage. This move was aimed at bridging information gap and taking museums closer to communities especially those where these facilities do not exist.

At the time of reporting, 25448 community members (i.e., learners, tourists, researchers) had accessed province-aided museums services and interacted with collections, displays and education programmes, exposing them to the richness and diversity of the Eastern Cape's cultural and natural heritage resources that the province is endowed with.

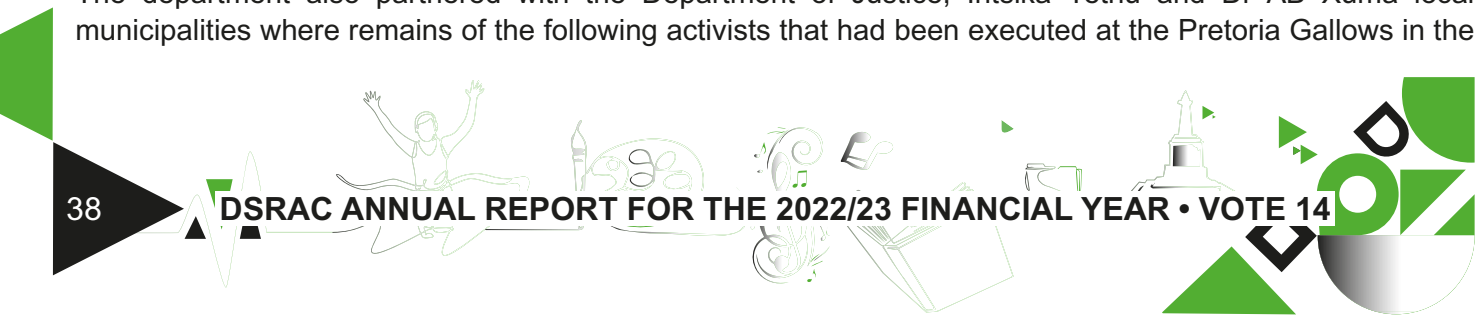
The department has further rolled out youth advocacy programme in collaboration with Inxuba Yethemba municipality at Middelburg museum where learners and out of school youth were oriented and exposed to career opportunities within the museum world and the broader heritage sector. Another initiative targeting young people was the promotion Constitutional values where learners are taught about the importance and significance of national symbols and orders.

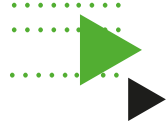
This was undertaken in the eight districts of the province. National symbols and orders have a dual function as vehicles for the display of identity and of spiritual defence. Symbols such as a national flag, anthem and a coat of arms unite the people of South Africa and make them proud to be a part of the country and are an important representation of South African wildlife and cultural diversity. Like the amazing landmarks in the country, these symbols represent the stories of the past and current South Africa. Each symbol was chosen by purpose, and most are unique to the country.

Exhumation, repatriation, and reburial programme

The department collaborated with Robben Island Museum, Department of Justice, Department of Military Veterans, Department of Correctional Services, Metsimaholo and Fezile Dabi municipalities to exhume remains of James Hambile Booie from Gqeberha, a former Robben prisoner who was incarcerated in 1966, later transferred to Groenput Prison in Vereeniging in 1966 where he later perished. His remains were exhumed on 10 June 2022 and taken to the NPA MPTT laboratory for forensic examination.

The department also partnered with the Department of Justice, Intsika Yethu and Dr AB Xuma local municipalities where remains of the following activists that had been executed at the Pretoria Gallows in the





1960s were handed over to families for reburial:

- Notimber Mbozwana – remains were handed over and reburied in Cofimvaba on 26 May 2022.
- Bonakele Ngcongolo - remains were handed over and reburied in Cofimvaba on 26 May 2022
- Remains of Phineas Mlotywa who was also executed at the Pretoria gallows on 19 November 1965 were handed over and reburied at Ngcobo on 27 May 2022. Families were awarded opportunity to finally heal and find closure.

Geographical place name change

The Eastern Cape Provincial Geographical Place Names Committee (ECPGNC) succeeded in submission of place names to the South African Geographical Names Committee for consideration. In this regard, the National Minister of Sport, Arts and Culture approved and published the following place names in the government gazette of 26 august 2022:

OLD NAME	NEW NAME	GEOGRAPHICAL FEATURE AND AREA
Morgan's Bay	Gxarha	Coastal Town, Great Kei Local Municipality
Cradock	Nxuba	Town, Inxuba Yethemba Local Municipality
Mooiplaas	Khwenxurha	Amalgamation of villages, Great Kei Local Municipality
Komga River	Qumrha River	River, Great Kei Local Municipality
New	Thembaletu Peace Village	Village, Great Kei Local Municipality
New	Siyathemba	Human Settlement, Great Kei Local Municipality
New	Happy Valley	Human Settlement, Great Kei Local Municipality
New	Nomgxeki	Township, Great Kei Local Municipality
New	Mzomhle	Suburb, Great Kei Local Municipality
New	Siviwe	Suburb, Great Kei Local Municipality
New	Mthetheleli Ngumbela Drive	Road Segment, Mbhashe Local Municipality

Promotion of multilingualism

The department, through its language services, translated the PAIA manual from English into 3 languages i.e., IsiXhosa, Afrikaans and Sesotho. District festivals were conducted, and these culminated in best performers at the district lit-fest being afforded an opportunity to perform at Provincial Literature Festival (Provincial Lit-Fest), which allowed them to have exposure to provincial, national, and international wordsmiths.

We have continued with the implementation of the manuscript development program whereby several emerging writers are supported with the development, editing, proofread and publishing of their manuscripts at no cost to the budding writer, as all costs involved in manuscript development are absorbed by the department.

A partnership between Pan South African Language Board, the Department of Education in the Northern Cape was initiated in the period under review through a project that seeks to revive and resuscitate the Khoisan language as it is one of those languages that face the risk of extinction.



OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

SUB-PROGRAMME 2.1: MANAGEMENT

Sub-programme 2.1: Management								
Outcome	Output	Output indicator	Audited actual performance 2020/2021	Audited actual performance 2021/2022	Planned annual target 2022/2023	Actual achievement 2022/2023	Deviation from planned target to actual achievement 2022/2023	Reasons for deviations
Compliant and responsive governance	Policies developed	CA1: Number of policies developed	2	1	5	1	-4	Three policies were completed, namely, the Visual arts and design policy, Music policy and Heritage resource management policy and were awaiting endorsement by Provincial Executive Council (EXCO). Only the museum policy is still at draft and consultation stage
	Cultural institutions' compliance monitored	CA2: Number of cultural institutions complying with signed agreements	8	25	24	24	-	No deviation
	National days hosted	CA3: Number of digital campaigns national days (MTSF)	11	5	5	5	-	No deviation
	Virtual facilities established	CA4: Number of virtual facilities established and maintained	0	0	1	1	-	No deviation

LINKING PERFORMANCE WITH BUDGET

SUB-PROGRAMME EXPENDITURE

Sub-programme 2.1: Management		2022/23			2021/22		
		Final Appropriation	Actual Expenditure	Over/under Expenditure	Final Appropriation	Actual Expenditure	Over/under Expenditure
Economic classification		R'000	R'000	R'000	R'000	R'000	R'000
Current payments		13 117	13 167	(50)	13 446	13 412	34
Compensation of employees		2 328	2 394	(66)	1 778	2 009	(231)
Goods and services		10 789	10 773	16	11 668	11 403	265
Payments for capital assets		50	-	50	-	-	-
Total		13 167	13 167	-	13 446	13 412	34

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

PMI REF	Reasons for under/over performance	Remedial actions	Timeframes
CA1	Three policies were completed, namely, the Visual arts and design policy, Music policy and Heritage resource management policy. They were awaiting endorsement by the Provincial Executive Council (EXCO).	The three policies will be presented to EXCO for their endorsement.	July 2023
	The museum policy was still at draft and consultation stage	The process plan will be drawn and implemented within clear timelines	September 2023

SUB-PROGRAMME 2.2: ARTS AND CULTURE

Sub-programme 2.2: Arts and Culture									
Outcome	Output	Output indicator	Audited actual performance 2020/2021	Audited actual performance 2021/2022	Planned annual target 2022/2023	Actual achievement 2022/2023	Deviation from planned target to actual achievement 2022/2023	Reasons for deviations	
Improved quality skills and job opportunities	Artists trained	CA5: Number of practitioners benefiting from capacity building opportunities	513	837	776	885	109	The courses offered raised interest in the creatives.	
	Job opportunities created	CA6: Number of job opportunities offered through arts, culture and heritage programme	35	210	282	340	58	These platforms provided more job opportunities than anticipated.	
Increased access in sport, recreation, arts, culture, and heritage institutions in the EC Province	Community arts development programmes implemented	CA8: Number of provincial community arts development programmes implemented			5	5	-	No deviation	
	Community arts centre festivals implemented	CA9: Number of community art centre festivals implemented	0	0	15	15	-	No deviation	
	Excellence enhancing platforms created	CA10: Number of excellence enhancing platforms			8	8	-	No deviation	
	Community art centres resourced	CA11: Number of community arts centres resourced	16	11	12	11	-1	Delays in the appointment of the service providers for Sterkspruit CAC	
	Community art centres refurbished	CA12: Number of community arts centres refurbished			2	0	-2	Delays in the appointment of the service providers	
	Arts and culture institutions funded	CA13: Number of arts and culture institutions funded for collaborative transformation	5	4	4	4	-	No deviation	
	Artists placed in schools	CA14: Number of artists placed in schools per year	42	40	37	37	-	No deviation	

LINKING PERFORMANCE WITH BUDGET SUB-PROGRAMME EXPENDITURE

Sub-programme 2.2: Arts and Culture	Final Appropriation	Actual Expenditure	Over/under expenditure	Final Appropriation	Actual Expenditure	Over/under expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	49 392	48 575	817	45 205	45 184	21
Compensation of employees	41 157	41 147	10	37 920	37 921	(1)
Goods and services	8 235	7 428	807	7 285	7 263	22
Transfers and subsidies	40 384	40 446	(62)	59 247	59 392	(145)
Departmental agencies and accounts	19 575	19 575	-	36 120	36 120	-
Departmental agencies (non-business entities)	19 575	19 575	-	36 120	36 120	-
Non-profit institutions	20 400	20 400	-	22 324	22 324	-
Households	409	471	(62)	803	948	(145)
Payments for capital assets	620	295	325	787	636	151
Total	90 396	89 316	1 080	105 239	105 212	27

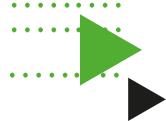
STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

PMI REF	Reasons for under/over performance	Remedial actions	Timeframes
CA11	Delays in the drafting of the BOQ by DPWL, redrafting of specifications led to delays in the appointment of the service providers for Sterkspruit CAC	Appointments to be done in Q1 of the next financial year.	June 2023
CA12	The target was revised at adjustment for the two CACs and delays in procurement processes were experienced.	The service providers for refurbishing of EnaXesibeni and Tombo Community Art Centres were appointed at the end of March 2023.	October 2023



SUB-PROGRAMME 2.3: MUSEUM SERVICES

Sub-programme 2.3: Museum Services									
Outcome	Output	Output indicator	Audited actual performance 2020/2021	Audited actual performance 2021/2022	Planned annual target 2022/2023	Actual achievement 2022/2023	Deviation from planned target to actual achievement 2022/2023	Reasons for deviations	
Increased access to sport, recreation, arts, culture, and heritage institutions in the EC Province	Subsidised museums	CA15: Number of museum institutions supported through subsidies.	17	17	19	18	-1	Mthatha Museum banking details were delinked from central supplier database (CSD) due to technical challenges	
	Exhibitions in museums installed.	CA16: Number of museums targeted for transformation through exhibitions	1	1	2	2	-	No deviation	
Increased access to sport, recreation, arts, culture, and heritage institutions in the EC Province	Advocacy programmes implemented	CA17: Number of programmes advocated to benefit communities	16	37	32	32	-	No deviation	
	Utilisation statistics	CA18: Number of community members accessing cultural facilities	-	-	15 000	25 448	10 448	Overperformance was due to modest targeting as this was a new indicator which had no baseline.	
	Job opportunities created	CA19: Number of job opportunities created through museum programmes	-	-	15	15	-	No deviation	
	Institutionalised partnership serviced	CA20: Number of institutionalised partnerships serviced	0	2	2	2	-	No deviation	
	Museums refurbished	CA21: Number of museums refurbished	0	1	2	0	-2	Rectifying structural defects on old brickwork and foundations at Fort Beaufort Museum took longer than expected. The refurbishment of Uitenhage Museum experienced delays due to strikes/ protest.	



LINKING PERFORMANCE WITH BUDGET SUB-PROGRAMME EXPENDITURE

Sub-programme 2.3: Museum Services	2022/23				2021/22			
	Final Appropriation	Actual Expenditure	Over/under expenditure		Final Appropriation	Actual Expenditure	Over/under expenditure	
Economic classification	R'000	R'000	R'000		R'000	R'000	R'000	
Current payments	81 646	81 723	(77)		78 380	78 258	122	
Compensation of employees	79 719	79 718	1		77 189	77 088	101	
Goods and services	1 927	2 005	(78)		1 191	1 170	21	
Transfers and subsidies	15 304	15 144	160		12 599	12 721	(122)	
Provinces and municipalities	1 400	1 400	-		-	-	-	
Municipalities	1 400	1 400	-		-	-	-	
Non-profit institutions	13 422	13 262	160		12 174	12 174	-	
Households	482	482	-		425	547	(122)	
Payments for capital assets	15 950	16 033	(83)		14 842	14 842	-	
Buildings and other fixed structures	15 950	16 033	(83)		14 842	14 842	-	
Total	112 900	112 900	-		105 821	105 821	-	

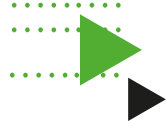
STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

PMI REF	Reasons for under/over performance	Remedial actions	Timeframes
CA15	Mthatha Museum banking details were delinked from CSD due to technical challenges. This persisted throughout the year	Provincial Treasury was engaged, and advised Mthatha Museum to engage the bank and resubmit to activate linking on CSD	April 2023
CA21	Rectifying structural defects on old brickwork and foundations at Fort Beaufort Museum is taking longer than expected. The project was at 90% completion. The refurbishment of Uitenhage Museum was experiencing delays due to strikes/ protest. The project was at 92% completion.	Provision has been made in the new financial year to complete the two projects. The revised dates for completion of both projects were end April 2023.	April 2023



SUB-PROGRAMME 2.4: HERITAGE RESOURCE SERVICES

Sub-programme 2.4: Heritage Resource Services								
Outcome	Output	Output indicator	Audited actual performance 2020/2021	Audited actual performance 2021/2022	Planned annual target 2022/2023	Actual achievement 2022/2023	Deviation from planned target to actual achievement 2022/2023	Reasons for deviations
Increased access in sport, recreation, arts, culture, and heritage institutions in the EC Province	Outreach programmes implemented	CA22: Number of programmes that gives effect to social cohesion and nation building implemented	-	-	22	22	-	No deviation
	Public awareness on national symbols and orders conducted	CA23: Number of public awareness activations on the national symbols and orders	-	-	31	31	-	No deviation
Transformation of linguistic and heritage landscape (with bias towards indigenous language)	Resistance and liberation heritage route sites developed	CA24: Number of Resistance and Liberation Heritage Route sites developed (RLHRS)	2	2	2	1	-1	Appointed service provider took more time than anticipated to execute his tasks
Transformation of linguistic and heritage landscape (with bias towards indigenous language)	ECPGNC financially supported	CA25: Number of provincial heritage institutions supported to standardise place names.	1	1	1	1	-	No deviation
	Human remains exhumed, repatriated and reburied	CA26: Number of human remains exhumed, repatriated and reburied.	2	0	3	4	1	Collaboration with DOJ resulted in more human remains repatriated.
	Job opportunities created	CA27: Number of job opportunities created through heritage programmes	5	34	30	30	-	No deviation
	ECPHRA financially supported	CA28: Number of heritage institutions subsidised.	1	1	1	1	-	No deviation



LINKING PERFORMANCE WITH BUDGET SUB-PROGRAMME EXPENDITURE

Sub-programme 2.4: Heritage Resource Services Economic classification	2022/23			2021/22		
	Final Appropriation	Actual Expenditure	Variance	Final Appropriation	Actual Expenditure	Over/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	12 563	12 581	(18)	14 530	13 603	927
Compensation of employees	8 300	8 300	-	10 385	10 146	239
Goods and services	4 263	4 281	(18)	4 145	3 457	688
Transfers and subsidies	4 400	4 000	400	4 000	4 000	-
Departmental agencies and accounts	4 000	4 000	-	4 000	4 000	-
Households	400	-	400	-	-	-
Payments for capital assets	2 624	2 248	376	1 120	971	149
Machinery and equipment	1 624	2 020	(396)	20	-	20
Heritage assets	1 000	228	772	1 100	971	-
Total	19 587	18 829	758	19 650	18 574	1 076

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

PMI REF	Reasons for under/over performance	Remedial actions	Timeframes
CA24	Appointed service provider took more time than anticipated to execute his tasks due to challenges with his equipment.	Service provider has been engaged and he has accelerated work on site.	May 2023



SUB-PROGRAMME 2.5: LANGUAGE SERVICES

Sub-programme 2.5: Language services

Outcome	Output	Output indicator	Audited actual performance 2020/2021	Audited actual performance 2021/2022	Planned annual target 2022/2023	Actual achievement 2022/2023	Deviation from planned target to actual achievement 2022/2023	Reasons for deviations
Transformation of linguistic and heritage landscape (with bias towards indigenous language)	Literary development programmes conducted	CA29: Number of literary development programmes conducted to give effect to multilingualism	4	5	6	6	-	No deviation
	Transformed linguistic landscape with bias towards indigenous languages	CA30: Number of programmes which seek to give effect to indigenous language development implemented	-	-	3	3	-	No deviation
	Language planning programmes implemented	CA31: Number of language planning programmes (status, corpus, and acquisition planning)	-	-	5	5	-	No deviation
	Community conversations/ dialogues conducted	CA32: Number of Provincial community conversations/ dialogues conducted	7	4	3	3	-	No deviation
	Framework on Indigenous Languages developed	CA33: Number of frameworks to increase use of indigenous languages developed	-	-	1	1	-	No deviation
	Social cohesion strategy implemented	CA34: Number of programmes in support of social cohesion strategy implemented.	-	5	4	4	-	No deviation

LINKING PERFORMANCE WITH BUDGET

SUB-PROGRAMME EXPENDITURE

Sub-programme 2.5: Language Services	2022/23			2021/22		
	Final Appropriation	Actual Expenditure	Over/under Expenditure	Final Appropriation	Actual Expenditure	Over/under Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	5 010	4 632	378	4 455	4 289	166
Compensation of employees	4 049	3 671	378	3 671	3 550	121
Goods and services	961	961	-	784	739	45
Transfers and subsidies	-	32	(32)	-	9	(9)
Households	-	32	(32)	-	9	(9)
Total	5 010	4 664	346	4 455	4 298	157

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

There was no under nor over performance under this sub-programme.

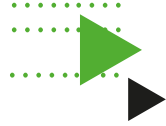
Highlights

PROGRAMME 3: **LIBRARY & ARCHIVES SERVICES**



- **Department Embarks on Projects for the Construction and Refurbishment of Libraries**
- **Library and Archives Services aim to promote and sustain a culture of reading, lifelong learning and safeguard the preservation of provincial heritage**





PROGRAMME 3: LIBRARY AND ARCHIVES SERVICES

Programme description

The programme is aimed at promoting access to information, developing, and sustaining a reading culture, regularising good records keeping and preservation of provincial heritage and social memory. It consists of the following 3 sub-programmes:

- **Management:** To translate policies and priorities into strategies for effective service delivery and to manage, monitor and control performance
- **Library service:** To renders public library support services to the libraries of local authorities.
- **Archives services:** To provide records management services, collection, and preservation of public and non-public records for Provincial heritage and provision of access thereto.

SUMMARY OF HIGHLIGHTS AND ACHIEVEMENTS

The following are the summary of highlights on performance and achievements towards the attainment of outcomes:

Review and development of policies

During the period under review, the department reviewed the Internet Policy, Reading Room Guidelines and developed a discussion document as a step towards reviewing the Library Act. The department has also initiated a process which dealt with matters of mandate and funding framework as they relate to the regulation of the library sector in the province which continues to be an issue between the department and municipalities.

Engagements between the Provincial Treasury, municipalities and the department are underway in trying to find solutions to the challenge.

Partnerships maintained with municipalities on rendering of library service:

The department provides financial support to municipalities to render library services to their communities through the signing of the MOA. During the financial year 2023/2024, the department has managed to transfer to 35 institutions an amount of R76 408m. Quarterly meetings served as a monitoring tool to ensure that the transfer was utilised as required. There was great improvement monitoring meetings in the utilisation of funds in the last financial year as compared to the years prior. For example, there were no deviations from the business plan; some municipalities have improved the expenditure, while other municipalities have agreed to provide physical security personnel and general assistants for libraries through the EPWP programme; and have agreed to conduct minor maintenance in public libraries.

Infrastructure development, refreshment and maintenance

As in the previous years, the department has not been able to provide the infrastructure or spend the infrastructure budget as planned. There are several reasons that cause this ranging from the social unrest in the communities to the poor management of the implementing agent by the department. These challenges continue to hamper progress and thus affect service delivery negatively.

The following progress was achieved as of the 31 March 2023:

- The construction of the Cookhouse library was at 95%.
- The renovation and upgrades at Fort Beaufort library and Jeffery's Bay were at 100% completion and both libraries were operational.
- The delivery and installation of Mango modular library was at 100% completion.
- The new Ntabankulu library was at BAC stage.
- The Ngquza library was at design stage due to delays in the completion of designs by the DPWI.
- The Izingcuka modular library's site was hand-over to the contractor and work was planned to take place at the end April 2023.



With regards to the construction of ablution facilities in the libraries, as of the end of the financial year, the following progress was achieved:

- Mabhobho modular was at 100% completion.
- Ntshunqa modular and Tsembeyi libraries had remained at 50% as services were terminated due to non-performance. A process to get new service provider ad commenced.
- Sulenkama modular was at 100% completion.
- Colchester and Kuyga modular libraries, service providers have been appointed for both sites.

In relation to the automation of libraries, 24 sites have been configured on SLIMS and specification for both book detection and head count systems were reviewed using the new Treasury procurement regulations. They were recommended to be prepared for advertisement.

Awareness programmes

All (ten) 10 targeted awareness programmes for the year were conducted. These programmes are key in ensuring utilisation and accessibility to libraries by communities. These programmes have contributed to the improvement on the library statistics as the department has received reports from educators that indicated that they have had seen as improvement in learners that participated in these programmes as the learners could confidently articulate themselves; and have gained confidence in reading and debating with some learners having developed a skill of writing. An example is that of a learner from Ngquza Hill local municipality who wrote a book titled “My father deceived me”. This book is available in our public libraries.

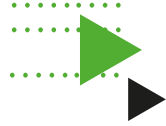
Visits to our libraries continue to improve particularly as we have developed programmes for young people and those that cater for the physical impaired clients. For /the period under approximately 878 094 people have physically visited our libraries to access the services as compared to 354 368 achieved in the previous financial year. About 2 060 people have visited the e-lending platform to access e-books. These achievements were necessitated by the continuous training of library workers and the timeous provision of relevant library material to public libraries.

Improving governance and demonstrating impact

The department provided records management focussed support through compliance monitoring and ensuring that records management practices were strengthened; mandatory records management tools were reviewed, approved and implemented to the following governmental bodies: Department of Education, Fort Beaufort Hospital, ELIDZ, Safety and Liaison, Human Settlements, Public Works and Infrastructure, EC Provincial Legislature, Buffalo City Metropolitan Municipality, Sarah Baartman DM, Eastern Cape Development Corporation, Eastern Cape Liquor Board, DEDEAT, Emalahleni LM, Amahlathi LM, KSD, Ndlambe, Enoch Mgijima, Umzimvubu Intsika Yethu, Nyandeni LM, Makana, Dr Beyers Naude, Winnie Madikizela Mandela, Ngqushwa, Mbashe and Kouga LM's, Dr Malizo Mpehle Memorial Hospital, OR Tambo and Alfred Nzo DM's for strengthening good governance and accountability and transparency in the public administration.

Disposal authorities were issued to ensure that there was a systematic and proper destruction of public records to DSRAC -Chris Hani and Joe Gqabi districts, EC Provincial Treasury, Chis Hani DM, Emalahleni, Mbashe, Koukamma, Ngqushwa, King Sabatha Dalindyebo and Ingquza Hill Local Municipalities, Bhisho High Court, Makhanda High Court Alfred Nzo DM, Mt Frere and PSJ Magistrates Courts, Walter Sisulu, Great Kei, Mhlontlo, Ntabankulu, Umzimvubu, Blue Crane Route, Nyandeni LM. These were mostly authorities for destruction of ephemeral records except for the Great Kei LM, two High Courts and two Magistrates Court who were issued disposal authorities for transfer A20 records to archives repositories.

A provincial records management virtual meeting was conducted for implementation of the Eastern Cape Records Management Policy and Procedure Manual.



Preservation and accessibility to archives facilities

The department strives to educate people about how archives can play a significant role in their lives. Information gathered at the archives is used to research and write books; filmmakers acquire photographic and film footage from the archives, whilst museums incorporate archival materials in their exhibitions.

During the year under review, it was fulfilling for the department to witness how people were genuinely touched after visiting our archives. The deeply appreciative comments we received from our patrons showed that we were more than just an institution that gathers material. Our sharing nature gave us an opportunity to positively connect with people on an emotional level, which could not be measured statistically. Almost all museum exhibitions incorporated archival materials. These exhibitions allowed citizens to take a trip down memory lane, many of whom provided the department with more information to add to our archives.

The department received transfers of A20 records to be preserved permanently in the custody of the provincial repositories. These types of records were received from Makana local municipality; court registers from Alexandria Magistrates Court; Department of Public Works and Infrastructure - OR Tambo region; Bhisho High Court; Makhanda High Court, PSJ and Mt Frere Magistrates Courts.

Researchers from Mthatha archives requested information on the collection of chiefs and headmen from the areas around OR Tambo area, clan names and land rehabilitation. There was research conducted on Chief Majeke of the AmaBhele Traditional Council in Qumbu, Nxoto location, historical background on the headmen and chieftainship and family tree on the areas of Mahlungulu location. A delegation of officials from the Department Cooperative Governance and Traditional Leaders steered the research.

Research on Mangathi administrative area, traditional leadership file of Idutywa was requested on behalf of Lutango Sigcau attorneys. Research was conducted around Mthatha historical background and a delegation from Libode was researching about Marubeni Location chiefs and headmen led by Chief Ndamase.

There were researchers who visited the Gqeberha repository to research about New Brighton Red Location as it would be commemorating 120 years in 2023. Also, requests were received from service providers who came to research for the Land Claims Commission on records on proclamations of the Group Areas Act in Hankey and Grahamstown.

The bulk of requests received and responded to by the Qonce repository, were from people who needed divorce decrees for deceased parties, for the benefit of pensions in case of divorced retiring civil servants, for processing of SASSA grants and for re-marrying purposes.

The oral history research project commemorating the Life and Times of Reverend John Knox Bokwe was completed with the production of an exhibition which was launched in Gqeberha,

Digitisation of archives

For the period under review, the digitisation project kickstarted with the appointment of project management service and milestones achieved included development of inventories aligned to the metadata fields for the system of arrangement and description of archival material access to memory (AtoM) as well as the compilation of the selected group of land allotments in the Qonce repository.

Procurement processes were underway for procurement of digitisation equipment with some equipment already delivered. Training on the system for arrangement and description, AtoM and provision of access to digitised records was conducted by the National Archives and Records Service and 10 archivists from the Qonce repository benefitted from the programme. This resulted to the development of inventories at the Qonce repository that were aligned to AtoM metadata fields which would ease work of archivists when capturing on AtoM and provision of access to the digitised records.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS, AND ACTUAL ACHIEVEMENTS

SUP-PROGRAMME 3.1: MANAGEMENT

Sub-programme 3.1: Management								
Outcome	Outputs	Output Indicators	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to actual achievement 2022/2023	Reasons for deviations
Compliant and responsive governance	Policies reviewed and developed	LAS1: Number of library and archives policies developed	3	2	3	3	-	No deviation
	Functional library and archives structures (council structures and committees)	LAS2: Number of library and archives structures supported	1	2	2	2	-	No deviation
	Partnerships maintained	LAS3: Number of institutions receiving subsidy	34	34	35	35	-	No deviation

LINKING PERFORMANCE WITH BUDGET

SUB-PROGRAMME EXPENDITURE

Sub-programme 3.1: Management	Final Appropriation	Actual Expenditure	Over/under expenditure	Final Appropriation	Actual Expenditure	Over/under Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	2 038	1 079	959	1 791	1 596	195
Compensation of employees	2 009	1 053	956	1 780	1 574	206
Goods and services	29	26	3	11	22	(11)
Transfers and subsidies	-	21	(21)	-	-	-
Households	-	21	(21)	-	-	-
Total	2 038	1 100	938	1 791	1 596	195

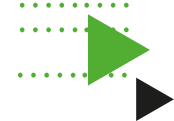


STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

There was not under nor over performance under this sub-programme.

