



## human settlements

Department:  
Human Settlements  
North West Provincial Government  
REPUBLIC OF SOUTH AFRICA



# DEPARTMENT OF HUMAN SETTLEMENTS

VOTE NO 14

2022/23

ANNUAL REPORT

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# PART A: GENERAL INFORMATION

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## 1. DEPARTMENT GENERAL INFORMATION

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## 2. LIST OF ABBREVIATIONS/ACRONYMS

The below description of the acronyms intends to assist users to understand meanings of acronyms utilized in the annual report:

|        |                                                      |
|--------|------------------------------------------------------|
| APP    | Annual Performance Plan                              |
| CCP    | Creditor Central Payment                             |
| CRU    | Community Residential Units                          |
| DLG&HS | Department of Local Government and Human Settlements |
| DORA   | Divisions of Revenue Act                             |
| DPSA   | Department of Public Service and Administration      |
| EAP    | Employee Assistance Programme                        |
| EHW    | Employee Health and Wellness                         |
| EHWP   | Employee Health and Wellness Programme               |
| EXCO   | Executive Committee                                  |
| FEED   | Finance, Economic and Enterprise Development         |
| FLISP  | Finance Linked Individual Subsidy Programme          |
| GEMS   | Government Employee Medical Scheme                   |
| HCE    | Housing Consumer Education                           |
| HDA    | Housing Development Agency                           |
| HOD    | Head of Department                                   |
| HRM    | Human Resource Management                            |
| HSDG   | Human Settlements Development Grant                  |
| HSS    | Housing Subsidy System                               |
| LIC    | Labour Intense Methods of Construction               |
| MEC    | Member of Executive Council                          |
| MTEF   | Medium Term Expenditure Framework                    |
| MTSF   | Medium Term Strategic Framework                      |
| NDoHS  | National Department of Human Settlements             |
| NWDC   | North West Development Corporation                   |
| PFMA   | Public Finance Management Act                        |
| PMDS   | Performance Management and Development Strategy      |
| SCOPA  | Standing Committee on Public Accounts                |
| SHERQ  | Safety, Health, Environment, Risk and Quality        |

### 3. FOREWORD BY THE MEC



**Mr. P.D.N. Maloyi**

**MEC: Department of Corporate Governance, Human Settlements and Traditional Affairs**

In 1955 the people of South Africa declared that there shall be houses, security and comfort. What they envisaged was a South Africa where our people shall have their dignity restored and guaranteed, through equitable housing which recognizes their inalienable human rights, comfort for their families and access to opportunities and services, where they reside. This vision of our people finds expression in our goal and objectives of creating and delivering on sustainable human settlements which recognizes and unleashes the full potential of our people, reversing the history of depravation which our people suffered for too long. Our human settlements approach is informed by a principle that physical, mental and spiritual development of our people is rooted in their socialization and where they reside is key to such human development. Human settlements creation in South Africa is dominated by the provision of housing, which is characterized by two overarching issues and that is quantity and quality. In this regard, the need for proper quality housing, which upholds the dignity of our people and is located within services and opportunities, is what we strive to roll out in huge quantities within a pressurized timeframe necessitated by urgent need amongst our people, with enormous budget resources.

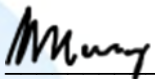
In achieving the above, it has been, and continues to be in the best interest of the Department of Human Settlements to plan with and alongside our people, so as to deliver a human settlement which our people have agreed to, equitably so, in their best interest. Budget has been available for this purpose. What we need to do to improve on how we have been undertaking our work, is to adopt new ways to correct the mishaps we have encountered in the past, in our efforts to deliver a desired human settlements outcome to our people. In our journey to deliver these services to our people, challenges have been met. Such challenges would range from some instances of shoddy work, failure to deliver within agreed upon timeframes and budget and the Department being taken advantage of by some uncooperative contractors. We have in this regard taken a stance that where

contractors are guilty of the above, we will have to implement several measures as may relate to termination of contracts, blacklisting of contractors and recouping funds that have already been committed to these contractors.