SUB-PROGRAMME 3.2: LIBRARY SERVICES

Sub-programme: 3.2 Library Services								
Outcome	Output	Output indicator	Audited actual performance 2020/2021	Audited actual performance 2021/2022	Planned annual target 2022/2023	Actual achievement 2022/2023	Deviation from planned target to actual achievement 2022/2023	Reasons for deviations
Increased access to sport, recreation, arts, culture, and heritage institutions in the EC Province	Improved technology for virtual access in libraries.	LAS4: Number of patrons accessing e-resources	-	-	1900	2066	166	Over achievement is due to the stable internet in our libraries and availability of learner support material in the system.
	Improved technology for virtual access in libraries.	LAS5: Number of libraries with SLIMS software installed	-	35	95	25	-70	Book detection - The specification was complex for the potential service providers and did not attract adequate responses for the evaluation to proceed. Headcount - legal opinion on compliance with POPIA had to be sought as the system has facial recognition capabilities.
Increased access to sport, recreation, arts, culture, and heritage institutions in the EC Province	Improved access to information.	LAS6: Number of public libraries provided with library material	61	80	201	198	-3	Under achievement was due to the allocation of library material to libraries that were not functional due to shortage of staff. Including the one modular library (KwaNdevu) that was burnt down. The library material for KwaNdevu were rerouted to the PSJ library.
	Improved access to information.	LAS7: Number of community outreach programmes implemented	3	7	10	10	-	No deviation
	Improved access to information.	LAS8: Number of community members accessing library services	20858	354368	561200	921 869	360 669	Over achievement is due to the marketing and awareness created that seemed to have attracted more numbers.
Increased access to sport, recreation, arts, culture, and heritage institutions in the EC Province.	Improved access to information.	LAS9: Number of practitioners benefiting from capacity building (accredited/ non accredited)	-	-	93	110	17	Over achievement is due to a sponsored training that was conducted by the South African Library for the Blind for library staff from Chris Hani District.



Sub-programme: 3.2 Library Services

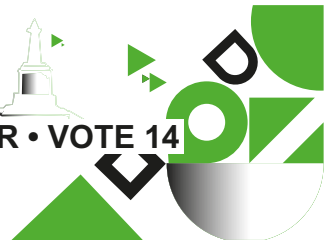
Outcome	Output	Output indicator	Audited actual performance 2020/2021	Audited actual performance 2021/2022	Planned annual target 2022/2023	Actual achievement 2022/2023	Deviation from planned target to actual achievement 2022/2023	Reasons for deviations
Increased access to sport, recreation, arts, culture and heritage institutions in the EC Province	Improved building infrastructure	LAS10: Number of new libraries established per year	-	1	3	1	-2	Under achievement is due to Cookhouse project being affected by endless work stoppage caused by local SMME's. The BEC meeting for Izinguca Modular library was postponed twice due to unavailability of members
	Improved building infrastructure	LAS10.1: Number of libraries refurbished.	-	-	2	2	-	No deviation
	Improved building infrastructure	LAS10.2: Number of libraries maintained (with up gradings and additions)	-	-	7	2	-5	Contracts for Nishunqa and Isembeyi contractors were terminated due to poor performance. Colchester and Kuyga – underachievement is due to NMB not granting permission due to drawing queries that had to be clarified. Mdantsane was at implementation stage with the provider on site.

LINKING PERFORMANCE WITH BUDGET SUB-PROGRAMME EXPENDITURE

Sub-programme 3.2: Library Services	2022/23			2021/22		
	Final Appropriation	Actual Expenditure	Over/under Expenditure	Final Appropriation	Actual Expenditure	Over/under Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	120 324	118 186	2 138	106 647	103 881	2 766
Compensation of employees	84 844	84 826	18	80 635	80 459	176
Goods and services	35 480	33 360	2 120	26 012	23 422	2 590
Transfers and subsidies	76 608	76 505	103	80 259	80 259	-
Provinces and municipalities	73 908	73 908	-	73 908	73 908	-
Municipalities	73 908	73 908	-	73 908	73 908	-
Non-profit institutions	2 500	2 500	-	2 000	2 000	-
Households	200	97	103	4 351	4 351	-
Payments for capital assets	51 060	35 094	15 966	45 955	34 684	11 271
Buildings and other fixed structures	49 560	33 806	15 754	41 761	30 642	11 119
Machinery and equipment	1 500	1 288	212	4 194	4 042	152
Total	247 992	229 785	18 207	232 861	218 824	14 037

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

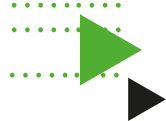
Ref No.	Reasons for under/over performance	Remedial Action	Time frames
LAS4	Over achievement is due to stable internet in our libraries and availability of learner support material in the system.	Target has been revised in the 2023/24 APP.	April 2023
LAS5	Book detection - The specification was complex for the potential service providers and did not attract adequate responses for the evaluation to proceed. Headcount - legal opinion on compliance with POPIA had to be sought as the system has facial recognition capabilities.	The project will be split into two - one for maintenance of the system/equipment and another procurement of new system/equipment. Readvertise after receipt of a legal opinion.	End Sept 2023 End Sept 2023
LAS6	The under achievement was due to the allocation of library material to 3 modular libraries that were not operational due to shortage of staff including one modular library (KwaNdevu) that was burnt down, its library material was rerouted to PSJ library.	Library staff for these 3 modular libraries has since been appointed.	April 2023
LAS8	Over achievement was due the marketing and awareness created that seemed to have attracted more numbers.	Target has been revised for consideration in the next financial year.	April 2023
LAS9	Over achievement is due to a sponsored training that was conducted by the South African Library for the Blind for library staff from Chris Hani District.	Target has been revised for consideration the next financial year.	April 2023
LAS10	Under achievement is due to Cookhouse project being affected by endless work stoppage caused by local SMME's. The BEC meeting for Izinguka Modular library was postponed twice due to unavailability of members	The contractor for Cookhouse library has applied for extension of time, whilst on the same vein, local SMME's will be engaged. For Izinguka modular library, the BEC will be reconvened, and the project awarded by end May. The department will strengthen its monitoring mechanisms and address any potential delays timeously.	End October 2023 End May 2023
LAS10.2:	Ntshunqa and Tseimbeyi contractors were terminated due to poor performance and replacement service providers are being sourced.	Specification is out for quotations.	End May 2023.
	Colchester and Kuyga - NMM did not grant permission due to drawing queries that had to be clarified.	The department has scheduled a meeting with NMM to clarify the queries.	End May 2023





SUB-PROGRAMME 3.3: ARCHIVES SERVICES

Sub-programme: 3.3 Archives services									
Outcome	Output	Output indicator	Audited actual performance 2020/2021	Audited actual performance 2021/2022	Planned annual target 2022/2023	Actual achievement 2022/2023	Deviation from planned target to actual achievement 2022/2023	Reasons for deviations	
	Improved records management practices in governmental bodies	LAS11: Number of governmental bodies receiving records management focussed supported	25	20	20	34	14	The over-achievement is due to special requests from governmental bodies	
	Functional archives repositories	LAS12: Number of community members accessing archives services	356	656	800	744	-56	The decline in the number of requests is due to limited access to records housed in the Gqeberha repository	
	Improved records management practices in governmental bodies	LAS13: Number of disposal authorities issued	100%	19	20	25	5	This is due to the high number of requests received from the governmental bodies	
		LAS14: Number of records received for transfer to archives	34	6	7	7	-	No deviation	
	Increased access to archival records	LAS15: % of archival records digitised	20%	0	80%	70%	-10%	There were delays in setting up the systems caused by the hosting platform and SITA finalisation of contracting on the Atom., thus impacting on the commencement of work by the service provider. The service provider only commenced in the Q4 as a result	
		LAS16: Number of inventories compiled and updated	5	6	4	4	-	No deviation	
	Skilled and capable practitioners	LAS17: Number of practitioners benefiting from capacity building (accredited/non accredited)	16	25	15	15	-	No deviation	
	Collected documents and recorded history	LAS18: Number of oral history projects under-taken	1	1	1	1	-	No deviation	
	Increased awareness	LAS19: Number of public awareness programmes conducted in archives (sector indicator)	3	3	4	5	1	Overachievement due to the additional outreach programme done in partnership with SPU	
	Customer built repositories	LAS20: Number of archives facilities upgraded	-	-	1	1	-	No deviation	



LINKING PERFORMANCE WITH BUDGET SUB-PROGRAMME EXPENDITURE

Sub-programme 3.3: Archives Services	2022/23			2021/22		
	Final Appropriation	Actual Expenditure	Over/under Expenditure	Final Appropriation	Actual Expenditure	Over/under Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	22 989	17 086	5 903	16 478	16 380	98
Compensation of employees	13 518	12 005	1 513	13 171	13 171	-
Goods and services	9 471	5 081	4 390	3 307	3 209	98
Transfers and subsidies	-	26	(26)	338	338	-
Households	-	26	(26)	338	338	-
Payments for capital assets	3 676	3 414	262	2 543	1 067	1 476
Buildings and other fixed structures	1 200	938	262	1 200	-	1 200
Machinery and equipment	2 476	2 476	-	1 343	1 067	276
Total	26 665	20 526	6 139	19 359	17 785	1 574

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

Ref No.	Reasons for under/over performance	Remedial Action	Time frames
LAS 11	The over-achievement is due to special requests from governmental bodies	To strengthen consultation with governmental bodies especially before and after finalisation of planning	30 September 2023
LAS 12	The decline in the number of requests is due to limited access to records housed at the Gqeberha repository	Partnership is being negotiated with the NMMU to deploy history students that will reinforce the archives team	30 June 2023
LAS 13	This is due to the high number of requests received from the governmental bodies	To strengthen consultation with governmental bodies especially before and after finalisation of planning	30 September 2023
LAS 15	There were delays in setting up the systems caused by the hosting platform and SITA finalisation of contracting on Atom., thus impacting on the commencement of work by the service provider. The service provider only commenced in the Q4 as a result	To fast-track appointment of additional human resources to assist with the process	30 June 2023
LAS 19	The overachievement is due to the additional outreach programme done in partnership with SPU	The repositories in districts to increase targets to ensure that there is alignment and integration of their activities with other business units	31 March 2024

Highlights

PROGRAMME 4:

SPORT & RECREATION



- **Commendable Provincial and National Teams' participation in school sport**
- **Lower Saxony Twinning Agreement Enables the Department to Implement Various Successful Programmes to Uplift Young Athletes in the Province**
- **DSRAC Supports Sports Development Through the Donation of Sports Equipment**
- **Provincial and National Boxing Development Tournaments Implemented Through Boxing South Africa to Promote Boxing in the Province**



PROGRAMME 4: SPORT AND RECREATION

Programme description

The programme is aimed at the promotion, development and coordination of sport and recreation strategies in the province. It consists of the following 4 sub-programmes:

- Management: To translate policies and frameworks into strategies for effective service delivery and to manage, monitor and control the overall performance of the programme
- Sport development: To support sport programmes by sport federations, academy institutions and provincial sport confederation to advance excellence in sport.
- Recreation development: To support recreation and mass participation programmes that are about promotion of healthy and active lifestyles.
- School sport: To support school sport programmes at various levels and delivery of provincial school sport teams thereof.

SUMMARY OF HIGHLIGHTS AND ACHIEVEMENTS

The following are the summary of highlights on performance and achievements towards the attainment of outcomes:

Sport development

After the long suffering of sport due to Covid-19 regulations that prohibited participation in amateur sport, in 2022/23, the department and federations went to work of preparing the talented athletes for competitions. This involved working through the Eastern Cape Academy of Sport. For the period under review the department through the academy reached its target of supporting 250 athletes. Through this support, performance by athletes in competitions showed great improved. The case in point being that of the amateur boxing team that was prepared for national championships in December which managed to get 32 medals and claimed the 1st and 2nd positions in different categories (i.e., juniors and cadets) out of the seven provinces. The championships covered both boys and girls with the focus of preparing them for the 2024 Olympics qualifiers as an incentive.

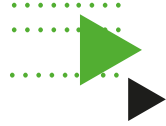
Provincial and national participation

The department supported provincial teams for participation in various events and national tournaments and championships. These amongst others included the Provincial Sport and Recreation Awards, Elliot Madeira Marathon, Provincial Amateur Boxing Championships, the Icon's Journey, U/20 Women Handball Championships, South-Eastern Districts Rugby Union Half Century Tournament, COSAFA Women's Cup, Spar Netball Championships, Provincial Intellectual Impaired Trials, Triathlon and Rowing International Exchange Competitions, Heritage Rugby Tournament, Umzila kaTambo Marathon, Tele Bridge Half Marathon, Geneva Scholtz Women Rugby Tournament and Amacel'egusha Cricket week. The province was also afforded an opportunity to host the 2023 Netball World Cup final draw and this event was televised live on international platforms.

There was also great achievement from international participation by our sport teams, with the various codes receiving medals: four (athletics), ten (boxing), one (swimming) and one (judo). The new entrants (boxing champions) now, have a great chance of qualifying for future international events.

Training and capacity building programme

The capacity building program started very well with the although the fears of Covid-19 in relation to travelling and conferencing still showed their ugly head, however as time progressed, training programmes resumed as planned, benefitting targeted coaches and technical officials from the following federations: goalball, netball, table tennis, football and softball. An additional 112 volunteers from softball, swimming, hockey, gymnastics, tennis, volleyball and netball were also trained.



Lower Saxony twinning agreement

The programmes that were successfully implemented through the Lower Saxon Twinning Agreement last year include the following:

- 1) Judo coaches exchange programme:** - Coaching clinics were conducted between 18 and 29 June of 2022 for the Judo Clubs in Nelson Mandela Bay, interacting with at least two hundred (200) Judokas who were in Gqeberha to participate in the South African Judo Championships that was hosted in the city. This clinic was very successful as it has contributed immensely to the province received medals and managed to get the 2nd position in the South African Judo Championships.
- 2) Youth exchange programme:** - A delegation of ten (10) young people, two (2) team leaders travelled to Oldenburg – Germany to participate in the youth exchange programme which took place from 06th to 15th August 2022. The main purpose of the visit was to expose the Eastern Cape youth into multi-cultural diversity with the Germans and share sport related activities in the City of Oldenburg.
- 3) Triathlon exchange programme:** - Five (5) triathletes and one (1) manager/coach participated the Hannover Triathlon Championship from the 26th August to 05th September 2022. The main purpose of the visit was to expose the triathletes to training trends and participation at international level. The team finished in 2nd and 3rd positions overall.
- 4) Rowing:** - Ten (10) rowing participants, participated in the Northern German Rowing Championships which took place from the 24th to 25th September 2022. The main purpose of the visit was to expose the Eastern Cape Team to international level participation and get advanced training expertise in rowing as a sport code. The teams managed to receive medals for their efforts.
- 5) Youth reverse volunteers:** - Four (4) volunteers from rugby, handball and football started their youth reverse volunteer programme from the 30th of September 2022 for a period of one-year to do volunteer work in Germany. This affords the opportunity to young Eastern Cape people to be exposed to trends on sport development and participation at international level as they volunteer at ASC Göttingen that has approximately 9000 members from various codes of sport federations.

Development and support provided to the different sporting codes

The department supports implements various programmes in support of different sporting codes through supporting federations, clubs, administrators, technical staff and associations related that sporting codes. In line with the departmental plans, the following codes were supported in the year under review:

- 1) Boxing** – Boxing is supported through the boxing development programme, implemented through Boxing South Africa. In the period under review, 72 successful provincial professional boxing development tournaments were hosted. The table below gives a high-level analysis of who has benefited from the programme:



No	Venue	Number of boxers	District aggregation		Gender aggregation
1	Ncumisa Kondlo Hall, Ngqushwa, Amathole District Municipality	12	BCM	10	10 Males 2 Females
			Chris Hani	1	
			Amathole	1	
2	Thobi Nkula Sports Centre, Komani, Chris Hani District Municipality	14	BCM	7	12 Males 2 Females
			Chris Hani	5	
			Sarah Baartman	1	
			Rustenburg	1	
3	Orient Theatre, eMonti, Buffalo City Metro	8	BCM	7	6 Males 2 Females
			Zimbabwe	1	
4	Babs Madlakane Hall, Kariaga, Nelson Mandela Bay Metro Municipality	12	NBM	5	10 Males 2 Females
			WC	5	
			Sarah Baartman	1	
			BCM	1	
5	Titi Jonas Sport Centre, Port Alfred, Saarah Baartman Municipality	14	NMB	7	12 Males 2 Females
			BCM	4	
			WC	3	
6	OR Tambo Sport Complex, OR Tambo Municipality	12	OR Tambo	2	10 Males 2 Females
			BCM	10	
	TOTAL	72			

2) Rugby - The Eastern Cape hosts the Super 14 Rugby Competition every year through the ECSC. The championship has grown in terms of the number of teams, from 14 to 16 teams and in terms of the prize money as the tournament managed to get a multi-million sponsorship. The tournament took place over an eight-week period and the finals were played between the East London Police and Kruisfontein with the Police winning the match and becoming champions of the competition.

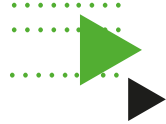
3) Cricket – There were two major tournaments that were supported by the department namely, the Ray Mali T-20 Cricket and the Ngumbela tournaments. The T-20 was held on 21st March 2022 at the Moko Sports Complex – Ezihlahleni, from the three cricket boards (Alice, Healdtown and Middledrift) with sixteen (16) participating clubs/teams. The final was played between Sheshegu Brothers from Alice against Lamyeni Hardcatch from Healdtown with Lamyeni Hardcatch winning the tournament.

The Ngumbela tournament is hosted annually at Fort Beaufort and Alice. Seventeen (17) clubs participated, with the finals taking place on 08th January 2023 between the Sheshegu Brothers from Alice and Fear Not from Healdtown at the Ngumbela Park, with the Fear Not crowned as the winners of the tournament.

Recreation development

The Eastern Cape indigenous games team participated in the national indigenous games (IG) festival that was held in Durban in September 2022 and was able to be part of the national Heritage Day celebrations that took place during this festival. The EC team participated in all the disciplines and ended overall in 3rd position to obtain a bronze medal.

The province also hosted the youth camp, a programme of the national department aimed at providing life skills, for 120 young people drawn from all the eight (8) districts of the province.



The programme also successfully hosted the National Recreation Day, all the hub festivals and the Big Walk, a partnership with the Algoa FM and the Department of Health.

School sport

The department together with the school sport associations prepared the teams both the provincial and national participation. Provincial participation took place as follows:

- 1) High school athletics:** These were held on the 2 – 4 March 2023 in Gqeberha, Nelson Mandela University. Hundred and five (105) athletes were selected to participate in the national high school athletics, and the Eastern Cape took the 5th position.
- 2) Primaries athletics:** These were held on the 10 – 11 March 2023 in Mthatha, Walter Sisulu University. Nine hundred (900) athletes participated in these games
- 3) School swimming:** This was held on the 24 – 25 February 2023 in Gqeberha. Three hundred (300) athletes participated in these championships and forty-six (46) athletes were selected to represent the province in the national championship in Durban on the 19 – 24 April 2023.

For the national championship participation, for summer games the Eastern Cape provincial schools sport selected team that participated in the seven (7) different sporting codes and came in at 3rd place for the overall performance.



OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS, AND ACTUAL ACHIEVEMENTS

SUB-PROGRAMME 4.1: MANAGEMENT

Sub-programme: 4.1 Management								
Outcome	Output	Output indicator	Audited actual performance 2020/2021	Audited actual performance 2021/2022	Planned annual target 2022/2023	Actual achievement 2022/2023	Deviation from planned target to actual achievement 2022/2023	Reasons for deviations
Compliant and responsive governance	Governance frameworks and policies developed and implemented	S&R1: Number of policies developed	-	-	3	0	-3	Policies at draft development stages
	MOA and SLAs compliance	S&R2: Number of signed agreements implemented	-	-	3	3	-	No deviation

LINKING PERFORMANCE WITH BUDGET

SUB-PROGRAMME EXPENDITURE

Sub-programme 4.1: Management		2022/23			2021/22		
		Final Appropriation	Actual Expenditure	Over/under Expenditure	Final Appropriation	Actual Expenditure	Over/under Expenditure
Economic classification		R'000	R'000	R'000	R'000	R'000	R'000
Current payments		2 578	2 489	89	3 364	3 488	(124)
Compensation of employees		2 520	2 422	98	3 270	3 261	9
Goods and services		58	67	(9)	94	227	(133)
Total		2 578	2 489	89	3 364	3 488	(124)

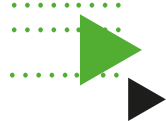
STRATEGY TO OVERCOME AREAS OF UNDER PERFORMANCE

Ref No.	Areas of under performance	Remedial action	Timeframe
S&R1	The Funding Policy for Sport and Recreation could not be finalised.	The development of a Funding Policy is now driven by strategic management unit, and it will be all encompassing for all the areas of the mandate of the department. There is already a draft policy in this regard.	30 September 2023
	A request for the services for the development of the Club Development Framework was made, however there was no response in this regard by end of the financial year	Continue with procurement of service provider before 30 June 2023, management discussion/ position paper will be in circulation	30 September 2023
	Consultations for the Hub Development Framework were initiated during the departmental strategic planning session. The draft framework was circulated to management for input before taken to external stakeholders for consultations.	The consultation process will be extended to external stakeholders for input and will be finalised in the current financial year.	30 September 2023



SUB-PROGRAMME 4.2: SPORT DEVELOPMENT

Sub-programme: 4.2 Sport									
Outcome	Output	Output indicator	Audited actual performance 2020/2021	Audited actual performance 2021/2022	Planned annual target 2022/2023	Actual achievement 2022/2023	Deviation from planned target to actual achievement 2022/2023	Reasons for deviations	
National competitive participation and excellence in sport, arts and culture	Athletes excelling in national competitions	S&R3: Number of athletes supported by sport academies (sector indicator)	216	264	250	250	-	No deviation	
	Resourcing of schools, hubs and clubs provided	S&R4: Number of clubs provided with equipment and or attire	265	165	120	120	-	No deviation	
	Advocate for transformation in sport and recreation	S&R5: Number of local leagues supported			119	119	-	No deviation	
Increased access in sport, recreation, arts, culture and heritage institutions in the EC Province	Sport and recreation development	S&R6: Number of sport programmes implemented by ECAS	2	3	3	3	-	No deviation	
	Sport development programmes	S&R7: Number of sport development programmes implemented	1	1	15	15	-	No deviation	
	Programmes implemented	S&R8: Number of sport promotion campaigns and events implemented	2	61	65	65	-	No deviation	
Improved quality skills and job opportunities	Programmes implemented	S&R9: Number of sport projects implemented by ECSC	-	-	8	8	-	No deviation	
	Designated groups programmes supported	S&R10: Number of women sport and recreation programmes supported			3	4	1	Supported provincial women's cricket team that was not in the plan	
	Sport and recreation volunteers capacitated	S&R11: Number of volunteers capacitated in coaching, technical officiating, and administration	542	380	200	250	50	Football training for C-Licence coaching changed to referees training to the request of the federation which increased the number of participants. Women's Cricket World Cup Legacy training of female coaches, umpires, and scorers.	
	High performance coaches capacitated	S&R12: Number of people trained to deliver academy programmes	-	362	400	416	16	Overachievement	
	Major sport and recreation events supported	S&R13: Number of major sport events supported			5	5	-	No deviation.	



LINKING PERFORMANCE WITH BUDGET SUB-PROGRAMME EXPENDITURE

Sub-programme 4.2: Sport Economic classification	2022/23			2021/22		
	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
Current payments	50 699	48 441	2 258	43 631	44 436	(805)
Compensation of employees	34 393	35 917	(1 524)	31 121	29 882	1 239
Goods and services	16 306	12 524	3 782	12 510	14 554	(2 044)
Transfers and subsidies	10 523	9 639	884	17 039	16 644	395
Departmental agencies and accounts	1 200	1 200	-	1 000	1 000	-
Departmental agencies (non-business entities)	1 200	1 200	-	1 000	1 000	-
Non-profit institutions	8 300	8 300	-	14 823	14 823	-
Households	1 023	139	884	1 216	821	395
Payments for capital assets	2 416	1 966	450	1 116	702	414
Buildings and other fixed structures	1 966	1 966	-	621	227	394
Machinery and equipment	450	-	450	495	475	20
Other machinery and equipment	-	-	-	475	475	-
Total	63 638	60 046	3 592	61 786	61 782	4

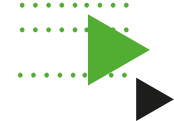
STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

Ref No.	Reasons for under/over performance	Remedial action	Time frames
S&R10	Supported provincial women's cricket team that was not in the plan	Inclusion of the programme in the 2023/24 financial year	April 2023
S&R11	Football training for C-Licence coaching changed to referees training to the request of the federation which increased the number of participants. Women's Cricket World Cup Legacy training of female coaches, umpires, and scorers.	Improve the capacity of federations	30 September 2023
S&R12	Overachievement	The department had to cater for additional in-year training programmes through adjustments	October 2023



SUB-PROGRAMME 4.3: RECREATION

Sub-programme 4.3: Recreation								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Increased access in sport, recreation, arts, culture and heritage institutions in the EC Province	Sport and recreation volunteers capacitated	S&R14: Number of people trained to deliver Siyadlala	-	-	120	120	-	No deviation
	Resourcing of schools, hubs and clubs provided	S&R15: Number of hubs provided with equipment and/or attire	120	120	80	80	-	No deviation
	Active recreation programmes implemented	S&R16: Number of active recreation programmes implemented	-	201	171	171	-	No deviation
	Ministerial outreach programme implemented	S&R17: Number of Ministerial outreach programmes implemented	1	1	1	1	-	No deviation
Increased access in sport, recreation, arts, culture and heritage institutions in the EC Province	Designated groups programmes supported	S&R18: Number of youths participating in the National Youth Camp	-	100	100	120	20	Department of Sport, Arts and Culture (DSAC) instruction to increase numbers from 100-120.
	Indigenous games programmes supported	S&R19: Number of indigenous games clubs supported per code	-	-	185	186	1	Overachievement realised from the Joe Gqabi district due to community interest.



LINKING PERFORMANCE WITH BUDGET

SUB-PROGRAMME EXPENDITURE

Sub-programme 4.3: Recreation	2022/23			2021/22		
	Final Appropriation	Actual Expenditure	Over/under Expenditure	Final Appropriation	Actual Expenditure	Over/under Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	82 683	76 613	6 070	89 257	83 515	5 742
Compensation of employees	22 506	19 118	3 388	30 578	31 262	(684)
Goods and services	60 177	57 495	2 682	58 679	52 253	6 426
Transfers and subsidies	8 326	8 155	171	8 192	8 191	1
Non-profit institutions	7 797	7 798	(1)	7 677	7 677	-
Households	529	357	172	515	514	1
Payments for capital assets	1 607	530	1 077	1 614	1 607	7
Machinery and equipment	1 607	530	1 077	1 614	1 607	7
Transport equipment	1 569	530	1 039	1 569	1 607	
Other machinery and equipment	38		38	45	-	-
Total	92 616	85 298	7 318	99 063	93 313	5 750

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

Ref No.	Reasons for under/over performance	Remedial action	Timeframes
S&R18	Due to DSAC instruction to increase numbers from 100-120.	Conduct adjustments in the 2023/24 AOP	October 2023
S&R19	Overachievement	Strengthen integrated planning with social partners	July 2023

SUB-PROGRAMME 4.4: SCHOOL SPORT

Sub-programme: 4.4 School Sport									
Outcome	Output	Output indicator	Audited actual performance 2020/2021	Audited actual performance 2021/2022	Planned annual target 2022/2023	Actual achievement 2022/2023	Deviation from planned target to actual achievement 2022/2023	Reasons for deviations	
Increased access in sport, recreation, arts, culture and heritage institutions in the EC Province	Learners participate in school sport at district level	S&R20: Number of learners supported to participate in school sport programs at district level	-	-	11966	9426	-2540	The format of team participation was amended to be selection/trial format which reduce the number of participants.	
	Learners participate in school sport at provincial level	S&R21: Number of learners supported to participate in school sport programs at provincial level	-	-	4645	4332	-313	The format of team participation was amended to be selection/trial format which reduce the number of participants.	
Increased access in sport, recreation, arts, culture and heritage institutions in the EC Province	Learners participate in school sport at national level	S&R22: Number of learners supported to participate in school sport programs at national level	-	-	1006	507	-499	National autumn games rescheduled to April 2023	
	Resourcing of schools, hubs and clubs provided	S&R23: Number of schools provided with equipment and or attire	165	237	240	240	-	No deviation	
Improved quality skills and job opportunities	Organised and well-coordinated school sport events	S&R24: Number of School Sport Associations (SSAs) receive assistance for the coordination of school sport programmes	9	14	16	16	-	No deviation	
	School sport volunteers capacitated	S&R25: Number of school sport volunteers capacitated to deliver school sport programmes	222	510	370	278	-92	Table tennis and softball cancelled as result of national industrial action. Swimming training cancelled on request by the structure.	

LINKING PERFORMANCE WITH BUDGET SUB-PROGRAMME EXPENDITURE

Sub-programme 4.4: School Sport	2022/23			2021/22		
	Final Appropriation	Actual Expenditure	Over/under Expenditure	Final Appropriation	Actual Expenditure	Over/under Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	9 935	9 740	195	2 870	2 868	2
Compensation of employees	9 479	9 187	292	2 422	2 366	56
Goods and services	456	553	(97)	448	502	(54)
Payments for capital assets	25	-	25	25	-	25
Machinery and equipment	25	-	25	25	-	25
Total	9 960	9 740	220	2 895	2 868	27

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

Ref No.	Reasons for under/over performance	Remedial action	Timeframes
S&R20	The format of team participation was amended to be selection/ trial format which reduce the number of participants.	Host provincial championships and conduct selection during the championships	15 May 2023
S&R21	The format of team participation was amended to be selection/ trial format which reduce the number of participants.	Host provincial championships and conduct selection during the championships	15 May 2023
S&R22	National autumn games rescheduled to April 2023	Conduct adjustments on the changes in the 2023/24 AoP	October 2023
S&R25	Table tennis and softball cancelled as result of national industrial action. Swimming training cancelled on request by the structure	Reschedule programmes affected by unforeseen circumstances. Review terms of engagement with sport structures	July 2023

6. PERFORMANCE IN RELATION TO STANDARDISED OUTPUTS AND OUTPUT INDICATORS FOR SECTORS WITH CONCURRENT FUNCTIONS

Standardised outputs and output indicators have been incorporated in the 2022/23 Annual Performance Plans and implemented accordingly.

7. TRANSFER PAYMENTS

7.1 TRANSFER PAYMENTS TO PUBLIC ENTITIES

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
Eastern Cape Provincial Arts and Culture Council (ECPACC)	A transformative Fund Distribution Model developed and implemented.	13 120	13 120	Targeted arts and culture projects were funded

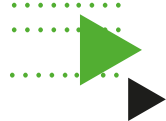
7.2 TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES

The table below reflects the transfer payments made for the period 1 April 2022 to 31 March 2023

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
Amahlathi Local Municipality	Municipality	Library subsidy	Yes	1 200	1 200	N/A
Blue Crane Route Local Municipality	Municipality	Library subsidy	Yes	2 300	2 300	N/A
Buffalo City Metropolitan Municipality	Municipality	Library subsidy	Yes	15 870	15 870	N/A
Dr Beyers Naude Local Municipality	Municipality	Library subsidy	Yes	2 308	2 308	N/A
Elundini Local Municipality	Municipality	Library subsidy	Yes	750	750	N/A
Emalahleni Local Municipality	Municipality	Library subsidy	Yes	950	950	N/A
Engcobo Local Municipality	Municipality	Library subsidy	Yes	700	700	N/A
Enoch Mgijima Local Municipality	Municipality	Library subsidy	Yes	5 250	5 250	N/A
Great Kei Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A
Ingquza Hill Local Municipality (Qaukeni)	Municipality	Library subsidy	Yes	800	800	N/A
Intsika Yethu Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A
Inxuba Yethemba Local Municipality	Municipality	Library subsidy	Yes	2 510	2 510	N/A
King Sabata Dalindyebo Local Municipality	Municipality	Library subsidy	Yes	1 750	1 750	N/A
Kouga Local Municipality	Municipality	Library subsidy	Yes	2 050	2 050	N/A
Kou-Kamma Local Municipality	Municipality	Library subsidy	Yes	1 300	1 300	N/A
Makana Local Municipality	Municipality	Library subsidy	Yes	4 000	4 000	N/A
Matatiele Local Municipality	Municipality	Library subsidy	Yes	650	650	N/A
Mbhashe Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A

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
Mbizana Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A
Mhlontlo Local Municipality	Municipality	Library subsidy	Yes	550	550	N/A
Mnquma Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A
Ndlambe Local Municipality	Municipality	Library subsidy	Yes	2 750	2 750	N/A
Nelson Mandela Bay Metropolitan Municipality	Municipality	Library subsidy	Yes	15 870	15 870	N/A
Ngqushwa Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A
Ntabankulu Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A
Nyandeni Local Municipality	Municipality	Library subsidy	Yes	700	700	N/A
Port St Johns Local Municipality	Municipality	Library subsidy	Yes	550	550	N/A
Sakhisizwe Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A
Senqu Local Municipality	Municipality	Library subsidy	Yes	1 500	1 500	N/A
Sundays River Valley Local Municipality	Municipality	Library subsidy	Yes	1 200	1 200	N/A
Raymond Mhlaba Local Municipality	Municipality	Library subsidy	Yes	1 650	1 650	N/A
UMzimkhulu Local Municipality	Municipality	Library subsidy	Yes	750	750	N/A
Umzimvubu Local Municipality	Municipality	Library subsidy	Yes	1 400	1 400	N/A
Walter Sisulu Local Municipality	Municipality	Library subsidy	Yes	2 000	2 000	N/A

TRANSFERS TO DEPARTMENTAL AGENCIES						
CATHSSETA	SETA	Transfer funding	Yes	1 349	1 349	N/A
ECPHRA	Heritage Institution	Transfer funding	Yes	4 000	4 000	N/A
Boxing South Africa	Sport organisation	Transfer funding	Yes	1 200	1 200	N/A
TRANSFERS TO NON-PROFIT INSTITUTIONS						
Eastern Cape Academy of Sport	Sport organisation	Transfer funding	Yes	9 880	9 880	N/A
Eastern Cape Sport Council	Sport organisation	Transfer funding	Yes	6 218	6 218	N/A
Grahamstown Foundation (National Arts Festival)	Non-profit organisation	Transfer funding	Yes	13 680	13 680	N/A
Guild Theatre	Cultural Institution	Transfer funding	Yes	6 720	6 720	N/A
SA Library for the Blind	Library institution	Transfer funding	Yes	2 000	2 000	N/A
Steve Biko Foundation	Foundation	Transfer funding	Yes	500	500	N/A
Transfer to cultural institutions						
Albany Museum	Museum Institution	Transfer funding	Yes	2 000	2 000	N/A



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
Alfred Nzo Museum	Museum Institution	Transfer funding	Yes	150	150	N/A
Amathole Museum	Museum Institution	Transfer funding	Yes	2 380	2 380	N/A
Barkly Museum	Museum Institution	Transfer funding	Yes	160	160	N/A
Bayworld Museum	Museum Institution	Transfer funding	Yes	3 068	3 068	N/A
Burgersdorp Museum	Museum Institution	Transfer funding	Yes	160	160	N/A
East London Museum	Museum Institution	Transfer funding	Yes	2 000	2 000	N/A
Fort Beaufort Museum	Museum Institution	Transfer funding	Yes	160	160	N/A
Graaff-Reinet Museum	Museum Institution	Transfer funding	Yes	514	514	N/A
Great Fish Museum	Museum Institution	Transfer funding	Yes	160	160	N/A
Middleburg Museum	Museum Institution	Transfer funding	Yes	160	160	N/A
Mthatha Museum	Museum Institution	Transfer funding	Yes	-	-	N/A
Ingquza Hill Museum	Museum Institution	Transfer funding	Yes	150	150	N/A
Our Heritage Museum	Museum Institution	Transfer funding	Yes	160	160	N/A
Somerset East Museum	Museum Institution	Transfer funding	Yes	160	160	N/A
Sterkstroom Museum	Museum Institution	Transfer funding	Yes	160	160	N/A
Queenstown and Frontier Museum	Museum Institution	Transfer funding	Yes	160	160	N/A
Uitenhage Museum	Museum Institution	Transfer funding	Yes	1 400	1 400	N/A
Wild Coast Museum	Museum Institution	Transfer funding	Yes	160	160	N/A

The table below reflects the transfer payments which were budgeted for in the period 1 April 2022 to 31 March 2023, but no transfer payments were made.

Name of transferee	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

8. CONDITIONAL GRANTS

8.1 CONDITIONAL GRANTS AND EARMARKED FUNDS PAID

Not applicable.

8.2 CONDITIONAL GRANTS AND EARMARKED FUNDS RECEIVED

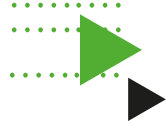
The tables below detail conditional grants and ear marked funds received during for the period 1 April 2022 to 31 March 2023.

CONDITIONAL GRANT 1: EPWP INTEGRATED GRANT

Department who transferred the grant	Department of Public Works and Infrastructure
Purpose of the grant	To contribute to EPWP job creation initiatives identified in 2013 infrastructure/social sector EPWP log-frame to increase job creation by focussing on the strengthening and expression of social service programmes that have employment potential
Expected outputs of the grant	Increased number of beneficiaries trained in integrated reporting system, library information system, sport administration & coaching science, fitness instructors' course, information science
Actual outputs achieved	112 work opportunities created
Amount per amended DORA	2155
Amount received (R'000)	2 155
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	2 155
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	None
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	Monthly reporting

CONDITIONAL GRANT 2: COMMUNITY LIBRARY

Department who transferred the grant	National Department of Sport, Arts and Culture (DSAC)
Purpose of the grant	To transform urban and rural community library infrastructure, facilities, and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national priorities
Expected outputs of the grant	Improved library infrastructure and services that reflect the specific needs of the community.
	Improved coordination and collaboration between national, provincial, and local government.
	Transformed and equitable library and information services delivered to all rural and urban areas.
	Improved staff capacity at urban and rural libraries to respond appropriately to community knowledge and information needs
Actual outputs achieved	Renovations & upgrades at Fort Beaufort library and Jeffery's Bay were at 100% completion and these libraries were operational. Delivery & installation of Mango modular library: Progress was at 100% completion.
	Maintained sustainable partnership between national department and provincial COGTA, including municipalities in delivering library services.
	Accessibility has been realised by 878 094 people physically visiting libraries to access services. Approximately 2060 people have visited the e-lending platform to access e-books. These achievements can be attributed to different reading programmes and campaigns undertaken
	110 library workers were trained
Amount per amended DORA	192 514



Amount received (R'000)	192 514
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	175 376
Reasons for the funds unspent by the entity	The Community Library Grant was underspent by R17.1 million mainly due to infrastructure projects which experienced delays during construction. The delays were caused by tensions characterising the built environment whereby construction forums fight for sub-contracts in the awarded tenders.
Reasons for deviations on performance	There was underperformance by the main contractor in the Jeffrey's Bay and the New Cookhouse libraries
Measures taken to improve performance	The department has applied for a rollover for committed funds.
Monitoring mechanism by the receiving department	Monthly reports and physical verification of infrastructure projects

CONDITIONAL GRANT 3: MASS PARTICIPATION PROGRAMME

Department who transferred the grant	National Department of Sport, Arts and Culture (DSAC)
Purpose of the grant	To facilitate sport and recreation participation and empowerment in partnership with relevant stakeholders
Expected outputs of the grant	Increased and sustained participation in sport and recreation Improved sector capacity to deliver sport and recreation
Actual outputs achieved	120 clubs, 80 community hubs and 240 schools were provided with equipment and/or attire. 9 426 learners were supported to participate in school sport programmes at a district level. 1 064 volunteers benefitted from capacity building opportunities. Sport organisations were supported to advance development in the sector.
Amount per amended DORA	74 448
Amount received (R'000)	74 448
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	70 879
Reasons for the funds unspent by the entity	The MPP Grant is underspent by R3.5 million due to the re-scheduling of National athletics competition to April of 2023/24 financial year
Reasons for deviations on performance	Rescheduling of national athletics competition from March to April 2024.
Measures taken to improve performance	The department has applied for a rollover for committed funds
Monitoring mechanism by the receiving department	Monthly reporting.

9. DONOR FUNDS

9.1 DONOR FUNDS RECEIVED

Not applicable

10. CAPITAL INVESTMENT

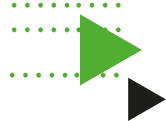
10.1 CAPITAL INVESTMENT, MAINTENANCE, AND ASSET MANAGEMENT PLAN

Infrastructure projects	2022/2023			2021/2022		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	37 309	3 649	33 660	19 221	10 147	9 074
Existing infrastructure assets						
Upgrades and additions	4 629	221	4 408	3807	954	2 853
Rehabilitation, renovations and refurbishments	22 878	2 881	19 997	36 391	34 608	1 783
Maintenance and repairs	5 862	1 073	4 789	4700	4279	421
Infrastructure transfer						
Current	5 862	1 073	4 789	4700	4279	421
Capital	64 816	6 751	58 065	59 419	45 710	13 709
Total	70 678	7 824	62 854	64 119	49 989	14 130

10.2 PROGRESS MADE ON IMPLEMENTING THE CAPITAL, INVESTMENT, AND ASSET MANAGEMENT PLAN

The following projects were under construction in the period under review:

Project name	Progress
New Cookhouse library	The contract was awarded to Zamisanani Projects. The project is sitting at 96% complete. The completion date was the 28 April 2023
Renovations to Fort Beaufort library	The contract was awarded to Funezakho Construction. The project has reached practical completion on the 31 May 2022. The library is open to the public.
Renovations to Jeffreys Bay library	The contract was awarded to Mfingo Development. The project reached practical completion at the end October 2022.
New Mango modular library	The contract was awarded to Kuqityiwe Construction JV Sig Handlers. The project reached practical completion in January 2023.
Renovations to Fort Beaufort Museum	The contract was awarded to Ulakhe Trading. The project is at 90% complete. The completion date was 28 July 2022 but revised to the end of April 2023
Renovations to Uitenhage Museum	The contract has been awarded to NLG Group. The project is at 90% completion. The completion date was initially the 28 July 2022, but was revised to the end of April 2023.
Renovations to Barkley East Museum	The contract has been awarded to ZKS & NAM General Trading. The project has reached its final completion



10.3 INFRASTRUCTURE PROJECTS WHICH HAVE BEEN COMPLETED IN THE CURRENT YEAR AND THE PROGRESS IN COMPARISON TO WHAT WAS PLANNED AT THE BEGINNING OF THE YEAR.

The projects that have reached final completion is new Mango modular library, Sulenkama and Mabhobho modular ablutions

10.4 PLANS TO CLOSE DOWN OR DOWN-GRADE ANY CURRENT FACILITIES

The department does not have plans to close or down grade facilities.

10.5 PROGRESS MADE ON THE MAINTENANCE OF INFRASTRUCTURE

Maintenance and repairs during 2022/23 was as follows:

- Mdantsane library- Construction
- Culturama Campsite- Out for 3 quotes at SCM
- Ashley Wyngaard library- Construction
- Wilton Mkwazi -Construction
- Emaxesibeni Art Center- Out for 3 quotes at SCM
- Tombo Art Center- Out for 3 quotes at SCM

10.6 DEVELOPMENTS RELATING TO THE ABOVE THAT ARE EXPECTED TO IMPACT ON THE DEPARTMENT'S CURRENT EXPENDITURE

The following projects are to be implemented under maintenance:

- Wilton Mkwazi Offices Budget allocated: R2 000 000
- Culturama Campsite Budget allocated: R100 000
- Tombo Art Centre Budget allocated: R600 000
- Emaxesibeni Art Centre Budget allocated: R1 200 000

10.7 DETAILS AS TO HOW ASSET HOLDINGS HAVE CHANGED OVER THE PERIOD UNDER REVIEW, INCLUDING INFORMATION ON DISPOSALS, SCRAPPING AND LOSS DUE TO THEFT

The department have not disposed or scrapped any capital assets

10.8 MEASURES TAKEN TO ENSURE THAT THE DEPARTMENT'S ASSET REGISTER REMAINED UP TO DATE DURING THE PERIOD UNDER REVIEW.

The asset register is updated quarterly, and all transferred assets are disclosed on the asset register

10.9 THE CURRENT STATE OF THE DEPARTMENT'S CAPITAL ASSETS, WHAT PERCENTAGE IS IN GOOD, FAIR OR BAD CONDITION

The following % reflect the state of the departmental capital assets

- Good: 5%
- Fair: 15%
- Bad: 80%

10.10 MAJOR MAINTENANCE PROJECTS THAT HAVE BEEN UNDERTAKEN DURING THE PERIOD UNDER REVIEW

The following major maintenance projects that have been undertaken during the period under review.

- Ashley Wyngaard library
- Wilton Mkwazi Offices
- Mdantsane library

10.11 PROGRESS WAS MADE IN ADDRESSING THE MAINTENANCE BACKLOG DURING THE PERIOD UNDER REVIEW

The following progress was made in addressing the maintenance backlog during the period under review

- The backlog has grown due to vandalism that took place during the lockdown. The department is reprioritising its maintenance budget.
- In the next financial year, the department will look at addressing maintenance issues at art centres.

PART C: GOVERNANCE



“A United, Active and Winning Province Through Sport, Recreation, Arts, Culture & Heritage”

1. INTRODUCTION

The department is committed to maintain good governance as well as to improve accountability throughout the organisation. A governance framework has since been put in place to establish statutory and non-statutory structures required in the department to facilitate decision making as well as monitor performance of the department in achieving its goals. This section provides an overview of the Governance systems in the department.

2. RISK MANAGEMENT

The department has an established and functional risk management committee to assist the accounting officer (AO) in executing her responsibilities in relation to risk management.

2.1 POLICY AND STRATEGY

The department has a risk management policy and strategy. The policy was reviewed and adopted on the 21 October 2020 and is reviewed every three years. The policy provides the basis for the risk management process which is detailed in the strategy with the interventions that the department will undertake in ensuring the management of risk.

The policy amongst other things defines the different roles and responsibilities of key stakeholders in the management of risk as well as provides for the establishment of the risk management committee. The role of this committee is detailed in the terms of reference and regulated its affairs in compliance with and has discharged all its responsibilities as contained therein.

As per the policy, the risk management committee comprises of an appointed member of the audit committee (who is the chairperson, appointed by the accounting officer) the accounting officer, the executive management of the department, SMS and selected members of the department's management team.

2.2 RISK MANAGEMENT COMMITTEE

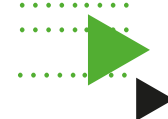
The risk management committee is established as per the responsibilities arising from section 38 (1)(a)(i) of the Public Finance Management Act, Treasury Regulation 3.2.1 and Public Service Regulations of 2016, Chapter 2, Part 1, 2 and 3. Its role is detailed in the policy as well as the terms of reference.

In the period under review, the risk management committee met four times as planned and discharged all its functions as per the terms of reference. All the material findings and recommendations by assurance providers were reviewed and monitored accordingly and so were the mitigation actions for all the identified risks in the strategic, operational, ethics as well as fraud registers. Reports on how the department was implementing and monitoring the registers were presented to the audit committee as well as to the Provincial Treasury.

2.3 HIGHLIGHTS OF RISKS THAT WERE CONSIDERED DURING THE YEAR

The department has developed both a strategic risk as well as operational risks based on the outcomes and outputs. Most of the risks that the department is having challenges with and are highlighted of are those mostly related to the infrastructure and mandate as discussed below:

- a) Inability to increase and maintain art centres due to budgeting constraints and vandalism of property by communities. This risk is continuously reviewed. Some of the interventions that have been raised as mitigation is to use the schools, municipal building and other building that currently do no serve their original purpose and repurpose these for increasing art centres in the province. However, this requires a huge budget of which the department does not have and there are currently no prospects that Treasury will



fund due to the current economic outlook. Other interventions that are proposed include using the current spaces that we have, including libraries and museums.

- b) Inability by the museums to account for heritage assets. The risk continuous to be reviewed and is being assessed as the department is in the process of reviewing the Eastern Cape Museums Act.
- c) Inability to provide adequate library services due to insufficient budget – This risk is continuously being reviewed. The basis for its continuation is inadequate funding of the library mandate by the provincial government. Over the years the municipalities have funded the shortfall on the provision of library services and have absorbed this unfunded mandate on behalf of the department. Due to the shrinking fiscus, they have begun to call on the department to fund all the library services. In mitigating this risk, the department has engaged Treasury for additional funding and has engaged municipalities to utilise the funds transferred to them strictly in terms of the conditions of the MOAs signed between the parties. These are monitored quarterly to ensure that municipalities do not deviate from the business plan.
- d) Inadequate archives building that does not conform to standards - The risk remains crucial as it directly and negatively impacts on both the department's mandate as well as its purpose. The current controls and mitigation action proves insufficient especially since the building requires serious overhaul and additional renovations that would cost millions of rands. The department is pursuing alternative ways to ensure that this risk receives the necessary attention from DPWI and Provincial Treasury.

3. FRAUD AND CORRUPTION

Fraud and corruption represent significant potential risks to the department's budget, assets and reputation and impacts negatively impact on service delivery, robbing citizens of their Constitutional right to the services that have been appropriated to them.

The department adopted an anti-fraud and corruption strategy which articulates our stance of zero tolerance towards fraud, theft and corruption whether internal or external, and we have articulated how we will deal with any parties that engage in such practices or attempt to do so.

The department has various policies in place to deal with the fraud and corruption and prevention thereof. We adopted and approved the anti-fraud and corruption strategy, whistleblowing policy as well as the fraud risk register.

One of the key processes that assist the department to be abreast of its vulnerability, is to conduct fraud risk assessment. The department understands fraud risk assessment to be a process to help it better understand the extent of its exposure to fraud, the associated risks, and the strength of its existing controls. The fraud risk assessment assists the department to constantly review and monitors its controls throughout the financial year.

The department encourages all staff and stakeholders to report corruption, through posters and awareness sessions, detailing how the process of how, where and how. In instances where fraud and corruption is reported, a case is open, registered and investigated. If after investigation, fraud, theft or corruption is confirmed, the employee who participated in such acts is subjected to a disciplinary hearing and a case of fraud as a criminal matter is reported to the South African Police Services (SAPS). In cases where external parties are involved, particularly involving a service provider in the form of collusions, then service provider is reported to Treasury and AGSA and SAPS if there is fraud involved.

In the period under review, we have reviewed and reported quarterly on the register, noting the cases reported as per the table below:

Period	No of case reported
2022/3	1

To continuously respond proactively in dealing with fraud and corruption, we have conducted awareness sessions on fraudulent practices and to assist departmental employees in performing their role in preventing, detecting and reporting fraud.

We also publish articles related to the topics on ethics and corruption to dissuade officials for engaging in such actions.

3.1 EMERGING RISKS IDENTIFIED THAT HAVE BEEN IDENTIFIED

Through the assessment that the department has conducted, the following were identified as having potential to be corrupt practices if controls are not strengthened:

- EPWP workers were appointed by human resource management under incorrect objective codes and were as a result paid incorrectly from equitable share instead of the grant
- Duplication of services required for a programme/ intervention/project involving more than one programme
- Over booking of services and/or goods required for the project
- Unethical behaviour by departmental officials leading to favouritism of certain beneficiaries
- Misuse of power by departmental officials when distributing sport equipment and/or attire

4. MINIMISING CONFLICT OF INTEREST

The department values and fully subscribes to the norms and standards that have been established by the Minister for Public Service and Administration. The department is a component that exists to ensure effective compliance to the set norms and standards, which in turn bring about the necessary behavioural change needed in a departmental management of employees. Non-compliance with these norms and standards has been identified as one of the contributing factors to service delivery deficiencies and failures.

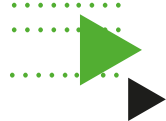
We take compliance matters very seriously and that resulted in the department attaining 100% compliance on financial interest disclosures of designated officials who were due to disclose their financial interests during the financial year. Furthermore, no material omissions were identified during the verification process, which could have been referred for lifestyle investigation.

Since 1 April 2021, conducting lifestyle audits in the public service has since been made compulsory by DPSA for all national departments, provincial departments as well as government components. To remain in compliance with the above mandatory requirement, our department submitted all lifestyle audit reports required.

The department takes conflict of interest issues very significantly and further understands that if they are not recognised and controlled appropriately, they can undermine the fundamental integrity of officials within our department. All reported conflict of interest cases are investigated, and consequence management is instituted where necessary. Based on monitoring that was conducted by the risk management unit throughout the financial year, it evident that the department is making strides to have all agreed upon mitigation actions implemented as the department attained 98% implementation.

During the financial year, the department continued to capacitate its employees on issues of ethics by exposing them to ethics awareness sessions/ethics workshops. The department believes that the said workshops help departmental employees to judge the moral legitimacy of their decisions and enable them to apply moral principles and values in work related decision-making.

The department successfully co-ordinated and facilitated the sitting of bi-annual ethics forum meetings during the financial year, wherein resolutions taken get to be tabled before senior management of the department for endorsement.



5. CODE OF CONDUCT

Every appointed official in the department receives a code of conduct and is part of the departmental induction pack that is received during the induction process. The code of conduct advocacy session were conducted in six (6) districts and in one (1) museum.

Advocacy sessions were inclusive of sexual harassment and conducting business with the state awareness. The code of conduct was customised and shared with all departmental employees during these sessions. In the current financial year, the sessions will be conducted to head office staff as well as the five districts focusing on the code of conduct.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

All health and safety legal appointees have been appointed by the accounting officer. Training for the OHS committees has been submitted to the human resource development unit and training will be done before 31 June 2023.

Some of the findings raised by the Department of Employment and Labour were implemented and there is ongoing communication with DPW to intervene in some areas.

The last meeting for the OHS committee was held on the 29 March 2023.

The report on occupational health and safety and issues from the safety and security meetings are discussed at top management level and the accounting officer, together with the department's security management office are responsible for leading these discussions.

Monthly meetings take place between the DCAS Security Manager and the Security Advisor of the Department of Community Safety to discuss and address all safety and security matters.

7. PORTFOLIO COMMITTEES

The following table reflects the oversight meeting that took place for the period under review and the areas addressed by the committee.

Meeting	Topic
12 July 2022	Consideration of the Responses to House Resolutions Quarterly Report
8 Nov 2022	Consideration of 2021/22 Annual Oversight Report
25 November 2022	Considerations of the 2021/2022 Financial Oversight Report
2 December 2022	Consideration of 2022/3 Half Year Financial Oversight Report



8. PRIOR MODIFICATIONS TO AUDIT REPORTS

The following table presents the modifications to the audit report:

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

9. INTERNAL CONTROL UNIT

The department has an internal control and compliance unit. The purpose of the unit is to:

- Render internal control services for the department.
- Develop and promote effective and efficient internal control systems.
- Monitor implementation of internal controls within the department.
- Compile and monitor implementation of the audit improvement plan (AIP).
- Liaise with management and Provincial Treasury regarding irregular, fruitless, wasteful and unauthorised expenditure.

During the year under review the unit ensured that procurement processes are adhered to. Compliance certificates were issued for orders issued. all payments are verified by the unit before they were approved. The audit improvement plan (AIP) meetings, chaired by the HOD, have been conducted monthly.

The department has an internal control committee which was established to detect, evaluate and report on irregular, unauthorised as well as fruitless and wasteful expenditure to the accounting officer. The internal control and compliance unit is the secretariat of this committee.

Internal control committee meetings are held quarterly. Four meetings were held during the financial year under review.

10. INTERNAL AUDIT AND AUDIT COMMITTEES

The internal audit function obtains its mandate from the internal audit charter, which is reviewed and approved annually by the audit committee to which internal audit reports functionally. the function developed and obtained the approval of both the operational as well as a rolling three-year strategic plan, which were based on an assessment of key risks facing the department, input from management and the audit committee. There was appropriate consultation with the Auditor General to eliminate unnecessary duplication of efforts and to ensure coordination of audit functions.

To maintain its independence, the internal audit function appropriately reports administratively to the accounting officer and functionally to the audit committee. The function's authority includes unlimited access to all staff, records and property under the control of the department. The status of the progress on the performance of the audits against the annual approved plan was presented to the audit committee on a quarterly basis.

The function assists the department to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes. The following key activities are performed in this regard:

- Assess and make appropriate recommendations for improving the governance processes in achieving the department's objectives.
- Evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process.
- Assist the accounting officer in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement.
- Performing consulting and advisory services related to governance, risk management and control as appropriate for the organisation.
- Evaluating specific operations at the request of the audit committee or management, as appropriate.

The unit's operations are guided by the requirements set out in the PFMA, Treasury Regulations and the standards set by the relevant professional bodies (e.g., the Institute of Internal Auditors).

The following is a summary of the audit work performed during the 2022/23 financial year:

- In year monitoring.
- Review of annual financial statements and annual performance report.
- Transfer payments.
- Community libraries grant review.
- Mass participation (sport) grant review.
- Performance information.
- Risk management.
- Follow up audit on audit improvement plan (AGSA findings).
- Supply chain management follow up audit.
- Interim financial statements.
- Information communications technology (ICT) follow up audit and consulting engagement.
- Internal audit findings tracker.
- Sport development.
- Governance audit.

The department has its own audit committee established in terms of section 77 of the PFMA to assist the executive authority and the accounting officer in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the department's process for monitoring compliance with laws and regulations and the code of conduct.

The audit committee provides oversight and review over the following:

- Internal audit function.
- External audit function (AGSA).
- Departmental reporting and accounting.
- Departmental accounting policies.
- AGSA management and audit report.
- Risk management.
- Departmental internal controls.
- Pre-determined objectives.
- Ethics and forensic investigations.