Further to improving on our work, the Department will embark on a centered SMART approach to ensure that we deliver on our objectives and reach our set goals in the journey to deliver equitable human settlements. What the SMART approach entails is that our work must be Specific, Measurable, Attainable, Reviewable and Time-bound. Once we embark on this approach, we can thus not have situations of the past where we commit to projects and do not see them to a satisfactory end. We can no longer have an excuse as to why allocated budgets are rolled back to National Treasury in the face of so much need on the ground. We strive to improve our performance and address matters of concern that have been raised by the Auditor General. Skills development of our officials and employees, at the centre of the core business of the Department, is an investment we pride ourselves in, so as to equip our officials with a better understanding of evolving developments in the human settlements sector so that they may act accordingly on their mandated tasks.

Our partners such as housing agencies working with and within the Department as well as independent contractors will have to agree with us that we equally demand of them this kind of dedication and commitment, which we require from officials in the delivery of agreed upon quality and quantity of housing, within the agreed upon budget and timeframes. Tools that guide our work are in place and they must be observed and respected by all, at all times. Consequence management should be in place, to safeguard against government and our people being taken advantage of, by officials and contractors who do not take serious our response to the call our people made, that there shall be houses, comfort and security for all. We are happy that work continues throughout the province to roll out equitable human settlements to our people and we present this Annual Report for the financial year 2022/23 as testament of the work we are committed to delivering on and improving upon.

I thank you,



**Mr. P.D.N. Maloyi**

**MEC: Corporative Governance, Human Settlements and Traditional Affairs**

**Date:** 29/08/2023

#### 4. DEPUTY MINISTER STATEMENT (N/A)

#### 5. REPORT OF THE ACCOUNTING OFFICER



**Ms. M.K. Mahlobo**

**Accounting Officer: Department of Human Settlements**

- Overview of the operations of the department:
  - Overview of the results and challenges for the department, briefly commenting on significant events and projects for the year.
- Overview of the financial results of the department:
  - Departmental receipts

| Departmental receipts                                | 2022/2023  |                         |                         | 2021/2022  |                         |                         |
|------------------------------------------------------|------------|-------------------------|-------------------------|------------|-------------------------|-------------------------|
|                                                      | Estimate   | Actual Amount Collected | (Over)/Under Collection | Estimate   | Actual Amount Collected | (Over)/Under Collection |
|                                                      | R'000      | R'000                   | R'000                   | R'000      | R'000                   | R'000                   |
| Tax Receipts                                         |            |                         |                         |            |                         |                         |
| Casino taxes                                         |            |                         |                         |            |                         |                         |
| Horse racing taxes                                   |            |                         |                         |            |                         |                         |
| Liquor licences                                      |            |                         |                         |            |                         |                         |
| Motor vehicle licences                               |            |                         |                         |            |                         |                         |
| Sale of goods and services other than capital assets | 100        | 144                     | (44)                    | 100        | 197                     | (97)                    |
| Transfers received                                   |            |                         |                         |            |                         |                         |
| Fines, penalties and forfeits                        |            |                         |                         |            |                         |                         |
| Interest, dividends and rent on land                 |            |                         |                         |            |                         |                         |
| Sale of capital assets                               |            |                         |                         |            |                         |                         |
| Financial transactions in assets and liabilities     | -          | 7 367                   | (7 367)                 | -          | 811                     | (811)                   |
| <b>Total</b>                                         | <b>100</b> | <b>7 511</b>            | <b>(7 411)</b>          | <b>100</b> | <b>1 008</b>            | <b>(908)</b>            |

- The Department is not in the business of generating revenue in its nature. Main source of revenue is commission earned from third party deductions and sale of tender documents. No tariff is levied by the Department for housing development provided to the communities.
- The Department has over collected on its revenue target as substantial amount was collected from sale of tender documents for the development of the database of service providers for housing development projects, recovery of monies from overpaid invoices and staff debts.

➤ Programme Expenditure

| Programme Name                              | 2022/2023           |                    |                           | 2021/2022           |                    |                          |
|---------------------------------------------|---------------------|--------------------|---------------------------|---------------------|--------------------|--------------------------|
|                                             | 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                    |
| <b>ADMINISTRATION</b>                       | 159,575             | 156,028            | 3,547                     | 157,783             | 146,823            | 10,960                   |
| <b>HOUSING NEEDS, PLANNING AND RESEARCH</b> | 32,808              | 30,813             | 1,995                     | 32,103              | 24,589             | 7,514                    |
| <b>HOUSING DEVELOPMENT</b>                  | 1,786,279           | 1,774,394          | 11,885                    | 1,703,223           | 1,431,946          | 271,277                  |
| <b>Total</b>                                | <b>1,978,662</b>    | <b>1,961,235</b>   | <b>17,427</b>             | <b>1,893,109</b>    | <b>1,603,358</b>   | <b>289,751</b>           |