The members of the audit committee have the requisite knowledge and competence to deal with financial, risk management, governance, ethical and other matters that pertain to its responsibility. The committee operated in accordance with its charter, which was reviewed and approved in the reporting period.

During the financial period under review, the committee met nine (9) times. All meetings were chaired by the audit committee chairperson with adequate attendance and representation from the senior management of the department.

The audit committee continued to contribute to the work of the department and discharged their oversight role in line with the audit charter and the PFMA

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

TABLE OF AUDIT COMMITTEE MEMBERS.

Name	Qualifications	Internal or external member	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Guy Rich	MBA, B. Tech Degree Business administration, ND PR management,	External	Not applicable	01 October 2020	Not applicable	10
Abraham Le Roux	University of Stellenbosch- BA Law 1991, LLB 1993	External	Not applicable	01 October 2020	Not applicable	10
Vuyelwa Hlehliso	Certified Internal Auditor (CIA) Certified Control Assessor (CCA) B Tech Internal Auditing National Diploma Internal Auditing	External	Not applicable	01 October 2020	Not applicable	11
Mmathebe Anna Faith Moja	Masters in Business Leadership Advanced Treasury Management B Comm	External	Not applicable	01 October 2020	Not applicable	8
Ben Bothma	BCom Business Commerce (Information Systems and Management) Rhodes University 1994 – 2002, CISA (Certified Information Systems Auditor) ISACA (International Certification) 2009, GIBS Leadership Development Program Gordon Institute of Business Science 2012	External	Not applicable	14/05/2021	Not applicable	9

10.1 AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2023.

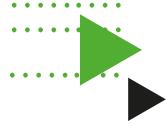
Audit Committee Responsibility

The Audit Committee reports that it has complied with the responsibilities arising from Section 38 (1) (a) (ii), Section 76 of the Public Finance Management Act and Treasury Regulation 3.1.13. The Committee has adopted appropriate formal terms of reference as its Audit Committee Charter, it has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

Attendance of meetings by members

The Committee consists of the members listed hereunder and have met at least four times for the financial year as per its approved Charter:

Name of members	Number of meetings attended
Guy Rich - Chairperson	10
Abraham Le Roux	10
Mmathebe Moja	8
Vuyelwa Hlehliso	11
Ben Bothma	9



The Effectiveness of Internal Control

The review of the effectiveness of the system of internal controls by the Audit Committee is informed by reports submitted by external audit, internal audit and management. This is achieved by an approved risk based internal audit plan, Internal Audit assessing the adequacy of controls mitigating the risks and Audit Committee monitoring implementation of corrective actions. The development and maintenance of an effective internal control system is the responsibility of management.

As with previous years, the Audit Committee has drawn the attention of management to significant issues that were raised by the Auditor General as well as matters raised in the reports of Internal Audit for the year under review. Management has expressed their commitment in dealing with these issues but the implementation of corrective measures and recommendations put forward by the Audit Committee has been slow – in these instances the committee has urged management to review the reasons for the slow implementation and to develop action plans to correct the slow implementation and to consider consequence management where managers can be held accountable on the basis of carelessness or unsatisfactory work performance. The committee will continue to monitor and evaluate the effectiveness of management actions (including any consequence management) with the aim of improving the overall effectiveness of internal controls.

The system of internal control that has been put in place by the Department is adequate and this is evidenced by the findings of the management and internal audit reports. However, these controls are only effective if they are implemented, monitored and evaluated on a regular basis. During the period under review the internal controls of the department functioned partially – management have been advised to concentrate more effort on internal controls by holding officials to account and ensuring that both management and officials understand the importance of internal control and risk management.

As noted above, certain weaknesses were identified and reported by Internal Audit, and discussed with management. Risk management was highlighted in the year under review and both the committee and management have actively addressed this area of concern. Important to note is the fact that the Risk Committee in the department is gaining traction and management continue to work towards risk identification and risk mitigation.

The following are still areas of concern – from an audit perspective – that impact on the ability of the department to operate effectively, efficiently and to be able to achieve its mandate in relation to sport, recreation, arts and culture:

- **Financial resourcing** – continued budget cuts within the department are impacting on both the service delivery and the operational mandate of the department. Despite a revised organogram and operational model being implemented, cost containment and budget cuts are a worrying trend that continue to impact on service delivery
- **ICT** – an incident resulting in the loss of departmental data in the prior financial year highlighted the urgent need to upgrade and update the departmental ICT infrastructure. Management have acknowledged that ICT is becoming increasingly important within the service delivery mandate of the department and are actively engaging the relevant stakeholders to ensure that the issue receives the attention it deserves. The pro-active approach to ICT investment of the department has seen the continued enablement of business processes and use of ICT to support the strategic direction of the department. The department continues to invest in ICT with an increased budget being made available for the next financial year. The incident also highlighted risks and weaknesses around contract management which management have pro-actively addressed in this financial year.
- **Operational performance** – operational performance has been characterised by poor planning and this has been evidenced in both performance and audit reporting. The management team have put mechanisms in place to address this including a revised organogram and operational model. Management have



been urged to improve their planning and to ensure alignment and integration of operations insofar as performance is concerned, to monitor this performance and to address shortcomings well ahead of time.

- **Departmental policies** – there is a need to review departmental policies on an annual, three yearly or five yearly basis depending on the policy. The department started a process of reviewing the operational policies in line with the changes in the related legislation, changing environment and the newly adopted Departmental Service Delivery Model (DSDM). The committee has also recommended that this form part of managerial job descriptions and performance measurements.
- **Provincial archives and digitisation** – this aspect remains a problem within the department. However, the committee has seen some movement in the past year and has urged management to prioritise this given its long outstanding status and its importance in terms of the need for archives and historical document storage within the context of provincial government. As noted above this problem is a manifestation of poor planning coupled with issues around ICT infrastructure and roles and responsibilities.
- **Project Management** – there is a need to improve and strengthen the departments overall project management skill set, in order to facilitate the improved implementation of departmental projects. This too is linked to the SDM.
- **Contract Management** – there is a need to improve and strengthen the departments overall contract management skill set in order to facilitate the improved management, monitoring, evaluation and implementation of contractual issues within the department insofar as service delivery is concerned.

Risk Management

The Risk Committee held regular meetings during the financial year contributing to a more effective risk management understanding and environment. In this regard the risk management within the department is maturing and is no longer seen simply as a compliance issue.

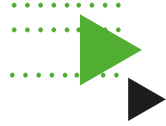
Major risks experienced during the past financial year included:

- Underspending by the department.
- Underperformance of the department.
- Budget cuts and the impact of this on operational and capital expenditure.
- New PPPF 2022 regulations effective 16 January 2023.
- Business continuity challenges experienced due to ICT equipment failure and subsequent recovery efforts.

Internal Auditing

The Audit Committee notes that during the year under review, a substantial amount of internal audit work was performed in the department. An internal audit plan for 2022/23 was developed and implemented by the Internal Audit unit of the department. Our review of the findings of the Internal Audit work revealed certain weaknesses and shortcomings which were raised with management. Internal Audit recommendations were captured in the audit findings tracker where management were asked to update monthly in relation to the action taken and the recommendations implemented.

As with previous year's reports the action by management and the implementation of audit findings (both internal and external) is slow, is not monitored closely by management and remains a concern for the Audit Committee. Many of the findings are repeat findings that require urgent attention by management. In this regard the committee have recommended that management address these as a collective as opposed to trying to address them in silos. In cases where poor performance or no performance has been identified, the Audit Committee have recommended that management consider consequence management. The Audit Committee will continue to provide guidance and direction in this regard.



It is evident that the internal audit unit of the department has provided a significant supportive role to management and the Audit Committee. The Audit Committee have also recommended that the internal audit unit consider playing a consultative role to help management address weakness and shortcomings. Certain progress was made in this regard towards the last quarter of 2022/23.

In-Year Management and Monthly/Quarterly Report

The Audit Committee has noted the content and quality of the monthly / quarterly reports prepared and issued by the Department during the year under review, in compliance with the statutory reporting framework. The Committee raised concerns with management in respect of the achievement of performance targets, departmental spending and the adequacy of variance explanations for targets not met.

The impact of Covid 19 continued to have implications on the ability of the department to achieve operational targets in relation to sport, recreation, arts and culture and the non-achievement of performance targets related to financial, managerial and administrative targets. This was addressed during the year under review.

Continual budget cuts, uncertainty and a lack of clarity around the implementation of the 2018 structure and vacancy levels in the department also led to management experiencing problems in terms of realising financial and performance targets. However, once the 2018 structure was approved and adopted late in the financial year, management were able to re-focus with the intention of improving performance.

The Audit Committee acknowledge that the situation around the departmental budget is unlikely to change and have urged management to be more creative and “think outside the box” in terms of the departmental mandate and its service delivery to the people of the Eastern Cape.

Evaluation of Annual Financial Statements

The Audit Committee has reviewed the unaudited Annual Financial Statements (AFS) as follows:

- Enquiring with the Accounting Officer if the AFS have been prepared in accordance with the Preparation Guide and Specimen Financial Statements issued by National Treasury and in compliance with all applicable laws and regulations.
- Reviewed AFS for abnormal and/or significant transactions of the department and the disclosure thereof in the AFS.
- Obtained explanations for all significant variances in the annual financial statements as compared to the appropriated budget and prior year.
- Reviewed any new or proposed legislation that may have a material impact on policies, the financial statements and disclosure thereof and departmental compliance therewith.
- Enquired from management if there are any matters of significant judgement in the financial statements.
- Enquired from management about any outstanding litigation, contingencies and claims, and how these matters are reflected in the department’s financial statements.

The Audit Committee also reviewed the Accounting Policies used in the AFS as follows:

- Confirmed that the Accounting Policies are as per the policies disclosed in the specimen financial statements issued by National Treasury. Where there are deviations, ensure that there is evidence of satisfactory consultation with the Office of the Accountant-General (OAG) regarding the changes.
- Considered the reasons for the changes in policies, if any. Assess whether changes have been correctly dealt with and disclosed in the AFS.
- Enquired whether these changes are consistent with the required accounting framework and if not, whether National Treasury (OAG) approval has been obtained.
- Reviewed that policies have been consistently applied.

Performance Information

The Audit Committee reviewed the Annual Performance Report against the Annual Performance Plan for validity, accuracy and completeness; and ensured that the explanations for variances are detailed, logical, reasonable and complete.

Auditor General's Report

To be completed once the AG report has been issued.

Appreciation

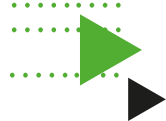
The Audit Committee expresses its appreciation to the Honourable Member of the Executive Council, Head of Department, the Management of the Department, Internal Audit and the AGSA for their support and co-operation during the year under review.

GUY RICH

CHAIRPERSON OF THE AUDIT COMMITTEE

31 May 2023





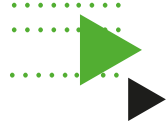
B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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?	No	The criteria is not applicable to the department.																																						
Developing and implementing a preferential procurement policy?	Yes	The department approved Preferential Procurement Policy in January 2023, with specific goals as contemplated in section 2(1)(d) of the Preferential Policy Framework: - a) Historical disadvantage individuals b) Women c) People with Disability Furthermore, included three more RDP goals to ensure local economic development for the departmental procurement, with preference points for the following selected categories: - i. Enterprise located in the Eastern Cape ii. Youth iii. Co-operatives and Non-Profit organisations All the departmental 80/20 quotations below R1million have the standard criteria that includes all the six elements above. The table for specific goals is as follows: <table><tr><th>The specific goals allocated points in terms of this tender</th><th>Number of points allocated (90/10 system) (To be completed by the organ of state)</th><th>Number of points allocated (80/20 system) (To be completed by the organ of state)</th><th>Number of points claimed (90/10 system) (To be completed by the tenderer)</th><th>Number of points claimed (80/20 system) (To be completed by the tenderer)</th></tr><tr><td>South African citizen - who, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act 200 of 1993)</td><td></td><td>3</td><td></td><td></td></tr><tr><td>Women</td><td></td><td>3</td><td></td><td></td></tr><tr><td>Persons with disabilities</td><td></td><td>2</td><td></td><td></td></tr><tr><td>Promotion of Youth</td><td></td><td>2</td><td></td><td></td></tr><tr><td>Enterprises located in the Eastern Cape Province</td><td></td><td>5</td><td></td><td></td></tr><tr><td>Promotion of Co-operatives and Non-Profit Organizations</td><td></td><td>5</td><td></td><td></td></tr></table> All the competitive bids are allocated points per goal based on a case-by-case basis guided by the industry and commodity analysis performed and the strategic direction of the department.				The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)	South African citizen - who, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act 200 of 1993)		3			Women		3			Persons with disabilities		2			Promotion of Youth		2			Enterprises located in the Eastern Cape Province		5			Promotion of Co-operatives and Non-Profit Organizations		5		
The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)																																				
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Women		3																																						
Persons with disabilities		2																																						
Promotion of Youth		2																																						
Enterprises located in the Eastern Cape Province		5																																						
Promotion of Co-operatives and Non-Profit Organizations		5																																						
Determining qualification criteria for the sale of state-owned enterprises?	No	It is not applicable to our institution.																																						
Developing criteria for entering partnerships with the private sector?	No	The department does not have multi-billion tenders that require private partnerships agreement, however the agreement between the department and the Film Industry (Tshedza) was partnered through Unsolicited Bid which is regulated in terms of the procurement prescripts.																																						
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No																																							

PART D: HUMAN RESOURCE



"A United, Active and Winning Province Through Sport, Recreation, Arts, Culture & Heritage"



1. INTRODUCTION

The Department of Sport, Recreation, Arts and Culture has an approved organisational structure with 1488 staff establishment of which 1265 positions were active on PERSAL, and a staff complement of 1176 employees. The staff establishment included permanent positions (1176) and contract positions (59). The contract posts emanated from the 5% allocation of human resources from the Conditional Grant: Mass Participation Programme from the National Department of Sport, Arts and Culture (DSAC). In addition to the structure, the department managed to recruit 112 EPWP employees and 164 experiential learners. The numbers highlighted above excluded abnormal appointments made up of the EPWP employees, experiential learners, and unemployed graduates.

Administration posts constituted 39% of the total number of posts in the staff establishment due to segregation of duties as prescribed by relevant prescripts, whilst core function positions constituted 61% of the total number of posts. Compensation of employee budget was at 57% of the total allocation of budget inclusive of conditional grant funding. The vacancy rate of the department stood at 3% and showed a great improvement compared to the previous financial years. The staff turnover rate remained constant, although it was high in areas of conditional grant funding due to termination of contracts.

At the time of reporting, 63% of the departmental workforce were between the ages of 36 to 54 years, 15% were due to retire in the next 5 -10 years of which 17% belonged to the category of professional and managers which were regarded as key positions in the department. The analysis of years of experience reflects that about 87% of the staff has work experience of 5 years and above, thus providing the department with valuable experience, institutional memory, technical skills and stability within the department.

The human resource management priorities for the year under review were identified as follows: recruitment and selection, competency development, employment equity, change management and skills Audit. By the year end, skills development plan was implemented, top management constituted of 60% female representation and 40% male representation, whilst the ratio of SMS was constituted 52% of females and 48% of males.

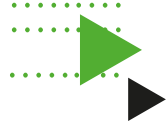
The approved 2018 organisational structure has finally been implemented and it became very clear that the department was not going to be able to achieve its objectives without ensuring that right skills were deployed in right positions. Personal development plans were used to address competency gaps through training interventions.

The department has a dedicated unit with designated staff members to promote health and wellbeing of employees. Through this unit, an employee assistance programme was introduced and elements of the programme were driven by the four pillars of the employee health and wellness as indicated in the DPSA Strategic Framework.

2. OVERVIEW OF HUMAN RESOURCES

- a) Statistics indicates that the department has progressed in employment of women at SMS (top management 60% female representation and 40% male representation, at SMS level 52% female representation and 48% male representation). The department has not yet achieved its equity targets in employing people with disability. There was also under representation of females at middle management as many women were dominant more at lower levels in this category. There was also limited representation in terms of race with under representation on Coloureds, Indians and Whites. This situation required the department to focus on strategies to improve its employment equity targets and strengthen diversity management.
- b) The department is conscious of the need to be sensitive to the external environment that is operating under and as such it needed to be relevant and sensitive to the needs of the departmental stakeholders. In this regard, there was a need for much customer centric employees who were fully understanding of the service the department is providing to the people of the Eastern Cape Province. The need to enhance and inculcate a culture of accountability could not be overlooked and should still be prioritised going forward.

- c) In summary the human resource priorities for 2022/3 and beyond were as follows: -
- Competency development
 - Recruitment and staffing
 - Employment equity
 - Change management,
 - Skills audit
- d) The department achieved above 90% compliance in relation to the implementation of the PMDS, which was still below the 100%. Employees who did not comply with the framework could not be eligible for performance rewards like pay progression increment. All performance assessments emanating from the previous financial years were concluded. At the time of reporting, 2022/23 performance assessment were underway.
- e) The department has a vibrant wellness programme which is spearheaded by human resource management unit. The employee health and wellness strategies have greatly impacted on the culture change programmes within the department.
- f) During the financial year 2022/23 the following achievements were realised: -
- There has been a close monitoring of the recruitment & selection process. The department has adopted and implemented strategies to improve advertising, selection and appointment of suitable candidates. This has yielded positive results in that the turnaround time to fill-in vacancies from the date of advertisement has improved from six months to four months.
 - The department has adopted some of the provincial human resource management policies and procedures, some of which have been reviewed, amended and implemented to ensure that they were mainstreamed to support the organisation.
 - At the beginning of the financial year the percentage of females at SMS was at 48% and the males were at 52% but by the year end a male were at 48% and the female were at 52%. The top management has been sitting at 60% females and 40% males throughout the financial year.
 - The partnership with SETAs has afforded a department an opportunity to appoint 164 youth.
 - The department has recruited 14 graduate interns for a 24-month contract under its skills development levy. Three of those interns have exited the programme due to permanent employment. A further 30 graduate interns have been funded by the national skills fund and various SETAs and 19 were employed under workplace integrated. Further seventeen (17) IT interns have been recruited for a 24-month contract and were funded by the department. The total of nine graduate interns have found employment.
 - Eighty-four (84) WIL and TVET learners have also been placed within the department. The partnership with SETA's and private sectors continued to afford the department opportunities to place young people within the various youth development programmes.
 - EPWP has created work opportunities of 112 in total for the financial year of 2022/23.
 - The department has experienced a substantial decline in the grievances due to constant engagement with staff and organised labour.
 - All newly appointed employees have been taken through an induction programme.
 - Existing staff members from district offices were taken through a re-orientation programme. This was an ongoing programme conducted for all workstations in the department.
 - In terms of the Public Service Act and Regulations, 2016, the human resources delegations were developed in line with the DPSA framework, distributed, monitored and quarterly reports were submitted.
 - There was no injury on duty applications received during the year under review.
 - All governance structures were appointed, trained and functional (for example, recruitment and selection panels, PMDS assessment committees, wellness committees, skills development committee)



g) Human resource challenges facing the department included: -

- Under-achievement of employment equity targets with special reference to people with disability
- Limited use of information technology solutions to address human resource challenges.
- Skills audit due to financial constraints.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

The tables below represent the statistics, budget and related information pertaining to human resources:

3.1 Personnel related expenditure

TABLE 3.1.1 PERSONNEL EXPENDITURE BY PROGRAMME FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

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	329	244	2 850	1 069	74.1%	403
Cultural Affairs	239	135	5	299	56.6%	455
Library & Archives services	251	99	739	0	38.9%	355
Sport and Recreation	158	67	1 663	0	42.3%	494
Total	977	543	5 257	1 368	55.7%	414

TABLE 3.1.2 PERSONNEL COSTS BY SALARY BAND FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

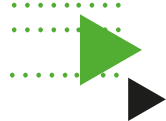
Salary Band	Personnel Expenditure (R'000)	% of Total Personnel Cost	Number of Employees	Average Personnel Cost per Employee (R'000)
01 Lower skilled (Levels 1-2)	12	2.1%	51	234
02 Skilled (Levels 3-5)	57	10.1%	213	266
03 Highly skilled production (Levels 6-8)	257	45.9%	577	445
04 Highly skilled supervision (Levels 9-12)	176	31.4%	235	747
05 Senior management (Levels >= 13)	34	6.0%	27	1 241
09 Other	1	0.2%	5	245
10 Contract (Levels 1-2)	0	0.0%	1	45
11 Contract (Levels 3-5)	5	0.8%	27	170
12 Contract (Levels 6-8)	0	0.1%	0	0
13 Contract (Levels 9-12)	3	0.6%	3	1 169
14 Contract (Levels >= 13)	2	0.5%	2	1 439
18 Contract Other	3	0.6%	35	93
20 Abnormal Appointment	4	0.7%	138	30
TOTAL	554	99.2%	1 314	423

TABLE 3.1.3 SALARIES, OVERTIME, HOMEOWNERS ALLOWANCE AND MEDICAL AID BY PROGRAMME FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Programme	Salaries		Overtime		Homeowners 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	197	77.6%	4	0.0%	9	3.6%	15	6.0%
Cultural Affairs	109	79.0%	7	0.0%	5	3.9%	9	6.2%
Library & Archives services	79	80.2%	0	0.0%	4	4.0%	6	5.6%
Sport & Recreation	56	82.4%	9	0.0%	2	2.6%	3	4.3%
Total	442	79.0%	20	0.0%	20	3.6%	33	5.8%

TABLE 3.1.4 SALARIES, OVERTIME, HOMEOWNERS ALLOWANCE AND MEDICAL AID BY SALARY BAND FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Salary band	Salaries		Overtime		Homeowners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower skilled (Levels 1-2)	8	69.2%	0	0.0%	991	8.3%	1	12.5%
Skilled (Levels 3-5)	42	73.8%	0	0.0%	3	5.8%	6	10.1%
Highly skilled production (Levels 6-8)	203	78.9%	4	0.0%	9	3.7%	18	7.0%
Highly skilled supervision (Levels 9-12)	146	81.7%	15	0.0%	5	2.8%	7	3.7%
Senior management (Levels >= 13)	29	82.7%	0	0.0%	1	4.0%	0	1.0%
Other	973	79.4%	0	0.0%	56	4.6%	0	6.4%
Contract (Levels 1-2)	41	91.1%	0	0.0%	0	0.0%	0	0.0%
Contract (Levels 3-5)	4	94.8%	0	0.0%	8	0.2%	0	0.0%
Contract (Levels 6-8)	340	91.2%	0	0.0%	0	0.0%	0	0.0%
Contract (Levels 9-12)	3	75.2%	0	0.0%	185	4.9%	0	1.0%
Contract (Levels >= 13)	3	87.2%	0	0.0%	0	0.0%	0	0.0%
Contract Other	3	95.3%	0	0.0%	0	0.0%	0	0.0%
Abnormal Appointment	0	0.0%	0	0.0%	0	0.0%	0	0.0%
TOTAL	442	79.0%	19	0.0%	20	3.6%	32	5.8%



3.2 Employment and Vacancies

TABLE 3.2.1 EMPLOYMENT AND VACANCIES BY PROGRAMME AS ON 31 MARCH 2023

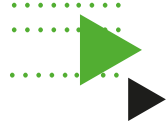
Programme	Number of posts on approved establishment	Number of posts filled.	Vacancy Rate	Number of employees additional to the establishment
Administration, permanent	500	468	6.4%	20
Cultural Affairs, permanent	310	297	4.2%	0
Library & Archives Services, Permanent	304	276	9.2%	0
Sport & Recreation, permanent	151	135	10.7%	0
TOTAL	1 265	1 176	7.0%	20

TABLE 3.2.2 EMPLOYMENT AND VACANCIES BY SALARY BAND AS ON 31 MARCH 2023

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower Skilled (Levels 1-2), Permanent	56	51	8.9	0
Skilled (Levels 3-5), Permanent	234	213	9.0	0
Highly Skilled Production (Levels 6-8), Permanent	627	577	8.0	0
Highly Skilled Supervision (Levels 9-12), Permanent	247	235	4.9	0
Senior Management (Levels >= 13), Permanent	28	27	3.6	0
Other, Permanent	39	39	0.0	20
Other, Temporary	1	1	0.0	0
Contract (Levels 1-2), Permanent	1	1	0.0	0
Contract (Levels 3-5), Permanent	27	27	0.0	0
Contract (Levels 9-12), Permanent	3	3	0.0	0
Contract (Levels >= 13), Permanent	2	2	0.0	0
TOTAL	1 265	1 176	7.0	20

TABLE 3.2.3 EMPLOYMENT AND VACANCIES BY CRITICAL OCCUPATIONS AS ON 31 MARCH 2023

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration related, permanent	214	199	7.0	0.00
All artisans in the building metal machinery etc, permanent	8	8	0.0	0.00
Archivists, curators and related professionals, permanent	18	18	0.0	0.00
Auxiliary and related workers, permanent	13	13	0.0	0.00
Cleaners in offices workshops hospitals etc., permanent	61	57	6.6	0.00
Client information clerks (switchboard receptionists, information clerks), permanent	1	1	0.0	0.00
Communication and information related, permanent	115	110	4.3	0.00
Engineering sciences related, permanent	2	2	0.0	0.00
Engineers and related professionals, permanent	3	3	0.0	0.00
Finance and economics related, permanent	1	1	0.0	0.00
Financial and related professionals, permanent	40	37	7.5	0.00
Financial clerks and credit controllers, permanent	83	81	2.4	0.00
Food services aids and waiters, permanent	1	1	0.0	0.00
Head of Department/Chief Executive Officer, permanent	1	1	0.0	0.00
Human resources & organisation development & related professionals permanent	23	20	13.0	0.00
Human Resources clerks, permanent	39	39	0.0	0.00
Human Resources related, permanent	23	22	4.3	0.00
Information Technology related, permanent	6	6	0.0	0.00
Language practitioners' interpreters & other communications professionals, permanent	7	4	42.9	0.00
Legal related, permanent	2	2	0.0	0.00
Librarians and related professionals, permanent	162	141	13.0	0.00
Library mail and related clerks, permanent	96	91	5.2	0.00
Logistical support personnel, permanent	45	43	4.4	0.00
Material-recording and transport clerks, permanent	37	34	8.1	0.00
Messengers' porters and deliverers, permanent	7	7	0.0	0.00
Natural sciences related, permanent	4	4	0.0	0.00
Nature conservation and oceanographical related technical, permanent	6	6	0.0	0.00
Other administrators & related clerks and organisers, permanent	130	117	10	20
Other administrators & related clerks and organisers, temporary	1	1	0.0	0.00
Other administrative policy and related officers, permanent	1	1	0.0	0.00
Other information technology personnel, permanent	6	0	100.0	0.00
Other occupations, permanent	61	60	1.6	0.00
Risk management and security services, permanent	3	3	0.0	0.00
Secretaries & other keyboard operating clerks, permanent	20	19	5.0	0.00
Security officers, permanent	1	1	0.0	0.00
Senior managers, permanent	23	23	0.0	0.00
Trade labourers, permanent	1	0	100.0	0.00
Total	1 265	1 176	7.0	20



3.3 Filling of SMS Posts

TABLE 3.3.1 SMS POST INFORMATION AS ON 31 MARCH 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Head of Department	0	0	0	0	0
Salary level 16	1	1	100%	0	0
Salary level 15	1	1	100%	0	0%
Salary level 14	5	4	80%	1	20%
Salary level 13	25	23	92%	2	8%
Total	32	29	91%	3	9%

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
Head of Department	0	0	0	0	0
Salary Level 16	1	1	100%	0	0
Salary Level 15	1	1	100%	0	0
Salary Level 14	5	5	100%	0	0
Salary Level 13	25	22	88%	3	12%
Total	32	29	91%	3	9%

TABLE 3.3.3 ADVERTISING AND FILLING OF SMS POSTS FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

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
Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	1	1	0
Salary Level 13	1	1	0
Total	1	1	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 2022 AND 31 MARCH 2023

Reasons for vacancies not advertised within six months
All positions were advertised within six months and other 2 positions were newly created and never filled. They were deliberately delayed due to threat on over expenditure.
Reasons for vacancies not advertised within twelve months
All positions were advertised within six months and other 2 positions were newly created and never filled. They were deliberately delayed due to threat on over expenditure.

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 2022 AND 31 MARCH 2023

Reasons for vacancies not advertised within six months
N/A

Reasons for vacancies not advertised within twelve months
N/A

3.4 Job Evaluation

TABLE 3.4.1 JOB EVALUATION BY SALARY BAND FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

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)	56	0.00	0.0	0.00	0.0	0.00	0.0
Skilled (Levels 3-5)	234	0.00	0.0	0.00	0.0	0.00	0.0
Highly Skilled Production (Levels 6-8)	627	0.00	0.0	0.00	0.0	0.00	0.0
Highly Skilled Supervision (Levels 9-12)	247	0.00	0.0	0.00	0.0	0.00	0.0
Senior Management Service Band A	22	0.00	0.0	0.00	0.0	0.00	0.0
Senior Management Service Band B	5	0.00	0.0	0.00	0.0	0.00	0.0
Senior Management Service Band D	1	0.00	0.0	0.00	0.0	0.00	0.0
Other	40	0.00	0.0	0.00	0.0	0.00	0.0
Contract (Levels 1-2)	1	0.00	0.0	0.00	0.0	0.00	0.0
Contract (Levels 3-5)	27	0.00	0.0	0.00	0.0	0.00	0.0
Contract (Levels 9-12)	3	0.00	0.0	0.00	0.0	0.00	0.0
Contract Band A	1	0.00	0.0	0.00	0.0	0.00	0.0
Contract Band C	1	0.00	0.0	0.00	0.0	0.00	0.0
TOTAL	1 265	0.00	0.0	0.00	0.0	0.00	0.0

TABLE 3.4.2 PROFILE OF EMPLOYEES WHOSE POSITIONS WERE UPGRADED DUE TO THEIR POSTS BEING UPGRADED FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

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

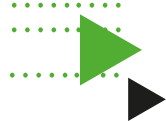


TABLE 3.4.3 EMPLOYEES WITH SALARY LEVELS HIGHER THAN THOSE DETERMINED BY JOB EVALUATION BY OCCUPATION FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Legislators, senior officials, and managers	0	0	0	0
Professionals	0	0	0	0
Technicians and associate professionals	0	0	0	0
Clerks	0	0	0	0
Service and sales workers	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation	0			
Percentage of total employed	0			

TABLE 3.4.4 PROFILE OF EMPLOYEES WHO HAVE SALARY LEVELS HIGHER THAN THOSE DETERMINED BY JOB EVALUATION FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Gender	African	Asian	Coloured	White	Total
Female	0.00	0.00	0.00	0.00	0.00
Male	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00

Employees with a disability	0.00	0.00	0.00	0.00	0.00
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Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
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3.5 Employment Changes

TABLE 3.5.1 ANNUAL TURNOVER RATES BY SALARY BAND FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Salary band	Number of Employees at Beginning of Period	Appointments	Terminations	Turnover Rate
Lower Skilled (Levels 1-2) Permanent	58	4	1	1.7
Skilled (Levels 3-5) Permanent	197	18	11	5.6
Highly Skilled Production (Levels 6-8) Permanent	567	37	21	3.7
Highly Skilled Supervision (Levels 9-12) Permanent	228	10	10	4.4
Senior Management Service Band A Permanent	22	2	2	9.1
Senior Management Service Band B Permanent	5	0	0	0.0
Senior Management Service Band D Permanent	1	0	0	0.0
Other Temporary	0	1	0	0.0
Other Permanent	19	40	22	115.8
Contract (Levels 1-2) Permanent	0	2	0	0.0
Contract (Levels 1-2) Permanent	0	0	1	0.0
Contract (Levels 3-5) Permanent	2	26	5	250.0
Contract (Levels 6-8) Permanent	1	1	2	200.0
Contract (Levels 9-12) Permanent	4	3	4	100.0
Contract Band A Permanent	1	1	1	100.0
Contract Band C Permanent	1	0	0	0.0
TOTAL	1 106	145	80	7.2

TABLE 3.5.2 ANNUAL TURNOVER RATES BY CRITICAL OCCUPATION FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Critical Occupation	Number of Employees at Beginning of Period	Appointments	Terminations	Turnover Rate
Administrative Related Permanent	195	12	12	6.2
All Artisans in the Building Metal Machinery etc. Permanent	7	1	0	0.0
Archivists Curators and Related Professionals Permanent	15	4	1	6.7
Auxiliary And Related Workers Permanent	15	0	0	0.0
Cleaners in Offices Workshops Hospitals Etc. Permanent	58	4	5	8.6
Client Inform Clerks (Switchboard Receptionists, Information Clerks) Permanent	1	1	1	100.0
Communication and Information Related Permanent	107	6	3	2.8
Community Development Workers Permanent	1	0	1	100.0
Engineering Sciences Related Permanent	2	0	0	0.0
Engineers and Related Professionals Permanent	3	0	0	0.0
Finance and Economics Related Permanent	1	0	0	0.0
Financial and Related Professionals Permanent	34	2	1	2.9
Financial Clerks and Credit Controllers Permanent	84	1	1	1.2
Food Services Aids and Waiters Permanent	0	2	1	0.0
Head Of Department/Chief Executive Officer Permanent	1	0	0	0.0
Human Resources & Organisation Development & related professionals, permanent	18	3	2	11.1
Human Resources Clerks Permanent	38	3	2	5.3
Human Resources & related professionals, permanent	24	0	2	8.3
Information Technology & related professionals, permanent	6	0	0	0.0
Language Practitioners Interpreters & other Communications professionals, permanent	4	1	1	25.0
Legal related professionals, permanent	1	1	0	0.0
Librarians and related Professionals Permanent	127	15	3	2.4
Library Mail and related Clerks Permanent	88	11	6	6.8
Logistical Support Personnel Permanent	44	1	4	9.1
Material-Recording and Transport Clerks Permanent	36	1	3	8.3
Messengers Porters And Deliverers Permanent	8	0	1	12.5
Natural Sciences related professionals, permanent	3	1	0	0.0
Nature Conservation and Oceanographical Related technical, Permanent	6	0	0	0.0
Other Administration & related professionals Clerks and Organisers, permanent	72	69	27	37.5
Other Administration & related Clerks and Organisers, temporary	0	1	0	0.0
Other Occupations permanent	61	1	1	1.6
Risk Management and Security Services, permanent	3	0	0	0.0
Secretaries & Other Keyboard Operating Clerks, permanent	19	1	0	0.0
Security Officers Permanent	1	0	0	0.0
Senior Managers, permanent	23	3	2	8.7
Total	1 106	145	80	7.2

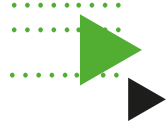


TABLE 3.5.3 REASONS WHY STAFF LEFT THE DEPARTMENT FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Termination Type	Number	% of Total Resignations	% of Total Employment	Total	Total Employment
Death, permanent	3	3.8	0.3	80	1 176
Resignation, permanent	43	53.8	3.7	80	1 176
Expiry of contract, permanent	13	16.3	1.1	80	1 176
Dismissal-misconduct, permanent	4	5.0	0.3	80	1 176
Retirement, permanent	17	21.3	1.4	80	1 176
TOTAL	80	100.0	6.8	80	1 176

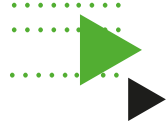
TABLE 3.5.4 PROMOTIONS BY CRITICAL OCCUPATION FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative related professionals	195	5	2.6	106	54.4
All Artisans in the Building Metal Machinery Etc.	7	0	0.0	3	42.9
Archivists Curators and related professionals	15	0	0.0	12	80.0
Auxiliary And related Workers	15	0	0.0	11	73.3
Cleaners In Offices Workshops Hospitals Etc.	58	0	0.0	31	53.4
Client Inform Clerks (Switchboard Receptionists, Information Clerks)	1	0	0.0	1	100.0
Communication and Information related professionals	107	0	0.0	70	65.4
Community Development Workers	1	0	0.0	0	0.0
Engineering Sciences related professionals	2	0	0.0	1	50.
Engineers and related professionals	3	0	0.0	2	66.7
Finance and Economics related	1	0	0.0	1	100.0
Financial and related professionals	34	2	5.9	23	67.6
Financial Clerks and Credit Controllers	84	0	0.0	52	61.9
Head Of Department/Chief Executive Officer	1	0	0.0	0	0.0
Human Resources & Organisation Development & related professionals	18	0	0.0	10	55.6
Human Resources Clerks	38	1	2.6	20	52.6
Human Resources Related	24	0	0.0	16	66.7
Information Technology related professionals	6	0	0.0	4	66.7
Language Practitioners Interpreters & Other Communications professionals	4	0	0.0	1	25.0
Legal Related	1	0	0.0	1	100.0
Librarians and related professionals	127	7	5.5	19	15.0
Library Mail and related Clerks	88	0	0.0	34	38.6
Logistical Support Personnel	44	1	2.3	27	61.4
Material-Recording and Transport Clerks	36	0	0.0	15	41.7

Occupation	Employees 1 April 2022	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
Messengers Porters and Deliverers	8	0	0.0	4	50.0
Natural Sciences related professionals	3	0	0.0	2	66.7
Nature Conservation and Oceanographical Related Technical	6	0	0.0	3	50.0
Other Administration & related Clerks and Organisers	72	0	0.0	34	47.2
Other Occupations	61	0	0.0	37	60.7
Risk Management and Security Services	3	0	0.0	2	66.7
Secretaries & Other Keyboard Operating Clerks	19	0	0.0	13	68.4
Security Officers	1	0	0.0	1	100.0
Senior Managers	23	0	0.0	9	39.1
Total	1 106	16	1.4	565	51.1

TABLE 3.5.5 PROMOTIONS BY SALARY BAND FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Salary Band	Employees 1 April 2022	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), Permanent	58	0	0.0	23	39.7
Skilled (Levels 3-5), Permanent	197	0	0.0	125	63.5
Highly Skilled Production (Levels 6-8), Permanent	567	9	1.6	262	46.2
Highly Skilled Supervision (Levels 9-12), Permanent	228	7	3.1	144	63.2
Senior Management (Levels >= 13), Permanent	28	0	0.0	11	39.3
Other, Permanent	19	0	0.0	0	0.0
Contract (Levels 3-5), Permanent	2	0	0.0	0	0.0
Contract (Levels 6-8), Permanent	1	0	0.0	0	0.0
Contract (Levels 9-12), Permanent	4	0	0.0	0	0.0
Contract (Levels >= 13), Permanent	2	0	0.0	0	0.0
TOTAL	1 106	16	1.4	565	51.1



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 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Officials and Managers	13	1	0	0	12	2	0	1	29
Professionals	126	5	1	6	217	4	0	6	366
Technicians and Associate professionals	101	10	0	5	132	8	0	8	266
Clerks	147	1	0	0	223	8	0	3	382
Service Shop and Market Sales Workers	1	0	0	0	2	0	0	0	4
Craft and related Trade Workers	7	0	0	1	0	0	0	0	8
Labourers and related workers	55	2	0	3	57	4	0	3	124
Unknown	0	0	0	0	1	0	0	0	1
Total	450	19	1	15	644	26	0	21	1176
Disability	11	1	0	0	6	1	0	0	19

TABLE 3.6.2 TOTAL NUMBER OF EMPLOYEES (INCLUDING EMPLOYEES WITH DISABILITIES) IN EACH OF THE FOLLOWING OCCUPATIONAL BANDS AS ON 31 MARCH 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, permanent	0	0	0	0	2	0	0	0	2
Senior Management, permanent	13	1	0	0	10	2	0	1	27
Professionally qualified and experienced specialists and mid-management, permanent	119	6	1	6	97	3	0	6	238
Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent	183	9	0	7	355	10	0	13	577
Semi-skilled and discretionary decision-making, permanent	85	2	0	2	143	8	0	1	240
Unskilled and defined decision-making, permanent	50	1	0	0	37	3	0	0	91
TOTAL	450	19	1	15	644	26	0	21	1176

TABLE 3.6.3 RECRUITMENT FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	1	0	0	0	1
Senior Management	1	0	0	0	3	0	0	0	3
Professionally qualified and experienced specialists and mid-management	6	0	0	0	7	0	0	0	13
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	12	0	0	0	26	0	0	0	38
Semi-skilled and discretionary decision-making	19	0	0	0	25	0	0	0	44
Unskilled and defined decision making	24	0	0	0	22	0	0	0	46
Total	62	0	0	0	83	0	0	0	145
Employees with disabilities	0	0	0	0	0	0	0	0	0

TABLE 3.6.4 PROMOTIONS FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

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	5	0	0	0	4	1	0	1	11
Professionally qualified and experienced specialists and mid-management	67	3	1	4	70	2	0	4	151
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	89	6	0	2	165	4	0	5	271
Semi-skilled and discretionary decision making	43	0	0	1	76	5	0	0	125
Unskilled and defined decision making	15	0	0	0	8	0	0	0	23
Total	219	9	1	7	323	12	0	10	581
Employees with disabilities	6	0	0	0	6	1	0	0	13

TABLE 3.6.5 TERMINATIONS FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

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	3	0	0	0	0	0	0	0	3
Professionally qualified and experienced specialists and mid-management	4	1	0	0	9	0	0	0	14
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	10	0	0	0	11	2	0	0	23
Semi-skilled and discretionary decision making	6	1	0	0	9	0	0	0	16
Unskilled and defined decision making	9	0	0	0	15	0	0	0	24
Total	32	2	0	0	44	2	0	0	80
Employees with disabilities	1	0	0	0	0	0	0	0	1

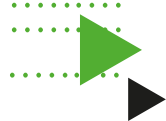


TABLE 3.6.6 DISCIPLINARY ACTION FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
One-month suspension without pay	3	0	0	0	1	0	0	0	4
Dismissal	1	0	0	0	0	0	0	0	1
Abscondment	2	0	0	0	0	0	0	0	2

TABLE 3.6.7 SKILLS DEVELOPMENT FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	113	0	1	0	109	0	0	0	223
Professionals	47	0	0	0	101	0	0	0	148
Technicians and associate professionals	19	0	0	0	35	0	0	0	54
Clerks	27	0	0	0	41	0	0	0	68
Service and sales workers	0	0	0	0	1	0	0	0	1
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	5	0	0	0	0	0	0	0	5
Total	211	0	1	0	287	0	0	0	498
Employees with disabilities	0	0	0	0	1	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 MARCH 2023

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	0	0	0	0
Salary Level 16	0	0	0-	0
Salary Level 15	1	1	1	100%
Salary Level 14	05	5	5	100%
Salary Level 13	23	23	23	100%
Total	30	29	29	100%

TABLE 3.7.2 REASONS FOR NOT HAVING CONCLUDED PERFORMANCE AGREEMENTS FOR ALL SMS MEMBERS AS ON 31 MARCH 2023

Reasons
N/A

TABLE 3.7.3 DISCIPLINARY STEPS TAKEN AGAINST SMS MEMBERS FOR NOT HAVING CONCLUDED PERFORMANCE AGREEMENTS AS ON 31 MARCH 2023

Reasons
N/A

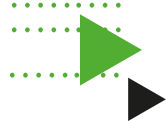
3.8 Performance Rewards

TABLE 3.8.1 PERFORMANCE REWARDS BY RACE, GENDER AND DISABILITY FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Female	2	638	4.2	134	4 958
Male	11	439	2.5	44	4 015
Asian					
Female	0	0	0.0	0.00	0
Male		1	0.0	0.00	0
Coloured					
Female	0	25	0.0	0.00	0
Male	0	18	0.0	0.00	0
White					
Female	0	21	0.0	0.00	0
Male	0	15	0.0	0.00	0
Employee with Disability	0	19	0.0	0.00	0
Total	38	1 176	3.2	178	4 685

TABLE 3.8.2 PERFORMANCE REWARDS BY SALARY BAND FOR PERSONNEL BELOW SENIOR MANAGEMENT SERVICE FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

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)	0.00	51.00	0.00	0.00	0.00	0.00
Skilled (level 3-5)	16.00	213.00	7.50	43.90	2 744.00	7.50
Highly skilled production (level 6-8)	15.00	577.00	2.60	64.10	4 273.00	2.60
Highly skilled supervision (level 9-12)	7.00	235.00	3.00	70.05	10 007.00	3.00
Other	0.00	40.00	0.00	0.00	0.00	0.00
Contract (Levels 1-2)	0.00	1.00	0.00	0.00	0.00	0.00
Contract (Levels 3-5)	0.00	27.00	0.00	0.00	0.00	0.00
Contract (Levels 9-12)	0.00	3.00	0.00	0.00	0.00	0.00
Total	38.00	1 147.00	3.30	178.04	4 685.00	3.30



**TABLE 3.8.3 PERFORMANCE REWARDS BY CRITICAL OCCUPATION FOR THE PERIOD
1 APRIL 2022 TO 31 MARCH 2023**

Critical Occupation	Beneficiary Profile			Cost	
	Number of Beneficiaries	Number of Employees	% Of Total Within Occupation	Total Cost (R'000)	Average Cost Per Employee
Financial Clerks and Credit Controllers	25.00	81.00	30.90	100.43	4 017.00
Human Resources Clerks	1.00	39.00	2.60	1.93	1 928.00
Security Officers	0.00	1.00	0.00	0.00	0.00
All Artisans in The Building Metal Machinery etc.	0.00	8.00	0.00	0.00	0.00
Messengers Porters And Deliverers	0.00	7.00	0.00	0.00	0.00
Human Resources & Organisation Development & related professionals	1.00	20.00	5.00	19.29	19 289.00
Risk Management and Security Services	0.00	3.00	0.00	0.00	0.00
Logistical Support Personnel	1.00	43.00	2.30	1.93	1 928.00
Finance And Economics related	0.00	1.00	0.00	0.00	0.00
Natural Sciences related	0.00	4.00	0.00	0.00	0.00
Other Administration & related Clerks and Organisers	0.00	118.00	0.00	0.00	0.00
Auxiliary and related workers	0.00	13.00	0.00	0.00	0.00
Other Occupations	2.00	60.00	3.30	5.01	2 506.00
Legal related	0.00	2.00	0.00	0.00	0.00
Nature Conservation and Oceanographical Related technical	0.00	6.00	0.00	0.00	0.00
Financial and related Professionals	4.00	37.00	10.80	27.79	6 947.00
Administrative related	0.00	199.00	0.00	0.00	0.00
Communication and Information related	0.00	110.00	0.00	0.00	0.00
Secretaries & Other Keyboard Operating Clerks	0.00	19.00	0.00	0.00	0.00
Cleaners in Offices Workshops Hospitals Etc.	0.00	57.00	0.00	0.00	0.00
Library Mail and Related Clerks	2.00	91.00	2.20	3.74	1 871.00
Human Resources related	1.00	22.00	4.50	14.67	14 665.00
Head Of Department/Chief Executive Officer	0.00	1.00	0.00	0.00	0.00
Language Practitioners Interpreters & Other Communications professionals	0.00	4.00	0.00	0.00	0.00
Archivists Curators and Related Professionals	0.00	18.00	0.00	0.00	0.00
Material-Recording and Transport Clerks	0.00	34.00	0.00	0.00	0.00
Other Administrative Policy and related Officers	0.00	1.00	0.00	0.00	0.00
Senior Managers	0.00	23.00	0.00	0.00	0.00
Client Information Clerks (Switchboard Receptionists, Information Clerks)	1.00	1.00	100.00	3.26	3 264.00
Engineers and Related Professionals	0.00	3.00	0.00	0.00	0.00
Engineering Sciences related professionals	0.00	2.00	0.00	0.00	0.00
Food Services Aids and Waiters	0.00	1.00	0.00	0.00	0.00
Information Technology related professionals	0.00	6.00	0.00	0.00	0.00
Librarians and related professionals	0.00	141.00	0.00	0.00	0.00
Total	38.00	1 176.00	3.20	178.04	4 685.00

TABLE 3.8.4 PERFORMANCE RELATED REWARDS (CASH BONUS), BY SALARY BAND FOR SENIOR MANAGEMENT SERVICE FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

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	0.00	23.00	0.00	0.00	0.00	0.00
Band B	0.00	4.00	0.00	0.00	0.00	0.00
Band C	0.00	1.00	0.00	0.00	0.00	0.00
Band D	0.00	1.00	0.00	0.00	0.00	0.00
Total	0.00	29.00	0.00	0.00	0.00	0.00

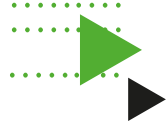
3.9 Foreign Workers

TABLE 3.9.1 FOREIGN WORKERS BY SALARY BAND FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Salary band	1 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled						
Highly skilled production (Lev. 6-8)	0.00	0.00	0.00	0.00	0.00	0.00
Highly skilled supervision (Lev. 9-12)	1.00	100.00	1.00	100.00	0.00	0.00
Contract (level 9-12)						
Contract (level 13-16)						
Total						

TABLE 3.9.2 FOREIGN WORKERS BY MAJOR OCCUPATION FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Major occupation	1 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
Other Occupations	0	0	0	0	0	0
Professional and Managers	1	100	1	100	0	0
Total	1	100	1	100	0	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)
Contract (Levels 3-5)	10.00	30.00	4.00	0.50	3.00	9.00
Contract Other	28.00	71.40	10.00	1.30	3.00	13.00
Highly skilled production (Levels 6-8)	4 082.50	77.20	403.00	50.80	10.00	6 697.00
Highly skilled supervision (Levels 9-12)	1 352.00	85.20	174.00	21.90	8.00	3 638.00
Lower skilled (Levels 1-2)	468.00	78.00	47.00	5.90	10.00	286.00
Other	9.00	66.70	3.00	0.40	3.00	18.00
Senior management (Levels 13-16)	136.00	92.60	15.00	1.90	9.00	580.00
Skilled (Levels 3-5)	1 245.00	72.70	138.00	17.40	9.00	1 134.00
TOTAL	7 330.50	78.10	794.00	100.00	9.00	12 374.00

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)
Highly skilled production (Levels 6-8)	476.00	100.00	12.00	75.00	40.00	783.00
Highly skilled supervision (Levels 9-12)	29.00	100.00	2.00	12.50	15.00	66.00
Senior management (Levels 13-16)	49.00	100.00	1.00	6.30	49.00	203.00
Skilled (Levels 3-5)	112.00	100.00	1.00	6.30	112.00	112.00
TOTAL	666.00	100.00	16.00	100.00	42.00	1 163.00

TABLE 3.10.3 ANNUAL LEAVE FOR THE PERIOD 1 JANUARY 2021 TO 31 DECEMBER 2021

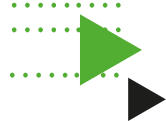
Salary Band	Total Days Taken	Average per Employee	Number of Employees using Annual Leave
Contract (Levels 13-16)	15.00	15.00	1.00
Contract (Levels 3-5)	104.00	5.00	20.00
Contract Other	212.00	6.00	34.00
Highly skilled production (Levels 6-8)	13 285.25	24.00	556.00
Highly skilled supervision (Levels 9-12)	5 677.00	24.00	236.00
Lower skilled (Levels 1-2)	1 466.00	25.00	58.00
Other	47.00	16.00	3.00
Senior management (Levels 13-16)	554.00	21.00	27.00
Skilled (Levels 3-5)	4 362.00	23.00	189.00
TOTAL	25 722.25	23.00	1 124.00

TABLE 3.10.4 CAPPED LEAVE FOR THE PERIOD 1 JANUARY 2021 TO 31 DECEMBER 2021

Salary Band	Total Days of Capped Leave Taken	Average Number of Days Taken per Employee	Average Capped Leave per Employee as at End of Period	Number of Employees using Capped Leave	Total Number of Capped Leave Available at End of Period	Number of Employees as at End of Period
Contract (Levels 1-2)	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Levels 13-16)	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Levels 3-5)	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Levels 9-12)	0.00	0.00	0.00	0.00	0.00	0.00
Contract Other	0.00	0.00	0.00	0.00	0.00	0.00
Highly skilled production (Levels 6-8)	4.00	2.00	54.00	2.00	5 625.14	105.00
Highly skilled supervision (Levels 9-12)	3.00	3.00	68.00	1.00	5 084.84	75.00
Lower skilled (Levels 1-2)	0.00	0.00	38.00	0.00	76.00	2.00
Other	0.00	0.00	0.00	0.00	0.00	0.00
Senior management (Levels 13-16)	0.00	0.00	79.00	0.00	791.75	10.00
Skilled (Levels 3-5)	0.00	0.00	37.00	0.00	974.85	26.00
TOTAL	7.00	2.00	58.00	3.00	12 552.58	218.00

TABLE 3.10.5 LEAVE PAYOUTS (ESTIMATED)

Annual - Discounting: Contract Expiry (Work Days)	429.00	40.00	10 725.00
Annual - Gratuity: Death/Retirement/Medical Retirement (Work	781.00	18.00	43 389.00
Capped - Gratuity: Death/Retirement/Medical Retirement (Work	2 160.00	13.00	166 154.00
Total	4 019.00		
Leave Payouts (Actual) Allowance Codes - 0060, 0168, 0625, 0422, 0567, 0698, 0699, 0701	4 028.00	77.00	



3.11 HIV/AIDS & Health Promotion Programmes

TABLE 3.11.1 STEPS TAKEN TO REDUCE THE RISK OF OCCUPATIONAL EXPOSURE:

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Youth and field workers	Distribution of condoms and HIV and AIDS awareness

**TABLE 3.11.2 DETAILS OF HEALTH PROMOTION AND HIV/AIDS PROGRAMMES
(TICK THE APPLICABLE BOXES AND PROVIDE THE REQUIRED INFORMATION)**

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Ms N Bodlani (Senior Manager: HRM)
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		The Department has an Employee Health and Wellness Unit dealing with all four pillars of the Employee Health and Wellness Strategic Framework. The unit has only two permanent officials based at Head office. Budget: R3 000 000
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.	Yes		Physical activities and nutrition talks, HIV and AIDS, STIs and TB programmes, referral sessions, communicated and non-communicable diseases awareness, Commemoration of Health Calendar events, mental awareness sessions, gender mainstreaming sessions and health and safety awareness sessions
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		Ms N Bodlani, Mr X Manyela, A Kune, Ms N Apleni, Mr G Masithela, Ms Z Mtsitsi, Ms L Njokwana, Mr S Kambi, Mr S Sityebi, Mr D Ndzongwana Mr S Stuma, Ms Z Daniso, Ms S Cakati, Ms L Dyan, Mr A Bomseni • OHS committee • Health and Safety Representatives • Fire Marshalls and First Aiders • Organised Labour
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		• HIV and AIDS and STIs and TB Management Policy • Occupational Health and Safety Policy • Wellness Management Policy • Health and Productivity Management Policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		HIV and AIDS, STIs and TB Management Policy is in place and approved by accounting officer. • Promotion of Human rights and non-discrimination • Treatment Care and support • HIV Counselling and Testing programme
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		63 Employees conducted HIV and AIDS screenings in the past financial year.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators	Yes		• Report on evaluation of quarterly report submitted to the Office of the Premier • System Monitoring Tool reports • Surveys

3.12 Labour Relations

TABLE 3.12.1 COLLECTIVE AGREEMENTS FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Subject matter	Date
NIL	NIL
Total number of collective agreements	

TABLE 3.12.2 MISCONDUCT AND DISCIPLINARY HEARINGS FINALISED FOR PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	3	43
Suspended without pay	2	29
Fine	0	0
Demotion	0	0
Dismissal	1	14
Not guilty	1	14
Case withdrawn	0	0
Total	7	100
Total number of disciplinary hearings finalised	7	

TABLE 3.12.3 TYPES OF MISCONDUCT ADDRESSED AT DISCIPLINARY HEARINGS FOR PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Type of misconduct	Number	% of total
Dereliction of duty	3	14
Failure to safeguard departmental assets	1	5
Gross Negligence	2	9
Abscondment	1	5
Contravention of section of section 45 of the PFMA	3	14
Insubordination	3	14
Prejudice the administration and efficiency of the Department	2	9
Gross Dereliction of duties	1	5
Contravention of Regulation 13 © of the PSR ,2016	1	5
Unethical Conduct	2	9
Dishonesty	1	5
Unauthorised absence	1	5
Non-Compliance	1	5
Total	22	100

TABLE 3.12.4 GRIEVANCES LOGGED FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Grievances	Number	% of total
Number of grievances resolved	12	100
Number of grievances not resolved	0	0
Total number of grievances lodged	12	100

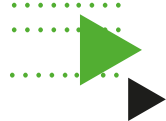


TABLE 3.12.5 DISPUTES LOGGED WITH COUNCILS FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Disputes	Number	% of total
Number of disputes upheld	9	69
Number of disputes dismissed	4	31
Total number of disputes lodged	13	100

TABLE 3.12.6 STRIKE ACTIONS FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

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

TABLE 3.12.7 PRECAUTIONARY SUSPENSIONS FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	54
Cost of suspension(R'000)	R61 475.24

3.13 Skills development

TABLE 3.13.1 TRAINING NEEDS IDENTIFIED FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Occupational category	Gender	Number of employees as of 1 April 2022	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	4	4	14
	Male	12	0	4	4	12
Professionals	Female	80	0	5	10	80
	Male	70	0	5	10	70
Technicians and associate professionals	Female	70	0	0	0	70
	Male	65	0	0	0	65
Clerks	Female	40	0	10	5	40
	Male	30	0	6	5	30
Service and Sales workers	Female	3	0	0	0	3
	Male	2	0	0	0	2
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	1	0	0	0	1
	Male	3	0	0	0	3
Elementary occupations	Female	0	0	0	0	0
	Male	1	0	0	0	1
Sub Total	Female	208	0	19	19	208
	Male	183	0	15	19	183
Total		391	0	34	38	391

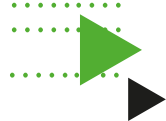
TABLE 3.13.2 TRAINING PROVIDED FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Occupational category	Gender	Number of employees as of 1 April 2022	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	5	0	14
	Male	12	0	5	3	12
Professionals	Female	75	0	8	0	75
	Male	65	0	8	0	65
Technicians and associate professionals	Female	70	0	10	0	70
	Male	61	0	10	0	61
Clerks	Female	29	2	4	0	29
	Male	26	1	4	0	26
Service and sales workers	Female	1	0	1	0	1
	Male	3	0	3	0	3
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	1	0	0	1	1
	Male	3	0	0	3	3
Elementary occupations	Female	0	0	0	0	0
	Male	1	0	0	0	1
Sub Total	Female	190	2	28	1	190
	Male	171	1	30	6	171
Total		361	3	58	7	361

3.14 Injury on duty

TABLE 3.14.1 INJURY ON DUTY FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

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



3.15 Utilisation of Consultants

TABLE 3.15.1 REPORT ON CONSULTANT APPOINTMENTS USING APPROPRIATED FUNDS FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Project title	Total number of consultants that worked on project	Duration (workdays)	Contract value in Rand
	0	0	0

Total number of projects	Total individual consultants	Total duration Workdays	Total contract value in Rand
	0	0	0

TABLE 3.15.2 ANALYSIS OF CONSULTANT APPOINTMENTS USING APPROPRIATED FUNDS, IN TERMS OF HISTORICALLY DISADVANTAGED INDIVIDUALS (HDI) FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

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

TABLE 3.15.3 REPORT ON CONSULTANT APPOINTMENTS USING DONOR FUNDS FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

Project title	Total Number of consultants that worked on project	Duration (Workdays)	Donor and contract value in Rand
	0	0	0
	0	0	0
	0	0	0

Total number of projects	Total individual consultants	Total duration Workdays	Total contract value in Rand
	0	0	
	0	0	

TABLE 3.15.4 ANALYSIS OF CONSULTANT APPOINTMENTS USING DONOR FUNDS, IN TERMS OF HISTORICALLY DISADVANTAGED INDIVIDUALS (HDI) FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

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



3.16 Severance Packages

TABLE 3.16.1 GRANTING OF EMPLOYEE-INITIATED SEVERANCE PACKAGES FOR THE PERIOD 1 APRIL 2022 AND 31 MARCH 2023

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

PART E: PFMA COMPLIANCE REPORT



1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1 Irregular expenditure

A) RECONCILIATION OF IRREGULAR EXPENDITURE:

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	7 650	15 049
Add: Irregular expenditure confirmed	--	781
Less: Irregular expenditure condoned	(3 816)	(8 179)
Less: Irregular expenditure not condoned and removed	(2 505)	--
Less: Irregular expenditure recoverable	--	--
Less: Irregular expenditure not recovered and written off	--	--
Closing balance	1 329	7 650

Include discussion here where deemed relevant.