The Department was approved a virement to the value of R6 700 000. Programme 3: Housing Development, with savings from same expenditure class under Programme 2: Housing Needs, Planning and Research, and Programme 1: Administration. The virement is implemented for purposes of defraying over-expenditure in goods and services under Programme 3: Housing Development, with savings from same expenditure class under Programme 2: Housing Needs, Planning and Research, and Programme 1: Administration.

➤ Reason for the virement

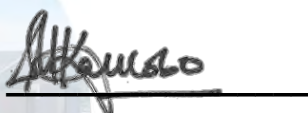
The reason is to do shifting of funds between Programmes for the purpose of defraying over-expenditure. The proposed virement is to correct overspending in goods and services under Programme 3: Housing Development, with savings from same expenditure class under Programme 2: Housing Needs, Planning and Research, and Programme 1: administration to a total of R6 700 000.

- A description of the reasons for unauthorised, fruitless and wasteful expenditure and the amounts involved as well as steps taken to address and prevent a recurrence.
  - The Department did not incur any unauthorised expenditure for 2022/23 financial year.
  - The Department did not identify any fruitless and wasteful expenditure for 2022/23 financial year.
- Strategic focus over the short to medium term period

- Public Private Partnerships
  - The department did not have PPP in the under review
- Discontinued key activities / activities to be discontinued
  - There were no discontinued activities/activities to be discontinued
- New or proposed key activities
  - No new or proposed activities
- Supply chain management
  - There were no unsolicited bid proposals concluded for the year under review
  - There are SCM processes and systems in place to prevent irregular expenditure
  - The current year irregular expenditure is as a result of a selection criteria during the appointment of the contractors which were appointed in the prior years. A sourcing strategy has been reviewed to correct the selection criteria.
- Gifts and Donations received in kind from non-related parties
  - No gifts or donations were received in kind from non-related parties
- Exemptions and deviations received from the National Treasury
  - No exemptions and deviation were received from National and Provincial Treasury.
- Events after the reporting date
  - There are no events that occurred after the reporting date.
- Other
  - There are no other material facts or circumstances, which may have an effect on the understanding of the financial state of affairs.
- Acknowledgement/s or Appreciation
 

My heartfelt appreciation goes to the management team and the entire staff for their commitment and dedication, in striving towards serving the people of this province. But most importantly to our stakeholders who have been working diligently with the department and the communities at large for their unwavering patience. I have no doubt that indeed continuing to work together will improve the lives of the people of our province.
- Conclusion
 

In conclusion, I want to indicate that the work that has been put on this document is a true reflection of the work done by the department



**Ms. M.K. Mahlobo**

**Accounting Officer: Department of Human Settlements**

**Date: 29/08/2023**

## 6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

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

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

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

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

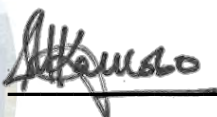
The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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

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

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

Yours faithfully



**Ms. M.K. Mahlobo**

**Accounting Officer: Department of Human Settlements**

**Date: 29/08/2023**

## 7. STRATEGIC OVERVIEW

### 7.1. Vision

A community in an integrated and sustainable human settlement.

### 7.2. Mission

To provide adequate and sustainable human settlements that enable improved quality of life.

### 7.3. Values

Our organisational culture is depicted by the following attributes:

- Commitment
- Integrity
- Quality
- Courtesy
- Resourceful
- Diligence
- Efficient
- Batho Pele Principles