RECONCILING NOTES:

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure that was under assessment in 20XX/YY	--	--
Irregular expenditure that relates to 20XX/YY and identified in 20XX/ZZ	--	--
Irregular expenditure for the current year	--	--
Total	--	--

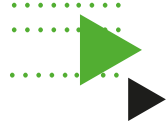
B) DETAILS OF CURRENT AND PREVIOUS YEAR IRREGULAR EXPENDITURE (UNDER ASSESSMENT, DETERMINATION, AND INVESTIGATION):

Description ¹	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure under assessment	--	--
Irregular expenditure under determination	--	--
Irregular expenditure under investigation	--	--
Total ²	--	--

Include discussion here where deemed relevant.

1 Group similar items

2 Total unconfirmed irregular expenditure (assessment), losses (determination), and criminal conduct (investigation)

**C) DETAILS OF CURRENT AND PREVIOUS YEAR IRREGULAR EXPENDITURE CONDONED:**

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure condoned	(3 816)	8 179
Total	(3 816)	8 179

Include discussion here where deemed relevant.

D) DETAILS OF CURRENT AND PREVIOUS YEAR IRREGULAR EXPENDITURE REMOVED - (NOT CONDONED):

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure NOT condoned and removed	(2 505)	-
Total	(2 505)	-

Based upon the condonation applications with relevant supporting documentation which were submitted to Treasury of the prior years' irregular expenditure and the subsequent engagements with Treasury and its responses on applications and advice on the further management of the matter, the Internal Control Committee (ICC) conducted an assessment to confirm whether the expenditure incurred meets the write-off determination in terms of paragraph 29 of Irregular Expenditure Framework. The accounting officer or accounting authority may, in terms of paragraph 5.8 remove irregular expenditure that was not condoned by the relevant authority.

The irregular expenditure removed consists of the following:

An amount of R1 405 165.74 ("One Million Four Hundred and Five Thousand One Hundred and Sixty-Five Rand Seventy-Four Cents) for prior years irregular expenditure has not been condoned by Treasury. The irregular expenditure incurred refers to 2013/2014 financial year incurrence of irregular expenditure.

An amount of R1 100 000.00 ("One Million One Hundred Thousand Rand) for prior years irregular expenditure has not been condoned by Treasury. The irregular expenditure incurred refers to 2018/2019 financial year incurrence of irregular expenditure.

E) DETAILS OF CURRENT AND PREVIOUS YEAR IRREGULAR EXPENDITURE RECOVERED:

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure recovered	-	-
Total	-	-

Include discussion here where deemed relevant.

F) DETAILS OF CURRENT AND PREVIOUS YEAR IRREGULAR EXPENDITURE WRITTEN OFF (IRRECOVERABLE):

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure written off	--	--
Total	--	--

Include discussion here where deemed relevant.

Additional disclosure relating to Inter-Institutional Arrangements

G) DETAILS OF NON-COMPLIANCE CASES WHERE AN INSTITUTION IS INVOLVED IN AN INTER-INSTITUTIONAL ARRANGEMENT (WHERE SUCH INSTITUTION IS NOT RESPONSIBLE FOR THE NON-COMPLIANCE):

Description	2022/2023	2021/2022
	R'000	R'000
Supply and delivery of sports equipment and attire	13 875	-
Total	13 875	-

The department of Sport, Arts and Culture (DSAC) allocated a conditional grant for provision of sport equipment to the Provincial Department of Sport, Recreation, Arts and Culture (DSRAC). The grant is conditional to the department utilising a transversal contract arranged by DSAC. The contract expired in December 2022. In a letter, dated 07 March 2022, the National Department of Sport, Arts and Culture advised that the contract for supply and delivery of sports equipment and attire should be extended until the new tender is finalised. After careful consideration, DSAC identified a potential risk of irregular expenditure associated with the extension of the contract.

Taking cognisance of the above, the National Department of Sport, Arts and Culture withdrew the letter dated 07 March 2022. This resulted in the Department of Sport, Recreation, Arts and Culture (DSRAC) effecting expenditure not in compliance with the contract resulting in none-compliance to value of R13,875 million.

H) DETAILS OF NON-COMPLIANCE CASES WHERE AN INSTITUTION IS INVOLVED IN AN INTER-INSTITUTIONAL ARRANGEMENT (WHERE SUCH INSTITUTION IS RESPONSIBLE FOR THE NON-COMPLIANCE):

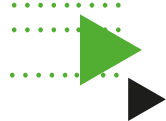
Description	2022/2023	2021/2022
	R'000	R'000
Total		

Include discussion here where deemed relevant.

I) DETAILS OF CURRENT AND PREVIOUS YEAR DISCIPLINARY OR CRIMINAL STEPS TAKEN AS A RESULT OF IRREGULAR EXPENDITURE:

Disciplinary steps taken

Include discussion here where deemed relevant.



1.2 Fruitless and wasteful expenditure

A) RECONCILIATION OF FRUITLESS AND WASTEFUL EXPENDITURE:

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	4	1
Add: Fruitless and wasteful expenditure confirmed	131	11
Less: Fruitless and wasteful expenditure written off	--	(7)
Less: Fruitless and wasteful expenditure recoverable	--	(1)
Closing balance	135	4

Include discussion here where deemed relevant.

Reconciling notes:

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2021/22	--	22
Fruitless and wasteful expenditure that relates to 20XXYY and identified in 20XXZZ	--	--
Fruitless and wasteful expenditure for the current year	131	--
Total	131	22

B) DETAILS OF CURRENT AND PREVIOUS YEAR FRUITLESS AND WASTEFUL EXPENDITURE (UNDER ASSESSMENT, DETERMINATION, AND INVESTIGATION):

Description ³	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure under assessment	--	--
Fruitless and wasteful expenditure under determination	--	--
Fruitless and wasteful expenditure under investigation	--	22
Total⁴	--	22

Include discussion here where deemed relevant.

C) DETAILS OF CURRENT AND PREVIOUS YEAR FRUITLESS AND WASTEFUL EXPENDITURE RECOVERED:

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure recovered	--	1
Total	--	1

Include discussion here where deemed relevant.

3 Group similar items

4 Total unconfirmed fruitless and wasteful expenditure (assessment), losses (determination), and criminal conduct (investigation)

D) DETAILS OF CURRENT AND PREVIOUS YEAR FRUITLESS AND WASTEFUL EXPENDITURE NOT RECOVERED AND WRITTEN OFF:

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure written off	--	7
Total	--	7

Include discussion here where deemed relevant.

E) DETAILS OF CURRENT AND PREVIOUS YEAR DISCIPLINARY OR CRIMINAL STEPS TAKEN AS A RESULT OF FRUITLESS AND WASTEFUL EXPENDITURE:

Disciplinary steps taken
Total

Include discussion here where deemed relevant.

1.3 Unauthorised expenditure

A) RECONCILIATION OF UNAUTHORISED EXPENDITURE:

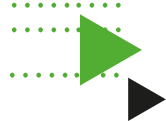
Description	2022/2023	2021/2022
	R'000	R'000
Opening balance		
Add: unauthorised expenditure confirmed		
Less: unauthorised expenditure approved with funding		
Less: unauthorised expenditure approved without funding		
Less: unauthorised expenditure recoverable		
Less: unauthorised not recovered and written off ⁵		
Closing balance	--	--

Include discussion here where deemed relevant.

Reconciling notes:

Description	2022/2023	2021/2022
	R'000	R'000
Unauthorised expenditure that was under assessment in 20XX/YY		
3Unauthorised expenditure that relates to 20XX/YY and identified in 20YY/ZZ		
Unauthorised expenditure for the current year		
Total	--	--

⁵ This amount may only be written off against available savings



B) DETAILS OF CURRENT AND PREVIOUS YEAR UNAUTHORISED EXPENDITURE (UNDER ASSESSMENT, DETERMINATION, AND INVESTIGATION):

Description ⁶	2022/2023	2021/2022
	R'000	R'000
Unauthorised expenditure under assessment		
Unauthorised expenditure under determination		
Unauthorised expenditure under investigation		
Total⁷	--	--

Include discussion here where deemed relevant.

1.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii))

A) DETAILS OF CURRENT AND PREVIOUS YEAR MATERIAL LOSSES THROUGH CRIMINAL CONDUCT:

Material losses through criminal conduct	2022/2023	2021/2022
	R'000	R'000
Theft		
Other material losses		
Less: Recovered		
Less: Not recovered and written off		
Total		

Include discussion here where deemed relevant.

B) DETAILS OF OTHER MATERIAL LOSSES:

Nature of other material losses	2022/2023	2021/2022
	R'000	R'000
(Group major categories, but list material items)		
Total		

Include discussion here where deemed relevant and criminal or disciplinary steps taken by the institution.

6 Group similar items

7 Total unconfirmed unauthorised expenditure (assessment), losses (determination), and criminal conduct (investigation)

C) OTHER MATERIAL LOSSES RECOVERED:

Nature of losses	2022/2023	2021/2022
	R'000	R'000
(Group major categories, but list material items)		
Total		

Include discussion here where deemed relevant.

D) OTHER MATERIAL LOSSES WRITTEN OFF:

Nature of losses	2022/2023	2021/2022
	R'000	R'000
(Group major categories, but list material items)		
Total		

Include discussion here where deemed relevant.

PART F: ANNUAL FINANCIAL STATEMENTS



EC-Department of Sport, Recreation, Arts and Culture

Audit Report

For the year ended 31 March 2023



**AUDITOR-GENERAL
SOUTH AFRICA**

Auditing to build public confidence

Report of the auditor-general to Eastern Cape Provincial Legislature on vote no. 14: Eastern Cape Department of Sport, Recreation, Arts and Culture

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Eastern Cape Department of Sport, Recreation, Arts and Culture set out on pages xx to xx, which comprise the appropriation statement, statement of financial position as at 31 March 2023, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Eastern Cape Department of Sport, Recreation, Arts and Culture as at 31 March 2023 and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) as prescribed by the National Treasury, and the requirements of the Public Finance Management Act of South Africa No. 1 of 1999 (PFMA) and the Division of Revenue Act of South Africa No. 5 of 2022 (Dora)
3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Restatement of corresponding figures

7. As disclosed in notes 16.1 to the financial statements, the corresponding figures for 31 March 2022 were restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2023.



Other matters

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

Unaudited supplementary schedule

9. The supplementary information set out on pages ... to ... do 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.

National Treasury Instruction No. 4 of 2022/2023: PFMA Compliance and Reporting Framework

10. On 23 December 2022 National Treasury issued Instruction Note No. 4: PFMA Compliance and Reporting Framework of 2022-23 in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA, which came into effect on 3 January 2023. The PFMA Compliance and Reporting Framework also addresses the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Among the effects of this framework is that irregular and fruitless and wasteful expenditure incurred in previous financial years and not addressed is no longer disclosed in the disclosure notes of the annual financial statements, only the current year and prior year figures are disclosed in note 20 to the financial statements. The movements in respect of irregular expenditure and fruitless and wasteful expenditure are no longer disclosed in the notes to the annual financial statements of department. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) are now required to be included as part of other information in the annual report of the auditees. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

Responsibilities of the accounting officer for the financial statements

11. The department is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS as prescribed by the National Treasury and the requirements of the PFMA and Dora, and for such internal control as the department determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements, the department 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.

Responsibilities of the auditor-general for the audit of the financial statements

13. 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.

14. 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

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programme presented in the annual performance report. The department is responsible for the preparation of the annual performance report.
16. I selected the following programme presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected programme that measure the department's performance on its primary mandated functions and that is of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 3: Library and Archive Services	[XX]	The programme is aimed at promoting access to information, developing, and sustaining a reading culture, regularising good records keeping and preservation of provincial heritage and social memory.

17. I evaluated the reported performance information for the selected programme against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.
18. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
 - the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated



- the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there are adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

19. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance conclusion.

20. I did not identify any material findings on the reported performance information of selected programme.

Other matter

21. I draw attention to the matter below.

Achievement of planned targets

22. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and under achievements.

Adjustment of material misstatement

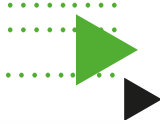
23. I identified material misstatement in the annual performance report submitted for auditing. This material misstatement were on the reported performance information of Programme 3: Library and Archive Services. As management subsequently corrected the misstatement, I did not raised material findings on the usefulness and reliability of the reported performance information.

Report on compliance with legislation

24. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The department is responsible for the department's compliance with legislation.

25. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

26. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the [type of auditee], clear to allow consistent measurement and evaluation, while also sufficiently



detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

27. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

28. The department is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programme presented in the annual performance report that have been specifically reported on in this auditor's report.

29. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

30. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

31. 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

32. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

33. I did not identify any significant deficiencies in internal control.

Other reports

34. I draw attention to the following engagements conducted by various parties. 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.



35. There are investigations conducted through external parties pertaining to the allegations of irregularities in the procurement processes for the financial year 2017/18. These investigations were still in progress at the date of this report.

AUDITOR GENERAL

East London

27 July 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



APPROPRIATION STATEMENT

for the year ended 31 March 2023

Appropriation per programme									
	2022/23						2021/22		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
PROGRAMMES									
1. Administration	336 150	-	(5 728)	330 422	326 593	3 829	98,8%	307 894	305 971
2. Cultural Affairs	235 332	-	5 728	241 060	238 876	2 184	99,1%	248 611	247 317
3. Library and Archives Services	276 695	-	-	276 695	251 411	25 284	90,9%	254 011	238 205
4. Sport and Recreation	168 792	-	-	168 792	157 573	11 219	93,4%	167 108	161 451
SUBTOTAL	1 016 969	-	-	1 016 969	974 453	42 516	95,8%	977 624	952 944
Statutory Appropriation	2 037	-	-	2 037	2 096	(59)	102,9%	1 978	1 978
Member's remuneration	2 037	-	-	2 037	2 096	(59)	102,9%	1 978	1 978
TOTAL	1 019 006	-	-	1 019 006	976 549	42 457	95,8%	979 602	954 922

	2022/23			2021/22	
	Final Budget	Actual Expenditure		Final Budget	Actual Expenditure
	1 019 006			979 602	
TOTAL (brought forward)					
Reconciliation with statement of financial performance					
ADD					
Departmental receipts					
		1 174		2 093	
		1 020 180		981 695	
Actual amounts per statement of financial performance (total revenue)					
Actual amounts per statement of financial performance (total expenditure)					954 922

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Appropriation per economic classification		2022/23						2021/22	
Economic classification	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	777 471	(12 051)	(5 728)	759 692	737 619	22 073	97,1%	711 299	700 381
Compensation of employees	567 475	(18 478)	-	548 997	543 451	5 546	99,0%	526 135	524 855
Goods and services	209 996	6 427	(5 728)	210 695	194 168	16 527	92,2%	185 164	175 526
Transfers and subsidies	155 205	2 180	2 448	159 833	158 257	1 576	99,0%	185 555	185 433
Provinces and municipalities	75 308	-	-	75 308	75 308	-	100,0%	73 908	73 908
Departmental agencies and accounts	26 124	-	-	26 124	26 124	-	100,0%	42 517	42 515
Non-profit institutions	49 971	-	2 448	52 419	52 260	159	99,7%	58 998	58 998
Households	3 802	2 180	-	5 982	4 565	1 417	76,3%	10 132	10 012
Payments for capital assets	86 330	9 871	3 280	99 481	80 673	18 808	81,1%	82 748	69 108
Buildings and other fixed structures	64 816	1 170	3 280	69 266	52 964	16 302	76,5%	58 424	45 711
Machinery and equipment	20 514	8 701	-	29 215	27 481	1 734	94,1%	22 368	21 570
Heritage assets	1 000	-	-	1 000	228	772	22,8%	1 100	971
Software and other intangible assets	-	-	-	-	-	-	-	856	856
Total	1 019 006	-	-	1 019 006	976 549	42 457	95,8%	979 602	954 922

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Statutory Appropriation							
Direct Charges	2022/23						2021/22
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget
	R'000	R'000	R'000	R'000	R'000	R'000	%
Member of Executive Committee	2 037	-	-	2 037	2 096	(59)	102,9%
Total	2 037	-	-	2 037	2 096	(59)	102,9%

Statutory Appropriation per economic classification							
	2022/23						2021/22
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget
	R'000	R'000	R'000	R'000	R'000	R'000	%
Economic classification	2 037	-	-	2 037	2 096	(59)	102,9%
Current payments	2 037	-	-	2 037	2 096	(59)	102,9%
Compensation of employees	2 037	-	-	2 037	2 096	(59)	102,9%
Total	2 037	-	-	2 037	2 096	(59)	102,9%

APPROPRIATION STATEMENT

for the year ended 31 March 2023

PROGRAMME 1: ADMINISTRATION		2022/23						2021/22	
		Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Sub programme									
1.1 Office of the MEC		9 229	293	-	9 522	9 581	(59)	100,6%	7 150
1.2 Corporate Services		326 921	(293)	(5 728)	320 900	317 012	3 888	98,8%	298 821
Total for sub programmes		336 150	-	(5 728)	330 422	326 593	3 829	98,8%	305 971
Economic classification									
Current payments		317 399	(6 990)	(5 728)	304 681	301 211	3 470	98,9%	287 493
Compensation of employees		249 128	(6 990)	-	242 138	241 597	541	99,8%	230 188
Goods and services		68 271	-	(5 728)	62 543	59 614	2 929	95,3%	57 305
Transfers and subsidies		2 999	1 289	-	4 288	4 289	(1)	100,0%	3 879
Departmental agencies and accounts		1 349	-	-	1 349	1 349	-	100,0%	1 395
Households		1 650	1 289	-	2 939	2 940	(1)	100,0%	2 484
Payments for capital assets		15 752	5 701	-	21 453	21 093	360	98,3%	14 599
Buildings and other fixed structures		590	-	-	590	221	369	37,5%	-
Machinery and equipment		15 162	5 701	-	20 863	20 872	(9)	100,0%	13 743
Software and other intangible assets		-	-	-	-	-	-	-	856
Total		336 150	-	(5 728)	330 422	326 593	3 829	98,8%	305 971

APPROPRIATION STATEMENT

for the year ended 31 March 2023

PROGRAMME 2: CULTURAL AFFAIRS									
	2022/23						2021/22		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
2.1 Management	12 491	676	-	13 167	13 167	-	100,0%	13 446	13 412
2.2 Arts and Culture	91 633	(1 237)	-	90 396	89 316	1 080	98,8%	105 239	105 212
2.3 Museums Services	106 611	561	5 728	112 900	112 900	-	100,0%	105 821	105 821
2.4 Heritage Resource Services	19 587	-	-	19 587	18 829	758	96,1%	19 650	18 574
2.5 Language Services	5 010	-	-	5 010	4 664	346	93,1%	4 455	4 298
Total for sub programmes	235 332	-	5 728	241 060	238 876	2 184	99,1%	248 611	247 317
Economic classification									
Current payments	165 413	(3 685)	-	161 728	160 678	1 050	99,4%	156 016	154 746
Compensation of employees	139 801	(4 248)	-	135 553	135 230	323	99,8%	130 943	130 714
Goods and services	25 612	563	-	26 175	25 448	727	97,2%	25 073	24 032
Transfers and subsidies	56 749	891	2 448	60 088	59 622	466	99,2%	75 846	76 122
Provinces and municipalities	1 400	-	-	1 400	1 400	-	100,0%	-	-
Departmental agencies and accounts	23 575	-	-	23 575	23 575	-	100,0%	40 120	40 120
Non-profit institutions	31 374	-	2 448	33 822	33 662	160	99,5%	34 498	34 498
Households	400	891	-	1 291	985	306	76,3%	1 228	1 504

APPROPRIATION STATEMENT

for the year ended 31 March 2023

	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	13 170	2 794	3 280	19 244	18 576	668	96,5%	16 749	16 449
Buildings and other fixed structures	11 500	1 170	3 280	15 950	16 033	(83)	100,5%	14 842	14 842
Machinery and equipment	670	1 624	-	2 294	2 315	(21)	100,9%	807	636
Heritage assets	1 000	-	-	1 000	228	772	22,8%	1 100	971
Total	235 332	-	5 728	241 060	238 876	2 184	99,1%	248 611	247 317

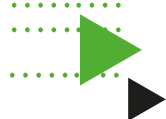


DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
Vote 14

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Programme 3: LIBRARY AND ARCHIVES SERVICES									
	2022/23						2021/22		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
3.1 Management	2 038	-	-	2 038	1 100	938	54,0%	1 791	1 596
3.2 Library Services	247 992	-	-	247 992	229 785	18 207	92,7%	232 861	218 824
3.3 Archives	26 665	-	-	26 665	20 526	6 139	77,0%	19 359	17 785
Total for sub programmes	276 695	-	-	276 695	251 411	25 284	90,9%	254 011	238 205
Economic classification									
Current payments	146 727	(1 376)	-	145 351	136 351	9 000	93,8%	124 916	121 857
Compensation of employees	107 611	(7 240)	-	100 371	97 884	2 487	97,5%	95 586	95 204
Goods and services	39 116	5 864	-	44 980	38 467	6 513	85,5%	29 330	26 653
Transfers and subsidies	76 608	-	-	76 608	76 552	56	99,9%	80 597	80 597
Provinces and municipalities	73 908	-	-	73 908	73 908	-	100,0%	73 908	73 908
Non-profit institutions	2 500	-	-	2 500	2 500	-	100,0%	2 000	2 000
Households	200	-	-	200	144	56	72,0%	4 689	4 689



APPROPRIATION STATEMENT

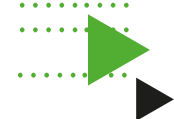
for the year ended 31 March 2023

	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	53 360	1 376	-	54 736	38 508	16 228	70,4%	48 498	35 751
Buildings and other fixed structures	50 760	-	-	50 760	34 744	16 016	68,4%	42 961	30 642
Machinery and equipment	2 600	1 376	-	3 976	3 764	212	94,7%	5 537	5 109
Total	276 695	-	-	276 695	251 411	25 284	90,9%	254 011	238 205

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Programme 4: SPORT AND RECREATION									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
Management	2 578	-	-	2 578	2 489	89	96,5%	3 364	3 488
4.2 Sport Development	63 638	-	-	63 638	60 046	3 592	94,4%	61 786	61 782
4.3 Recreation	92 616	-	-	92 616	85 298	7 318	92,1%	99 063	93 313
School Sport	9 960	-	-	9 960	9 740	220	97,8%	2 895	2 868
Total for sub programmes	168 792	-	-	168 792	157 573	11 219	93,4%	167 108	161 451
Economic classification									
Current payments	145 895	-	-	145 895	137 283	8 612	94,1%	139 122	134 307
Compensation of employees	68 898	-	-	68 898	66 644	2 254	96,7%	67 391	66 771
Goods and services	76 997	-	-	76 997	70 639	6 358	91,7%	71 731	67 536
Transfers and subsidies	18 849	-	-	18 849	17 794	1 055	94,4%	25 231	24 835
Departmental agencies and accounts	1 200	-	-	1 200	1 200	-	100,0%	1 000	1 000
Non-profit institutions	16 097	-	-	16 097	16 098	(1)	100,0%	22 500	22 500
Households	1 552	-	-	1 552	496	1 056	32,0%	1 731	1 335



APPROPRIATION STATEMENT

for the year ended 31 March 2023

	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	4 048	-	-	4 048	2 496	1 552	61,7%	2 755	2 309
Buildings and other fixed structures	1 966	-	-	1 966	1 966	-	100,0%	621	227
Machinery and equipment	2 082	-	-	2 082	530	1 552	25,5%	2 134	2 082
Total	168 792	-	-	168 792	157 573	11 219	93,4%	167 108	161 451

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
Vote 14

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2023

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies and Annexure 1 (A, B, F and G) 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 on Annual Appropriation to the Annual Financial Statements.

3. Detail on payments for financial assets

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

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

4.1 Per programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Administration	332 459	328 689	3 770	1,1%
Cultural Affairs	241 060	238 876	2 184	0,9 %
Library and Archives Services	276 695	251 411	25 284	9,1%
Sport and Recreation	168 792	157 573	11 219	6,6%
	1 019 006	976 549	42 457	4,2%

4.2 Per economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	548 997	543 451	5 546	1,0%
Goods and services	210 695	194 168	16 527	7,8%
Transfers and subsidies				
Provinces and municipalities	75 308	75 308	-	0,0%
Departmental agencies and accounts	26 124	26 124	-	0,0%
Non-profit institutions	52 419	52 260	159	0,3%
Households	5 982	4 565	1 417	23,7%
Payments for capital assets				
Buildings and other fixed structures	69 266	52 964	16 302	23,5%
Machinery and equipment	29 215	27 481	1 734	5,9%
Heritage assets	1 000	228	772	77,2%
	1 019 006	976 549	42 457	4,2%

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2023

4.3 Per conditional grant	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Public Works				
EPWP Inter Grnt Prov	2 155	2 155	-	0,0%
Library and Archives				
Comm Library Serv Grant	192 514	175 376	17 138	8,9%
Sport and Recreation SA				
Mass Sport & Recr Part Prg	74 448	70 879	3 569	4,8%
	269 117	248 410	20 707	7,7%

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
Vote 14

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2023

VARIANCE EXPLANATIONS

REASONS FOR DEVIATIONS PER PROGRAMME AND ECONOMIC CLASSIFICATION

Programmes	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Budget %
Administration	332 459	328 689	3 770	1,1%
Cultural Affairs	241 060	238 876	2 184	0,9 %
Library & Archives	276 695	251 411	25 284	9,1%
Sport & Recreation	168 792	157 573	11 219	6,6%
Total	1 019 006	976 549	42 457	4,2%

Administration

Programme 1 is underspent by R3.7 million, and the underspending took place under COE, goods & services, and Buildings & other fixed structures. COE is underspent by R600 thousand due to unplanned terminations of staff during the financial year. Goods and services on the other hand is underspent by R2.9 million due to the tender for leasing of computers which was advertised during the year but could not be awarded because it was nonresponsive. Buildings and other fixed structures is underspent by R369 thousand due to the project of revamping the entrance area at Head Office which is under construction at year end. The department has applied for a rollover for these funds.

Cultural Affairs

The programme is underspent by R2.1 million mainly due to goods & services and Heritage assets. Goods and services is underspent due to a tender for the maintenance of Thombo Arts Centre in Port St Johns whose procurement started in the last quarter of the year as its budget was made available through reprioritisation in the adjustment period. This tender was awarded in March 2023. Heritage assets on the other hand is underspent due to the work on the revitalisation of Chief Maqoma's grave in preparation for the commemoration of 150 years since his death. The grave will be finished in 2023/24 financial year and the commemoration will take place in the second half of 2023.

Libraries and Archives

The Programme is underspent by R25. 3 million due to COE, goods & services and Buildings & other fixed structures. COE is underspent by R2.4 million due to 52 posts that were funded through the Community Library Grant that were being filled. There was a delay in filling them from the beginning of the year because a concurrence had first to be sought from the national Department of Sport, Arts and Culture (DSAC) before they could be filled. 44 of these were filled in the third and fourth quarter but 8 were filled in April of 2023. Goods and services in the Programme is also underspent by R6.5 million due to a tender for digitisation of records which was awarded in the fourth quarter of the year and was not yet invoiced at the end of the year. A rollover for this amount was applied for. On buildings and other fixed structures, the under expenditure of R16 million is due to delays in the awarding of tenders for the New Ntabankulu Library, Renovations at Patterson Library and Izingcuka Modular Library.

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2023

Sport and Recreation

The programme is underspent by R11.2 million. COE is underspent by R2.2 million due to the vacancies that were in the districts and were filled during the year whilst were budgeted for a full year. The other reason for under expenditure on COE is that there are some posts especially in the middle management that were filled through internal upward mobility and as such resulting in savings. Goods and services in the programme is underspent by R6.3 million mainly because of the rescheduling of National School Athletics and Swimming events to the new financial year by the national Department of Sport, Arts and Culture. National Athletics event was rescheduled to the first week of April 2023 and their commitments were already done in March 2023. A rollover application for these funds has been done. Procurement for Women's football to the value of R500 thousand could not be completed due to unresponsiveness of suppliers. Households is underspent by R1 million due to leave gratuities for officials who retired at end February 2023 and were paid in April of the new financial year. Capital assets was underspent by R1.5 million due to savings on rental of fleet as some meetings were moved from physical to virtual formats.

EXPENDITURE IN TERMS OF ECONOMIC CLASSIFICATION

Economic Classification	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Budget %
Compensation of Employees	548 997	543 451	5 546	1,0%
Goods and Services	210 695	194 168	16 527	7,8%
Transfers and Subsidies	159 833	158 257	1 576	1,0%
Building and other Fixed Structures	69 266	52 964	16 302	23,5%
Machinery and Equipment	29 215	27 481	1 734	5,9%
Heritage Assets	1 000	228	772	77,2%
Total	1 019 006	976 549	42 457	4,2%

Compensation of Employees

COE is underspent by R5.5 million, due to posts in both the equitable share and the Library Conditional Grant. The Grant had 52 posts of librarians and library assistants that were accommodated in the budget from the beginning of the year but could only be filled from the third quarter after the National department had concurred to them being filled. Part of the savings derived from there were utilised under machinery and equipment to supply libraries with inverters to keep the lights on during load shedding. Equitable share is underspent by R3.1 million due to unplanned terminations of employees. The other reason for under expenditure on COE is that there are some posts especially in the middle management that were filled through internal upward mobility and as such resulting in savings.

Goods and Services

Goods and services is underspent by R16.5 million, amongst others due to a tender for the leasing of computer equipment which could be not be awarded because it was non responsive. This will be advertised again in the 2023/24 financial year. The other reason for the under expenditure on goods and services is the re-scheduling of the national athletics and swimming games to take place in the new financial year. The re-scheduling was

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2023

done by the national DSAC as they are responsible for the National calendar of events. These were originally planned for March 2023 but were moved to April 2023. A rollover for these funds has been applied for. Also responsible for under expenditure on goods and services is a tender of R4 million for digitisation of records under Archives which was awarded in the fourth quarter of the year and was not yet invoiced at the end of the year. A rollover for this amount was applied for.

Transfers and Subsidies

Transfers and subsidies is underspent by R1.6 million due to less amounts paid for leave gratuities as many officials leaving the department have small capped leave because they joined the public service after year 2000. Households amounting to R1 million were meant for leave gratuities for officials who retired at end February 2023 but were paid in April of the new financial year as their full documents were not ready on time. Also, the transfer of R160 thousand for Mthatha museum was not paid because its board was in the process of being re-configured as the term of the old one had lapsed.

Payment of Capital Assets

Buildings and other fixed structure is underspent by R16.3 million due to delays in the awarding of tenders for New Ntabankulu Library, Renovations at Patterson Library and Izingcuka Modular Library. Administration is underspent by R369 thousand. This is for the revitalisation of the reception area at Head Office. The construction started in the last quarter of 2022/23 as the budget for this project was made available from the November 2022 adjustments. A rollover for this amount has been applied for.

EXPENDITURE ON CONDITIONAL GRANTS

Conditional Grants	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Budget %
EPWP Inter Grnt. Prov	2 155	2 155	-	0,0%
Comm Library Serv. Grant	192 514	175 376	17 138	8,9%
Mass Sport & Recr Part Prg	74 448	70 879	3 569	4,8%
	269 117	248 410	20 707	7,7%

Community Libraries Grant

The Community Library Grant is underspent by R17.1 million mainly due to infrastructure projects which experienced delays during construction. The delays were caused by tensions characterising the built environment whereby Construction Forums fight for sub-contracts in the awarded tenders. This has resulted in underperformance by the main contractor in the Jeffrey's Bay & the New Cookhouse Libraries. The department has applied for a rollover for these funds.

The MPP Grant is underspent by R3.6 million due to the re-scheduling of National athletics competition to April of 2023/24 financial year. The department has also applied for a rollover for these funds as these events were already committed in March 2023, and they took place in April 2023. There was no variance for EPWP Grant as it was spent according to plans.

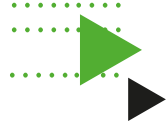
DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE

Vote 14

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
REVENUE			
Annual appropriation	1	1 016 969	977 624
Statutory appropriation	2	2 037	1 978
Departmental revenue	3	1 174	2 093
TOTAL REVENUE		1 020 180	981 695
EXPENDITURE			
Current expenditure			
Compensation of employees	4	543 451	524 855
Goods and services	5	194 168	175 526
Total current expenditure		737 619	700 381
Transfers and subsidies			
Transfers and subsidies	6	158 257	185 433
Total transfers and subsidies		158 257	185 433
Expenditure for capital assets			
Tangible assets	7	80 673	68 252
Intangible assets	7	-	856
Total expenditure for capital assets		80 673	69 108
TOTAL EXPENDITURE		976 549	954 922
SURPLUS/(DEFICIT) FOR THE YEAR		43 631	26 773
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		42 457	24 680
Annual appropriation		21 809	6 890
Statutory appropriation		(59)	-
Conditional grants		20 707	17 790
Departmental revenue and NRF Receipts	11	1 174	2 093
SURPLUS/(DEFICIT) FOR THE YEAR		43 631	26 773



DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE

Vote 14

STATEMENT OF FINANCIAL POSITION

as at 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
ASSETS			
Current assets		72 224	26 562
Cash and cash equivalents	8	70 214	24 436
Receivables	9	2 010	2 126
Non-current assets		1 425	1 524
Receivables	9	1 425	1 524
TOTAL ASSETS		73 649	28 086
LIABILITIES			
Current liabilities		73 649	28 086
Voted funds to be surrendered to the Revenue Fund	10	42 457	24 680
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	11	261	130
Payables	12	30 931	3 276
TOTAL LIABILITIES		73 649	28 086
NET ASSETS		-	-
Represented by:			
Recoverable revenue		-	-
Unauthorised expenditure		-	-
TOTAL		-	-

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE

Vote 14

STATEMENT OF CHANGES IN NET ASSETS

as at 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
Recoverable revenue			
Opening balance		-	-
Transfers:		-	-
Irrecoverable amounts written off		-	-
Debts revised		-	-
Debts recovered (included in departmental receipts)		-	-
Debts raised		-	-
Closing balance		-	-
TOTAL		-	-

CASH FLOW STATEMENT

for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		1 021 294	983 050
Annual appropriated funds received	1.1	1 016 969	977 624
Statutory appropriated funds received	2	2 037	1 978
Departmental revenue received	3	2 287	3 446
Interest received	3.2	1	2
Net (increase)/decrease in net working capital		27 771	1 544
Surrendered to Revenue Fund		(27 142)	(45 733)
Current payments		(737 619)	(700 381)
Transfers and subsidies paid		(158 257)	(185 433)
Net cash flow available from operating activities	13	126 047	53 047
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(80 673)	(69 108)
Proceeds from sale of capital assets	3,3	305	-
(Increase)/decrease in non-current receivables	9	99	(424)
Net cash flows from investing activities		(80 269)	(69 532)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash flows from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		45 778	(16 485)
Cash and cash equivalents at beginning of period		24 436	40 921
Cash and cash equivalents at end of period	8	70 214	24 436

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

PART A: ACCOUNTING POLICIES

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 of 2019.

1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard except where otherwise stated.

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

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

2. Going concern

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

3. Presentation currency

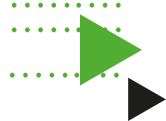
Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

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.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

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 comprise 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.

Appropriated funds are measured at the amounts receivable.

The net amount of any appropriated funds due to or from the relevant revenue fund at the reporting date is recognised as a payable or 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.

Departmental revenue is measured at the cash amount received.

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

Interest received is levied on amounts receivable from staff debts. The rate charged is based on the interest rate as announced by the Minister of Finance in the Annual Budget Speech.

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.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and or 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.

Accruals and payables not recognised are recorded in the notes to the financial statements when the goods are received or in the case of services when they are rendered to the department or in the case of transfers and subsidies when they are due and payable.

8.4 Leases

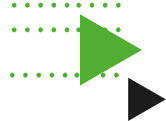
8.4.1 Operating leases

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

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

8.4.2 Finance leases

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



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

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.

Finance lease payments received are recognised as departmental revenue.

9. 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.

10. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

11. Financial assets

11.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost-plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

11.2 Impairment of financial assets

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

12. Payables

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

13. Capital Assets

13.1 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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

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.

13.2 Movable capital assets

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

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

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

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

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

13.3 Intangible capital assets

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

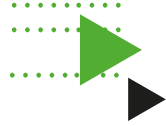
Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

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

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

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

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

13.4 Project Costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register.

Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

14. Provisions and Contingents

14.1 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.

14.2 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.

14.3 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.

14.4 Capital Commitments

Capital commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

15. Unauthorised expenditure

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

Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure recorded in the notes to the financial statements comprise of

- unauthorised expenditure that was under assessment in the previous year;
- unauthorised expenditure relating to previous financial year and identified in the current year; and
- unauthorised incurred in the current year.

16. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of.

For the current financial year-

- Amounts incurred and confirmed in that financial year;

For the previous financial year-

- Amounts confirmed in that financial year;
- Amounts that were under assessment in that financial year and confirmed in the current financial year;
- Amounts that were not identified in the previous year and are identified and confirmed in the current financial year.

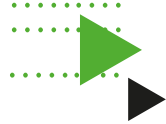
17. Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written off as irrecoverable.

Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and includes:

For the current financial year-

- Amounts incurred and confirmed in that financial year;
- Payments made as it relates to multi-year contracts (if not condoned yet).



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

For the previous financial year-

- Amounts confirmed in that financial year;
- Amounts that were under assessment in that financial year and confirmed in the current financial year;
- Amounts that were not identified in the previous year and are identified and confirmed in the current financial year.

18. Changes in accounting estimates and errors

Changes in accounting estimates that 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.

19. 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.

20. Principal-Agent arrangements

The department is party to a principal-agent arrangement for the roll-out of infrastructure facilities with COEGA. In terms of the arrangement the department is the principal and is responsible for paying of all the infrastructure related expenditure.

All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.

21. Departures from the MCS requirements

Management has concluded that the financial statements present fairly the department's primary and secondary information.

The department complied with the Modified Cash Standard and no departures were made from the Standard to achieve fair presentation.

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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

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 their full compensation of key management personnel is recorded in the notes to the financial statements.

24. Inventories (Effective from date determined in a Treasury Instruction)

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or were 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 recorded in the employee benefits note.

Accruals and payables not recognised for employee benefits are measured at cost, at the reporting date.

The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

PART B: EXPLANATORY NOTES

1. Annual Appropriation

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act and the Adjustments Appropriation Act for Provincial Department:

	2022/23			2021/22		
	Final Budget	Actual Funds Received	Funds not requested/ not received	Final Budget	Appropriation received	Funds not requested/ not received
PROGRAMMES	R'000	R'000	R'000	R'000	R'000	R'000
Administration	330 422	330 422	-	307 894	307 894	-
Cultural Affairs	241 060	241 060	-	248 611	248 611	-
Library and Archives Services	276 695	276 695	-	254 011	254 011	-
Sport and Recreation	168 792	168 792	-	167 108	167 108	-
Total	1 016 969	1 016 969	-	977 624	977 624	-

The department requested and received its appropriated funds amounting to R1 016 969 million which includes conditional grants of R269,117 million from the Provincial Treasury for the year ended 31 March 2023.

The amount reflected in note 1.1 above excludes the MEC's budget of R2, 037 million as it is reflected separately in note 2 below.

1.2 Conditional grants

	Note	2022/23	2021/22
		R'000	R'000
Total grants received	29	269 117	248 913
Provincial grants included in Total Grants received		269 117	248 913

The conditional grants relating to Expanded Public Works Programme (EPWP), Community Libraries and Mass Participation are included in the Financial Appropriation in note 1.1 above.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

2. Statutory Appropriation

	2022/23	2021/22
	R'000	R'000
Member's remuneration	2 037	1 978
Total	2 037	1 978
Actual Statutory Appropriation received	2 037	1 978

A decision to adjust the statutory appropriation from R1, 978 million to R2, 037 million was taken amid the provisions of the proclamation notice no.67 of 2022 dated 14 June 2022 but implemented retrospectively with effect from 01 April 2021 has resulted to the over expenditure of R59 thousand.

3. Departmental revenue

	Note	2022/23	2021/22
		R'000	R'000
Tax revenue			
Sales of goods and services other than capital assets	3.1	1 043	1 004
Interest, dividends and rent on land	3.2	1	2
Sales of capital assets	3.3	305	-
Transactions in financial assets and liabilities	3.4	1 244	2 442
Total revenue collected		2 593	3 448
Less: Own revenue included in appropriation	11	(1 419)	(1 355)
Total		1 174	2 093

The department collected own revenue amounting to R2,53 million as at 31 March 2023. This amount is more than the budgeted own revenue amount of R1,419 million.

This over collection of R1 174 million is due to collection of commission, insurance, garnishees, photocopies income, faxes, Interest received from departmental debtors, receipts from salary overpayments, staff debts, sale of MEC vehicle and refunds from ECPACC and GEMS.

3.1 Sales of goods and services other than capital assets

	Note	2022/23	2021/22
		R'000	R'000
Sales of goods and services produced by the department	3	1 043	866
Other sales		1 043	866
Sales of scrap, waste and other used current goods		-	138
Total		1 043	1 004

Revenue on other sales, waste and other used current goods increased in 2022/23 due to the sale of a motor vehicle formerly used by the MEC. An open public process was followed when the motor was disposed off.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

3.2 Interest, dividends and rent on land

	Note	2022/23	2021/22
	3	R'000	R'000
Interest		1	2
Total		1	2

3.3 Sales of capital assets

	Note	2022/23	2021/22
	3	R'000	R'000
Tangible capital assets		305	-
Machinery and equipment		305	-
Total		305	-

3.4 Transactions in financial assets and liabilities

	Note	2022/23	2021/22
	3	R'000	R'000
Receivables		17	-
Other Receipts including Recoverable Revenue		1 227	2 442
Total		1 244	2 442

4. Compensation of employees

4.1 Analysis of balance

	Note	2022/23	2021/22
		R'000	R'000
Basic salary		380 227	368 352
Performance award		178	1 243
Service Based		392	331
Compensative/circumstantial		399	750
Other non-pensionable allowances		80 657	75 013
Total		461 853	445 689

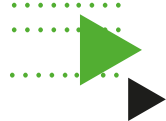
NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

4.2 Social contributions

	Note	2022/23 R'000	2021/22 R'000
Employer contributions			
Pension		48 903	48 726
Medical		32 340	30 045
UIF		25	24
Bargaining council		128	123
Insurance		202	248
Total		81 598	79 166
Total compensation of employees		543 451	524 855
Average number of employees		1 135	1 113

There was an increase in expenditure for Compensation of Employees due to salary improvement agreements reached at the Public Sector Coordinating Bargaining Council. These included the payment of non-pensionable allowances to members of staff plus a 1.5 % increase across the board.



DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE

Vote 14

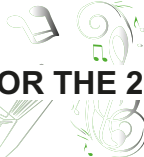
NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

5. Goods and services

	Note	2022/23 R'000	2021/22 R'000
Administrative fees		31	21
Advertising		10 739	8 116
Minor assets	5.1	297	694
Bursaries (employees)		601	457
Catering		474	339
Communication		3 189	3 472
Computer services	5.2	19 283	24 111
Consultants: Business and advisory services		2 417	1 368
Legal services		385	3 449
Contractors		25 391	20 641
Agency and support / outsourced services		9 477	7 179
Audit cost – external	5.3	4 765	5 882
Fleet services		5 904	4 134
Inventory	5.4	35 520	23 817
Consumables	5.5	2 470	3 764
Operating leases		4 763	4 595
Property payments	5.6	11 163	11 357
Transport provided as part of the departmental activities		8 876	6 710
Travel and subsistence	5.7	36 476	36 083
Venues and facilities		6 893	3 045
Training and development		3 546	4 800
Other operating expenditure	5.8	1 508	1 492
Total		194 168	175 526

Expenditure on goods and services increased by 10,6 % in the 2022/23 financial year compared with the prior year.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

5.1 Minor assets

	Note	2022/23	2021/22
	5	R'000	R'000
Tangible assets		297	694
Machinery and equipment		297	694
Total		297	694

5.2 Computer services

	Note	2022/23	2021/22
	5	R'000	R'000
SITA computer services		19 283	24 111
Total		19 283	24 111

5.3 Audit cost – External

	Note	2022/23	2021/22
	5	R'000	R'000
Regularity audits		4 765	5 882
Total		4 765	5 882

5.4 Inventory

	Note	2022/23	2021/22
	5	R'000	R'000
Clothing material and accessories	5	53	182
Other supplies	5.4.1	35 467	23 635
Total		35 520	23 817

Inventories increased in the 2022/23 financial year by 49.1 % due to the increase to the provision of inverters for libraries, museums, archives facilities, sport and recreation consumables, and Library books.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

5.4.1 Other supplies

	Note	2022/23	2021/22
	5.4	R'000	R'000
Assets for distribution		35 467	23 487
Machinery and equipment		7 471	497
Sports and recreation		16 041	15 670
Library material		11 955	7 320
Other		-	148
Total		35 467	23 635

5.5 Consumables

	Note	2022/23	2021/22
	5	R'000	R'000
Consumable supplies		580	1 165
Uniform and clothing		9	10
Household supplies		257	259
IT consumables		221	505
Other consumables		93	391
Stationery, printing and office supplies		1 890	2 599
Total		2 470	3 764

5.6 Property payments

	Note	2022/23	2021/22
	5	R'000	R'000
Municipal services		721	483
Property maintenance and repairs		10 442	10 874
Total		11 163	11 357

5.7 Travel and subsistence

	Note	2022/23	2021/22
	5	R'000	R'000
Local		36 425	36 083
Foreign		51	-
Total		36 476	36 083

Expenditure on travel and subsistence increased by 1,1% in 2022/23

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

5.8 Other operating expenditure

	Note	2022/23	2021/22
	5	R'000	R'000
Professional bodies, membership and subscription fees		174	198
Resettlement costs		452	537
Other		882	757
Total		1 508	1 492

Other operating expenditure increased in 2022/23 because the department had more job recruits who were coming afar and who had to be resettled close to the business area.

5.9 Remuneration of members of a commission or committee of inquiry
(Included in Consultant: Business and advisory services)

	Note	2022/23	2021/22
	5	R'000	R'000
Name of Commission / Committee of inquiry			
Not Applicable		-	-
Total		-	-

5.9.1 Prior period errors

Correction of prior period errors

		2021/22	
	Amount before error correction	Prior period error	Restated
Note	R'000	R'000	R'000
Audit committee	729	(729)	-
	729	(729)	-

The audit committee disclosed in the previous financial year under remuneration of members of a commission or committee were not part of the committee of inquiry. The sub-note was not clearly stipulated as the committee of inquiry in the previous year hence the department disclosed it under the note.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

6. Transfers and subsidies

		2022/23	2021/22
	Note	R'000	R'000
Provinces and municipalities	30, Annex 1A	75 308	73 908
Departmental agencies and accounts	Annex 1B	26 124	42 515
Non-profit institutions	Annex 1F	52 260	58 998
Households	Annex 1G	4 565	10 012
Total		158 257	185 433

7. Expenditure for capital assets

	Note	2022/23	2021/22
		R'000	R'000
Tangible capital assets		80 673	68 252
Buildings and other fixed structures	27	52 964	45 711
Heritage assets		228	971
Machinery and equipment	25	27 481	21 570
Intangible capital assets		-	856
Software	29	-	856
Total		80 673	69 108

7.1 Analysis of funds utilised to acquire capital assets – Current year

	Voted funds	Total
	R'000	R'000
Tangible capital assets	80 673	80 673
Buildings and other fixed structures	52 964	52 964
Heritage assets	228	228
Machinery and equipment	27 481	27 481
Total	80 673	80 673

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

7.2 Analysis of funds utilised to acquire capital assets – Prior year

	Voted funds	Total
	R'000	R'000
Tangible assets	68 252	68 252
Buildings and other fixed structures	45 711	45 711
Heritage assets	971	971
Machinery and equipment	21 570	21 570
Intangible capital assets	856	856
Software	856	856
Total	69 108	69 108

7.3 Finance lease expenditure included in Expenditure for capital assets

	2022/23	2021/22
	R'000	R'000
Tangible assets	12 143	10 822
Machinery and equipment	12 143	10 822
Total	12 143	10 822

8. Cash and cash equivalents

	Note	2022/23	2021/22
		R'000	R'000
Consolidated Paymaster General Account		70 214	24 436
Total		70 214	24 436

9. Receivables

		2022/23			2021/22		
		Current	Non-current	Total	Current	Non-current	Total
	Note	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	9.1	34	-	34	-	-	-
Recoverable expenditure	9.2	(228)	-	(228)	1 910	-	1 910
Staff debt	9.3	2 204	1 425	3 629	216	1 524	1 740
Total		2 010	1 425	3 435	2 126	1 524	3 650

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

9.1 Claims recoverable

	Note	2022/23	2021/22
	9 and Annex 4	R'000	R'000
Provincial departments		34	-
Total		34	-

9.2 Recoverable expenditure (disallowance accounts)

	Note	2022/23	2021/22
	9	R'000	R'000
Debt receivable income		(235)	(252)
Sal: Tax debt		7	11
Bank Adjustment Acc		-	2 151
Total		(228)	1 910

9.3 Staff debt

	Note	2022/23	2021/22
	9	R'000	R'000
Staff debt- employees and ex-employees		3 856	1 947
Debt receivable interest		(227)	(207)
Total		3 629	1 740

9.4 Impairment of receivables

	Note	2022/23	2021/22
		R'000	R'000
Estimate of impairment of receivables		1 064	912
Total		1 064	912

10. Voted funds to be surrendered to the Revenue Fund

	Note	2022/23	2021/22
		R'000	R'000
Opening balance		24 680	42 512
Prior period error			-
As restated		24 680	42 512
Transfer from statement of financial performance (as restated)		42 457	24 680
Add: Unauthorised expenditure for current year		-	-
Voted funds not requested/not received	1.1	-	-
Paid during the year		(24 680)	(42 512)
Closing balance		42 457	24 680

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

10.1 Reconciliation of unspent conditional grants

	Note	2022/23 R'000	2021/22 R'000
Total conditional grants received		269 117	248 913
Total conditional grants spent		(248 410)	(231 123)
Unspent conditional grants to be surrendered		20 707	17 790
Less: Paid to the Provincial Revenue Fund by Provincial department		-	(17 790)
Approved for rollover		-	(14 914)
Not approved for rollover		-	(2 876)
Add: Received from provincial revenue fund by national department		-	-
Due by the Provincial Revenue Fund		20 707	-

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

	Note	2022/23 R'000	2021/22 R'000
Opening balance		130	(97)
Prior period error	13.1	-	-
As restated		130	(97)
Transfer from Statement of Financial Performance (as restated)		1 174	2 093
Own revenue included in appropriation		1 419	1 355
Paid during the year		(2 462)	(3 221)
Closing balance		261	130

12. Payables – current

	Note	2022/23 R'000	2021/22 R'000
Clearing accounts	12.1	30 931	3 276
Total		30 931	3 276

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

12.1 Clearing accounts

	Note	2022/23	2021/22
	12	R'000	R'000
Sal: Sal Acb Recalls		115	117
Sal:Income Tax		397	230
Outstanding Payments		28 184	2 430
Sal: GEHS Refund Control Acc		740	493
Sal:Pension Fund: cl		29	6
Sal:Bargaining Council: cl		1	-
Bank adjustment acc:Dom		1 465	-
Total		30 931	3 276

The increase has been caused by payments that were authorised, but not disbursed due to network challenges that affected payment processes.

13. Net cash flow available from operating activities

	Note	2022/23	2021/22
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		43 631	26 773
Add back non-cash/cash movements not deemed operating activities		82 416	26 274
(Increase)/decrease in receivables - current		116	105
Increase/(decrease) in payables – current		27 655	1 439
Proceeds from sale of capital assets		(305)	-
Expenditure on capital assets		80 673	69 108
Surrenders to Revenue Fund		(27 142)	(45 733)
Own revenue included in appropriation	3	1 419	1 355
Net cash flow generated by operating activities		126 047	53 047

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

	2022/23	2021/22
	R'000	R'000
Consolidated Paymaster General account	70 214	24 436
Total	70 214	24 436

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

15. Contingent liabilities and contingent assets

15.1 Contingent liabilities

	Note	2022/23 R'000	2021/22 R'000
Liability to Nature			
Claims against the department	Annex 3B	45 720	5 820
Intergovernmental payables (unconfirmed balances)	Annex 5	250	-
Other	Annex 3B	4 339	2 885
Total		50 309	8 705

These are amounts that could accrue to employees and or suppliers in respect of claims made against the department.

In the last financial year, we were awaiting a ruling by the constitutional court in respect of a dispute on the payment of salary increases. The appeal was upheld by the constitutional court and the increases have since been paid.

During 2021/22 financial year, the department suffered a disruption in its Information Communication Technology systems. This resulted in a loss of data. Subsequent to our claim that was lodged with the responsible service provider, the service provider lodged a counter claim amounting to R40 million. The department instituted legal process and it is now at the arbitration stage, with no certainty of the outcomes.

This claim, according to the service provider, is due to reputational damage it suffered as a result of department's claim. The department instituted a legal process and it is now at the arbitration stage, with no certainty of the outcomes.

15.2 Contingent assets

	Note	2022/23 R'000	2021/22 R'000
Nature of contingent asset			
HROPT-Balance brought forward		2 985	3 134
Reduction in value of asset		(671)	(149)
Afrocentric		40 000	-
Total		42 314	2 985

The Contingent Assets are due to OSD debts against employees. The amounts are reduced only through natural attrition or when employees are transferred to other departments, thus there is no certainty as to when these events will take place.

During 2021/22 financial year, the department suffered a disruption in its Information Communication Technology Systems. This resulted in a loss of data valued at R40 million, at the end of the financial year, it was not practicable to provide a probable value of the loss. The department instituted legal processes and is at the arbitration stage, with no certainty of the outcomes.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

16. Capital Commitments

	Note	2022/23 R'000	2021/22 R'000
Buildings and other fixed structures		4 040	51 821
Heritage assets		151	-
Machinery and Equipment		7 470	87
Total Commitments		11 661	51 908

16.1 Correction of prior period errors

		2021/22	
	Amount before error correction	Prior period error	Restated
Note	R'000	R'000	R'000
Capital Commitments			
Buildings and other fixed structures	16	15 672	36 149
Total		15 672	51 821

17. Accruals and payables not recognised

17.1 Accruals

			2022/23	2021/22
	R'000	R'000	R'000	R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	5 623	-	5 623	3 610
Transfers and subsidies	143	-	143	607
Capital assets	-	-	-	2 760
Total	5 766	-	5 766	6 977

	Note	2022/23 R'000	2021/22 R'000
Listed by programme level			
Administration		4 312	3 535
Cultural Affairs		226	308
Library and Archives Services		974	2 785
Sport and Recreation		254	349
Total		5 766	6 977

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

17.2 Payables not recognised

			2022/23	2021/22
	R'000	R'000	R'000	R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	1 255	1 349	2 604	5 620
Capital assets	77	-	77	-
Total	1 332	1 349	2 681	5 620

	Note	2022/23	2021/22
		R'000	R'000
Listed by programme level			
Administration		967	1 474
Cultural Affairs		656	153
Library and Archives Services		320	189
Sport and Recreation		738	3 804
Total		2 681	5 620

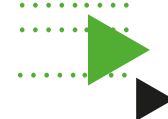
17.2.1 Correction of prior period errors

		2021/22	
	Note	Amount before error correction	Restated
		R'000	R'000
Payables not recognised			
Goods and services	17	4 467	5 620
Total		4 467	5 620

The adjustment of R1 153 million was for the prior year's XL Aloe Travel invoices which have been under investigation. The investigation has since been concluded and required supporting documents has been obtained. The prior period error was to be adjusted.

Included in the above totals are the following:

	Note	2022/23	2021/22
		R'000	R'000
Confirmed balances with the departments	Ann 5	76	42
Total		76	42



DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE

Vote 14

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

18. Employee benefits

	Note	2022/23	2021/22
		R'000	R'000
Leave entitlement		33 452	32 566
Service bonus		16 632	16 166
Performance awards		3 043	3 229
Capped leave commitments		22 443	22 982
Other		1 028	1 102
Total		76 598	76 045

19. Leases commitments

19.1 Operating leases

2022/23	Machinery and equipment	Total
	R'000	R'000
Not later than 1 year	4 948	4 948
Later than 1 year and not later than 5 years	3 766	3 766
Total lease commitments	8 714	8 714

2021/22	Machinery and equipment	Total
	R'000	R'000
Not later than 1 year	3 713	3 713
Later than 1 year and not later than 5 years	3 760	3 760
Total lease commitments	7 473	7 473

The department's leases comprise photocopying equipment.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

19.2 Finance leases

	Motor Vehicles	Machinery and equipment	Total
	R'000	R'000	R'000
2022/23			
Not later than 1 year	4 820	3 336	8 156
Later than 1 year and not later than 5 years	9 534	1 256	10 790
Total lease commitments	14 354	4 592	18 946
2021/22			
Not later than 1 year	4 672	375	5 047
Later than 1 year and not later than 5 years	7 805	106	7 911
	12 477	481	12 958

Machinery and equipment are in respect of finance leases for the rental of Cell phones and Data lines for a period of 24 months. The rentals are fixed for the duration of the period and there is no renewal or purchase or escalation clauses. The maintenance is done by Vodacom.

The department has entered into a lease arrangement with GFMS and has leased 59 motor vehicles as at 31 March 2023, for the duration of Five years the department uses the vehicle for most of the useful life of the vehicle. The agreement does not provide for contingent lease payments. The rentals are fixed for the duration of the period and there is no renewal or purchase or escalation clauses. The maintenance of white fleet is done by the lessors.

The increase in finance lease commitments is due to the vastness of the province, the department had to increase the number of vehicles to our fleet.

20. Unauthorised, Irregular and Fruitless and wasteful expenditure

	Note	2022/23	2021/22
		R'000	R'000
Irregular expenditure – current year		-	781
Fruitless and wasteful expenditure – current year		131	11
Total		131	792

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

21. Related party transactions

Payments made	Note	2022/23 R'000	2021/22 R'000
Eastern Cape Provincial Arts and Culture Council		13 120	36 120
Museums		13 262	12 174
Eastern Cape Provincial Heritage Resource Agency		4 000	4 000
Guild Theatre		6 720	4 270
Opera House		-	4 374
Total		37 102	60 938

The Department has a public entity named Eastern Cape Provincial Arts and Culture Council that is a Schedule 3 entity established in terms of the PFMA Act no. 9 of 1999 as amended. The public entity's board reports directly to the Member of Executive Council. The purpose of the entity is to develop, promote, and preserve art, enhance appreciation, participation and ensure development of a broad inclusive and identifiable Eastern Cape culture. The amount transferred to the public entity for the year ended 31 March 2023 amounted to R 13,120 million.

The immense decrease for ECPACC was due to a once off transfer made in 2021/22 financial year, which was for stimulus package for Film development.

The following are the institutions that are responsible for providing services related to the objectives of the department:

17 Museums are subsidised for their operations by the department and compensation of employees is the responsibility of the department. For the year ended 31 March 2023 an amount of R 13, 262 million has been transferred to the museums.

Guild Theatre is subsidized by the department for all its operations to develop, promote art drama and theatre. This institution is fully funded by the department. The department therefore has a direct influence upon all strategic decisions that this institution take. For the year ended 31 March 2023 an amount of R6,720 million has been transferred to Guild Theatre and no transfer has been made to Opera House. This is as a result of the Opera House being declared as National Department of Arts and Culture in June 2021, through government gazette NO. 486 dated 04 June 2021.

Eastern Cape Provincial Resource Heritage Agency (ECPRHA) is responsible for transformation of the provinces' heritage landscape. For the year ended 31 March 2023 an amount of R4,000 million has been transferred to ECPRHA.

The Department is occupying various buildings that are either owned or rented by the Department of Roads and Public Works, during the year ended 31 March 2023.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

22. Key management personnel

	No. of Individuals	2022/23 R'000	2021/22 R'000
Political office bearers (provide detail below)			
Officials: Member of Executive	1	2 096	1 978
Level 15 to 16	1	1 716	1 676
Level 14 (Incl. CFO)	5	6 241	5 310
Total		10 053	8 964

23. Provisions

	Note	2022/23 R'000	2021/22 R'000
Opening Balance-Retention Fees Infrastructure Projects		7 143	2 556
Increase in provision		5 609	4 592
Settlement of provision		(2 053)	(5)
Total		10 699	7 143

23.1 Correction of prior period error

Provisions	Note	2021/22		
		Amount before error correction R'000	Prior period error R'000	Restated R'000
Opening Balance-Retention Fees Infrastructure Projects	23	5 127	(2 571)	2 556
Increase in provision		4 230	362	4 592
Settlement of provision		(98)	(93)	(5)
Total		9 259	(2 116)	7 143

This is a provision on retention fees that the Department has withheld in respect of infrastructure projects undertaken by the department. It is calculated at 10% or 1% depending on the contractual agreement.

23.2 Reconciliation of movement in provisions – 2022/23

	Retention Fees R'000	Total provisions R'000
Opening balance	7 143	7 143
Increase in provision	5 609	5 609
Settlement of provision	(2 053)	(2 053)
Closing balance	10 699	10 699

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

Reconciliation of movement in provisions – 2021/22

	Retention Fees	Total provisions
	R'000	R'000
Opening balance	2 556	2 556
Increase in provision	4 592	4 592
Settlement of provision	(5)	(5)
Closing balance	7 143	7 143

24. Adjusting events after reporting date

During the year under review, the department did not have the adjusting events after the reporting date.

25. Movable Tangible Capital Assets

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	38 338	27 481	(14 337)	51 482
Transport assets	1 627	5 601	(6 699)	529
Computer equipment	17 339	8 061	(935)	24 465
Furniture and office equipment	17 381	1 848	(145)	19 084
Other machinery and equipment	1 991	11 971	(6 558)	7 404
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	38 338	27 481	(14 337)	51 482

	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	4	90
TOTAL	4	90

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

25.1 Movement for 2021/22

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

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	345	-	-	345	-
Heritage assets	345	-	-	345	-
MACHINERY AND EQUIPMENT	27 167	423	21 570	(10 822)	38 338
Transport assets	1 627	-	6 272	(6 272)	1 627
Computer equipment	8 078	423	8 838	-	17 339
Furniture and office equipment	15 698	-	1 683	-	17 381
Other machinery and equipment	1 764	-	4 777	(4 550)	1 991
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	27 512	423	21 570	(11 167)	38 338

25.1.1 Prior period error

	2021/22
Nature of prior period error	Note
Relating to 2020/21	423
Total prior period errors	423

The adjustment of R423 thousand is due to the assets that were misclassified during procurement in 2020/21 FY and were found on the floor during asset verification.

25.2 Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2023

	Machinery and equipment	Total
	R'000	R'000
Opening balance	14 793	14 793
Additions	297	297
Disposals	(733)	(733)
TOTAL MINOR ASSETS	14 357	14 357

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Machinery and equipment	Total
Number of R1 minor assets	1 260	1 260
Number of minor assets at cost	7 618	7 618
TOTAL NUMBER OF MINOR ASSETS	8 878	8 878

Minor Capital Assets under investigation

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

	Number	Value R'000
Machinery and equipment	3	12
TOTAL	3	12

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

	Machinery and equipment R'000	Total R'000
Opening balance	14 099	14 099
Additions	694	694
TOTAL MINOR ASSETS	14 793	14 793

	Machinery and equipment	Total
Number of R1 minor assets	1 396	1 396
Number of minor assets at cost	8 149	8 149
TOTAL NUMBER OF MINOR ASSETS	9 545	9 545

26. Intangible Capital Assets**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023**

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	1 182	-	-	(326)	856
TOTAL INTANGIBLE CAPITAL ASSETS	1 182	-	-	(326)	856

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

26.1 Movement for 2021/22

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

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	326	-	856	-	1 182
TOTAL INTANGIBLE CAPITAL ASSETS	326	-	856	-	1 182

27. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	77 692	33 797	-	111 489
Other fixed structures	77 692	33 797	-	111 489
HERITAGE ASSETS	1 830	-	-	1 830
Heritage assets	1 830	-	-	1 830
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	79 522	33 797	-	113 319

27.1 Movement for 2021/22

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

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	124 959	-	8 087	(55 354)	77 692
Other fixed structures	124 959	-	8 087	(55 354)	77 692
HERITAGE ASSETS	514	-	1 316	-	1 830
Heritage assets	514	-	1 316	-	1 830
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	125 473	-	9 403	(55 354)	79 522

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

27.2 Immovable tangible Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2023

	Note	Opening balance 1 April 2022	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2023
	Annexure 7	R'000	R'000	R'000	R'000
Buildings and other fixed structures		44 113	52 963	(33 797)	63 279
Total		44 113	52 963	(33 797)	63 279

CAPITAL WORK-IN-PROGRES AS AT 31 MARCH 2022

	Note	Opening balance 1 April 2021	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2022
	Annex 7	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures		6 489	-	45 711	(8 087)	44 113
Total		6 489	-	45 711	(8 087)	44 113

28. Principal-agent arrangements

28.1 Department acting as the principal

	2022/23	2021/22
Fees paid	Fees Paid	
R'000	R'000	
Coega Development Corporation (Management fees)	36	-
Total	36	-

The department of Sport, Recreation Arts and Culture entered into a service delivery agreement with Coega Development Corporation to assist in the provision of Sport, Arts, Cultural, Libraries and Museum facilities throughout the province. The Department of Sport Recreation Arts and Culture paid R36 thousand to Coega Development during the year under review.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

29. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT				2021/22	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjust-ments	Other Adjust-ments	Total Available	Amount received by department	Amount spent by department	Under / (Overspending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
EPWP Inter Grnt Prov	2 155	-	-	-	2 155	2 155	2 155	-	100%	2 056	2 056
Comm Library Serv Grant	181 169	11 345	-	-	192 514	192 514	175 376	17 138	91%	173 986	161 809
Mass Sport&Recr Part Prg	70 879	3 569	-	-	74 448	74 448	70 879	3 569	95%	72 871	67 258
Total	254 203	14 914	-	-	269 117	269 117	248 410	20 707	92%	248 913	231 123

Comparative grants for 2022/23 were deposited into the primary bank account held with ABSA. The department certifies that all its conditional grants listed above have been deposited into the primary bank account held with ABSA Bank of South Africa.

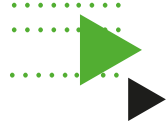


NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

NAME OF MUNICIPALITY	2022/23					2021/22	
	GRANT ALLOCATION			TRANSFER		Division of Revenue Act	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000	R'000	R'000	R'000	%
Amahlathi Local Municipality	1 200	-	-	1 200	1 200	-	-
Blue Crane Route Local Municipality	2 300	-	-	2 300	2 300	-	-
Buffalo City Metropolitan Municipality	15 870	-	-	15 870	15 870	-	-
Dr Beyers Naude Local Municipality	2 308	-	-	2 308	2 308	-	-
Elundini Local Municipality	750	-	-	750	750	-	-
Emalahleni Local Municipality	950	-	-	950	950	-	-
Engcobo Local Municipality	700	-	-	700	700	-	-
Enoch Mgijima Local Municipality	5 250	-	-	5 250	5 250	-	-
Great Kei Local Municipality	500	-	-	500	500	-	-
Ingquza Hill Local Municipality(Qaukeni)	800	-	-	800	800	-	-
Intsika Yethu Local Municipality	500	-	-	500	500	-	-
Inxuba Yethemba Local Municipality	2 510	-	-	2 510	2 510	-	-
King Sabata Dalindyebo Local Munic.	1 750	-	-	1 750	1 750	-	-
Kouga Local Municipality	2 050	-	-	2 050	2 050	-	-
Subtotal	37 438	-	-	37 438	37 438	-	-
						37 438	37 438



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22		
	GRANT ALLOCATION			TRANSFER		Re-allocations by National Treasury or National Department	Division of Revenue Act	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld		
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Kou-Kamma Local Municipality	1 300	-	-	1 300	1 300	-	1 300	1 300
Makana Local Municipality	4 000	-	-	4 000	4 000	-	4 000	4 000
Matatiela Local Municipality	650	-	-	650	650	-	650	650
Mbhashe Local Municipality	500	-	-	500	500	-	500	500
Mbizana Local Municipality	500	-	-	500	500	-	500	500
Mhlontlo Local Municipality	550	-	-	550	550	-	550	550
Mnquma Local Municipality	500	-	-	500	500	-	500	500
Ndlambe Local Municipality	2 750	-	-	2 750	2 750	-	2 750	2 750
Nelson Mandela Bay Metrop. Municipality	15 870	-	-	15 870	15 870	-	15 870	15 870
Ngqushwa Local Municipality	500	-	-	500	500	-	500	500
Ntabankulu Local Municipality	500	-	-	500	500	-	500	500
Nyandeni Local Municipality	700	-	-	700	700	-	700	700
Port St Johns Local Municipality	550	-	-	550	550	-	550	550
Sakhisizwe Local Municipality	500	-	-	500	500	-	500	500
Senqu Local Municipality	1 500	-	-	1 500	1 500	-	1 500	1 500
Sundays River Valley Local Municipality	1 200	-	-	1 200	1 200	-	1 200	1 200
Ray Mond Mhlaba Local Municipality	1 650	-	-	1 650	1 650	-	1 650	1 650
Subtotal	33 720	-	-	33 720	33 720	-	33 720	33 720



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

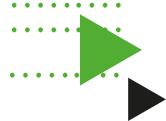
NAME OF MUNICIPALITY	2022/23						2021/22	
	GRANT ALLOCATION			TRANSFER			Division of Revenue Act	R'000
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld		
	R'000	R'000	R'000	R'000	R'000	R'000		
Umzimkhulu Loc Municipality	750	-	-	750	750	-	-	-
Umzimvubu Local Municipality	1 400	-	-	1 400	1 400	-	750	750
Walter Sisulu Local Municipality	2 000	-	-	2 000	2 000	-	2 000	2 000
Subtotal	4 150	-	-	4 150	4 150	-	2 750	2 750
TOTAL	75 308	-	-	75 308	75 308	-	73 908	73 908

31. 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.

32. COVID 19 Response Expenditure

	Note	2022/23	2021/22
	Annexure 11	R'000	R'000
Compensation of employees	-	-	-
Goods and services	-	-	971
Transfers and subsidies	-	-	-
Total		-	971



UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS
PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2021/22	
	DoRA and other transfers	Roll Overs	Adjust- ments	Total Available	Actual Transfer	Funds Withheld	Re- allocations by National Treasury or National Depart-ment	Amount received by municipi- pality	Amount spent by municipality	Unspent funds	% of available funds spent by municipi- pality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Amahlahi Local Mun	1 200	-	-	1 200	1 200	-	-	1 200	-	-	-	1 200	1 200
Blue Crane Route Local Municipality	2 300	-	-	2 300	2 300	-	-	2 300	-	-	-	2 300	2 300
Buffalo City Metropolitan Mun	15 870	-	-	15 870	15 870	-	-	15 870	-	-	-	15 870	15 870
Dr Beyers Naude Local Municipality	2 308	-	-	2 308	2 308	-	-	2 308	-	-	-	2 308	2 308
Elundini Local Municipality	750	-	-	750	750	-	-	750	-	-	-	750	750
Emalahleni Local Municipality	950	-	-	950	950	-	-	950	-	-	-	950	950
Engcobo Local Municipality	700	-	-	700	700	-	-	700	-	-	-	700	700
Subtotal	24 078	-	-	24 078	24 078	-	-	24 078	-	-	-	24 078	24 078

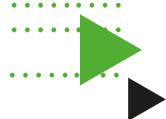


DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
Vote 14

UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2021/22	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Enoch Mgijima Local Municipality	5 250	-	-	5 250	5 250	-	-	5 250	-	-	-	5 250	5 250
Great Kei Local Municipality	500	-	-	500	500	-	-	500	-	-	-	500	500
Ingquza Hill Local Municipality	800	-	-	800	800	-	-	800	-	-	-	800	800
Intsika Yethu Local Municipality	500	-	-	500	500	-	-	500	-	-	-	500	500
Inxuba Yethemba Local Municipality	2 510	-	-	2 510	2 510	-	-	2 510	-	-	-	2 510	2 510
King Sabata Dalindyebo Local Mun.	1 750	-	-	1 750	1 750	-	-	1 750	-	-	-	1 750	1 750
Kouga Local Mun	2 050	-	-	2 050	2 050	-	-	2 050	-	-	-	2 050	2 050
Kou-Kamma Local Mun.	1 300	-	-	1 300	1 300	-	-	1 300	-	-	-	1 300	1 300
Subtotal	14 660	-	-	14 660	14 660	-	-	14 660	-	-	-	14 660	14 660



UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

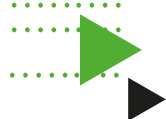
NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2021/22	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Makana Local Municipality	4 000	-	-	4 000	4 000	-	-	4 000	-	-	-	4 000	4 000
Matatiele Local Municipality	650	-	-	650	650	-	-	650	-	-	-	650	650
Mbashe Local Municipality	500	-	-	500	500	-	-	500	-	-	-	500	500
Mbizana Local Municipality	500	-	-	500	500	-	-	500	-	-	-	500	500
Mhlonlolo Local Municipality	550	-	-	550	550	-	-	550	-	-	-	550	550
Mnquma Local Municipality	500	-	-	500	500	-	-	500	-	-	-	500	500
Ndlambe Local Municipality	2 750	-	-	2 750	2 750	-	-	2 750	-	-	-	2 750	2 750
Subtotal	9 450	-	-	9 450	9 450	-	-	9 450	-	-	-	9 450	9 450



DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
Vote 14

UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2021/22	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Nelson Mandela Bay Metropolitan Municipality	15 870	-	-	15 870	15 870	-	-	15 870	-	-	-	15 870	15 870
Ngqushwa Local Municipality	500	-	-	500	500	-	-	500	-	-	-	500	500
Ntabankulu Local Municipality	500	-	-	500	500	-	-	500	-	-	-	500	500
Nyandeni Local Municipality	700	-	-	700	700	-	-	700	-	-	-	700	700
Port St Johns Local Municipality	550	-	-	550	550	-	-	550	-	-	-	550	550
Sakhisizwe Local Municipality	500	-	-	500	500	-	-	500	-	-	-	500	500
Senqu Local Municipality	1 500	-	-	1 500	1 500	-	-	1 500	-	-	-	1 500	1 500
Subtotal	20 120	-	-	20 120	20 120	-	-	20 120	-	-	-	20 120	20 120



UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2021/22	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Sundays River Valley Local Municipality	1 200	-	-	1 200	1 200	-	-	1 200	-	-	-	1 200	1 200
Raymond Mhlaba Local Municipality	1 650	-	-	1 650	1 650	-	-	1 650	-	-	-	1 650	1 650
Umzimkhulu Local Municipality	750	-	-	750	750	-	-	750	-	-	-	-	-
Umzimvubu Local Municipality	1 400	-	-	1 400	1 400	-	-	1 400	-	-	-	750	750
Walter Sisulu Local Municipality	2 000	-	-	2 000	2 000	-	-	2 000	-	-	-	2 000	2 000
Subtotal	7 000	-	-	7 000	7 000	-	-	7 000	-	-	-	5 600	5 600
Total	75 308	-	-	75 308	75 308	-	-	75 308	-	-	-	73 908	73 908



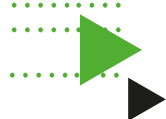
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2021/22	
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	Available funds Transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
ECPACC	13 120	-	-	13 120	13 120	100%	36 120	36 120
CATHSSETA	1 349	-	-	1 349	1 349	100%	1 397	1 395
ECPHRA	4 000	-	-	4 000	4 000	100%	4 000	4 000
Boxing South Africa	1 200	-	-	1 200	1 200	100%	1 000	1 000
Mandela Bay Theatre Complex	6 455	-	-	6 455	6 455	100%	-	-
Total	26 124	-	-	26 124	26 124	100%	42 517	42 515



UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 1F

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

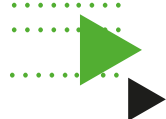
NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2021/22	
	Adjusted Budget	Roll overs	Adjust-ments	Total Available	Actual Transfer	Available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Eastern Cape Academy of Sport	9 879	-	-	9 879	9 880	100%	10 777	10 777
Eastern Cape Sport Council	6 218	-	-	6 218	6 218	100%	5 400	5 400
Grahamstown Foundation (National Arts Festival)	13 680	-	-	13 680	13 680	100%	13 680	13 680
Guild Theatre	6 720	-	-	6 720	6 720	100%	4 270	4 270
Opera House	-	-	-	-	-	100%	4 374	4 374
SA Library for the Blind	2 000	-	-	2 000	2 000	100%	2 000	2 000
South African Rugby Union	-	-	-	-	-	100%	6 323	6 323
Steve Biko Foundation	500	-	-	500	500	-	-	-
Subtotal	38 997	-	-	38 997	38 998	100%	46 824	46 824



UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2021/22	
	Adjusted Budget	Roll overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Subsidies								
Albany Museum	2 000	-	-	2 000	2 000	100%	2 000	2 000
Alfred Nzo Museum	150	-	-	150	150	100%	2 500	2 500
Amathole Museum	2 000	-	380	2 380	2 380	100%	160	160
Barkly Museum	160	-	-	160	160	100%	2 500	2 500
Bayworld Museum	2 000	-	1 068	3 068	3 068	100%	160	160
Burgersdorp Museum	160	-	-	160	160	100%	2 000	2 000
East London Museum	2 000	-	-	2 000	2 000	100%	160	160
Fort Beaufort Museum	160	-	-	160	160	100%	514	514
Graaff-Reinet Museum	514	-	-	514	514	100%	160	160
Great Fish Museum	160	-	-	160	160	100%	-	-
Middleburg Museum	160	-	-	160	160	100%	160	160
Mthatha Museum	160	-	-	160	-	0,0%	-	-
IngquzaHill Museum	150	-	-	150	150	100%	160	160
Our Heritage Museum	160	-	-	160	160	100%	160	160
Somerset East Museum	160	-	-	160	160	100%	160	160
Sterkstroom Museum	160	-	-	160	160	100%	160	160
Queenstown and Frontier Museum	160	-	-	160	160	100%	160	160
Uitenhage Museum	400	-	1 000	1 400	1 400	100%	900	900
Wild Coast Museum	160	-	-	160	160	100%	160	160
Subtotal	10 974	-	2 448	13 422	13 262	99%	12 174	12 174
Total	49 971	-	2 448	52 419	52 260	100%	58 998	58 998



UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION			EXPENDITURE		2021/22	
	Adjusted Budget	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Available funds Transferred	Final Budget
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Leave Gratuity	3 802	-	-	3 802	4 565	120%	10 132
Total	3 802	-	-	3 802	4 565	120%	10 012

Transfers

Leave Gratuity

Total



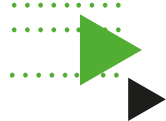
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2023

Nature of Liability	Opening Balance 1 April 2022	Liabilities incurred during the year	Liabilities paid/cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Madlavu Trading Projects	220	-	-	-	220
Nyaniso YE	150	-	(150)	-	-
Sithole	4 500	-	-	-	4 500
Journey	100	-	-	-	100
Nzilani Z.	50	-	-	-	50
Zondeka N.	50	-	-	-	50
Doyi M.	50	-	-	-	50
Mindwa B.	50	-	-	-	50
Mtanga J.	50	-	-	-	50
Mawu C.	50	-	-	-	50
Zesheka Z.	50	-	-	-	50
Kembe K.	50	-	-	-	50
Ntutu T	50	-	-	-	50
Mafunda MM	50	-	-	-	50
Solidarity H.C.Barnad	100	-	-	-	100
Dr. Beyers Naude Local Municipality	50	-	(50)	-	-
Nana N.B.H.	100	-	-	-	100
Soma Initiatives (Pty) Ltd	100	-	(100)	-	-
Tongo	-	100	-	-	100
Pitso	-	100	-	-	100
Afrocentric	-	40 000	-	-	40 000
Subtotal- Claims against the department	5 820	40 200	(300)	-	45 720



UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

Nature of Liability	Opening Balance 1 April 2022	Liabilities incurred during the year	Liabilities paid/cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Other					
Mafunda M.M.	2 885	1 454	-	-	4 339
Subtotal-Other	2 885	1 454	-	-	4 339
Total	8 705	41 654	(300)	-	50 059

These are amounts that could accrue to employees and or suppliers in respect of claims made against the department.

In the last financial year, we were awaiting a ruling by the constitutional court in respect of a dispute on the payment of salary increases. The appeal was upheld by the constitutional court and the increases have since been paid.

During 2021/22 financial year, the department suffered a disruption in its Information Communication Technology systems. This resulted in a loss of data. Subsequent to our claim that was lodged with the responsible service provider, the service provider lodged a counter claim amounting to R40 million. The department instituted legal process and it is now at the arbitration stage, with no certainty of the outcomes.

The official added under other Claims was dismissed as per the document attached to the working paper file, on the note contingent liabilities amounting to R4,3 million.

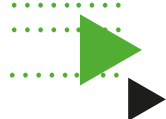


UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 4 CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2022/23	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
National Sport, Arts and Culture	-	-	-	987	-	987		-
Human Settlement	-	-	34	-	34	-		-
Total	-	-	34	987	34	987		-



UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2022/23	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Office of the Premier	76	42	188	-	264	42		-
Health	-	-	62	-	62	-		-
Total Departments	76	42	250	-	326	42		-
Total Intergovernmental payables	76	42	250	-	326	42		-

UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 6

INVENTORIES FOR THE YEAR ENDED 31 MARCH 2023

Inventories	Inv Assts Distr: Sports Equip	Inv Ass Distr: Oth Mach & Eqp	Inv Mat & Supp:Sports & Recr Cons	Inv Assts Distr Library Books	Inv Assts Distr: Library Material	Inv cloth: Needleewrk	Cloth: Unif &Prot Clth	Inv Med: First aid kit	Total
	R'000		R'000	R'000	R'000	R'000	R'000		R'000
Opening balance	-	-	-	-	59	-	-	-	59
Add: Additions/Purchases – Cash	829	7 471	15 151	11 822	133	42	11	60	35 519
(Less): Issues	(829)	(7 471)	(15 151)	(11 822)	(192)	(42)	(11)	(60)	(35 578)
Closing balance	-	-	-	-	-	-	-	-	-

INVENTORIES FOR THE YEAR ENDED 31 MARCH 2022

Inventories	Inv Assts Distr: Sports Equip	Inv Ass Distr: Oth Mach & Eqp	Inv Mat & Supp:Sports & Recr Cons	Inv Assts Distr: Library Material	Inv cloth: Needleewrk	Inv Cloth: Unif &Prot Clth	Inv Med: First aid kit	Total
	R'000		R'000	R'000	R'000			R'000
Opening balance	-	-	-	126	-	-	-	126
Add: Additions/Purchases – Cash	596	497	15 074	7 319	127	55	49	23 668
(Less): Issues	(596)	(497)	(15 074)	(7 386)	(127)	(55)	(49)	(23 735)
Closing balance	-	-	-	59	-	-	-	59

UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 7

MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2023

	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	44 113	52 963	(33 797)	63 279
Other fixed structures	44 113	52 963	(33 797)	63 279
Total	44 113	52 963	(33 797)	63 279

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2022

	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	6 489	(4 748)	45 711	(3 339)	44 113
Other fixed structures	6 489	(4 748)	45 711	(3 339)	44 113
Total	6 489	(4 748)	45 711	(3 339)	44 113

Annexure 7 WIP- assets ready for use were understated by R4 748 during the AFS 2021-2022 adjustment the WIP disclosed correctly in the note. The correction is required to correct the opening balance 2022/23 FY.



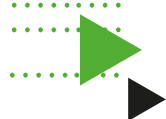
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 11

COVID 19 RESPONSE EXPENDITURE PER QUARTER AND IN TOTAL

Expenditure per economic classification	2022/23				2021/22
	Q1	Q2	Q3	Q4	Total
	R'000	R'000	R'000	R'000	R'000
Compensation of employees	-	-	-	-	-
Goods and services	-	-	-	-	971
Cons Hous Sup: Wash/clean detergent	-	-	-	-	19
Cons Supp: Medical Supplies	-	-	-	-	236
Contractors: Event Promoters (Masks & Hand Sanitizers)	-	-	-	-	716
Transfers and subsidies	-	-	-	-	-
Prov DA: Prov Arts & Cul Council	-	-	-	-	-
Sport Council	-	-	-	-	-
TOTAL COVID 19 RESPONSE EXPENDITURE	-	-	-	-	971



NOTES