## 8. LEGISLATIVE AND OTHER MANDATES

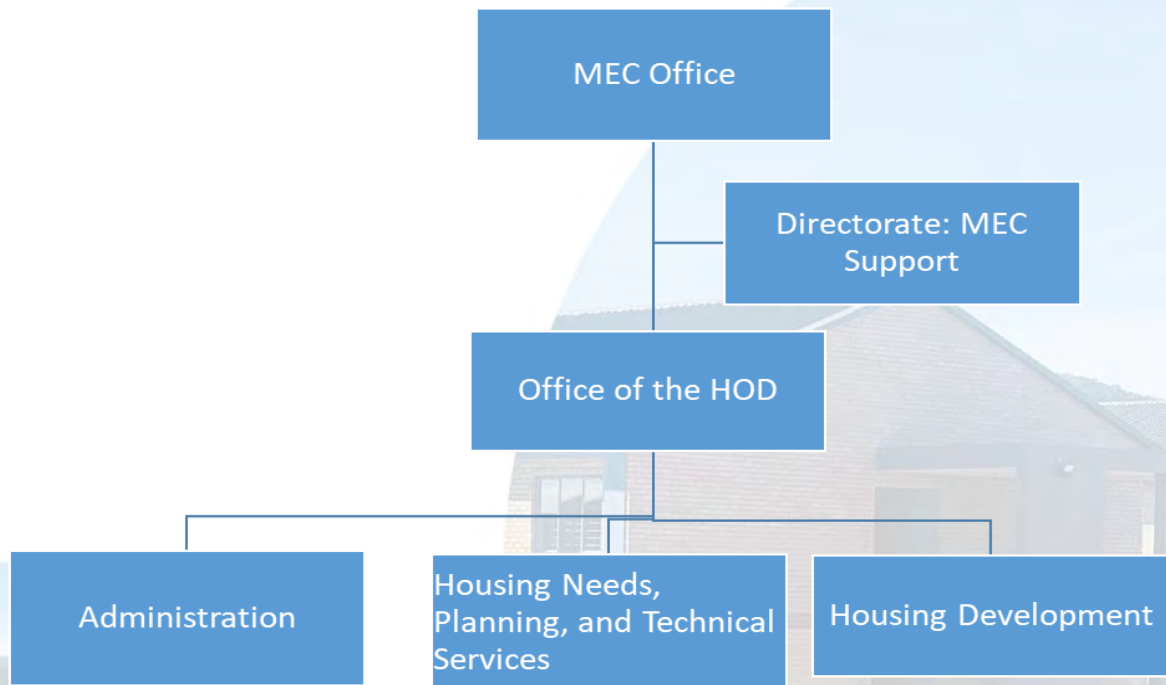
Department of Human Settlements derives its mandate from Chapter 2 of the Bill of Rights in the Constitution of the Republic of South Africa which states that everyone has the right to access adequate housing.

- The Housing Act 107 of 1997;
- The Housing Consumers Protection Measure Act 19 of 1998;
- The Rental Housing Act 50, 1999;
- Public Service Act 103 of 1994
- Public Finance Management Act 1 of 1999; as amended
- Labour Relations Act 66 of 1995;
- Development Facilitation Act 67 of 1995;
- Breaking New Ground;
- Construction Industry Development Board Act 2000

- Employment Equity Act 55 of 1998;
- Skills Development Act 97 of 1998;
- Public Service Collective Bargaining Chamber (PSCBC) Resolutions;
- Occupational Health and Safety Act 85 of 1993;
- RDP White Paper;
- The Public Service Regulations 2001;
- The Promotion of Access to Information Act 2 of 2000;
- National Minimum Information Security Standard Policy of 1996;
- The Protection of Information Act 84 of 1982;
- Constitution of the Republic of South Africa, 1996;
- Division of Revenue Act, 7 of 2003;



## 9. ORGANISATIONAL STRUCTURE



## 10. ENTITIES REPORTING TO THE MINISTER/MEC

The table below indicates the entities that report to the MEC.

| Name of Entity                 | Legislative Mandate                                      | Financial Relationship          | Nature of Operations                                                                      |
|--------------------------------|----------------------------------------------------------|---------------------------------|-------------------------------------------------------------------------------------------|
| North West Housing Corporation | North West Housing Corporation Act 24 of 1982 as amended | Public Entity of the Department | The Corporation operate under the leadership of the North West Housing Corporation Board. |

## PART B: PERFORMANCE INFORMATION

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## 1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 95 of the Report of the Auditor General, published as Part F: Financial Information.

## 2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

### 2.1 Service Delivery Environment

The right to adequate housing is clearly recognised in international human rights law, including in the International Covenant on Economic, Social and Cultural Rights, which provides for 'the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions' (United Nations Publication, 2012). The South African Constitution states that everyone has the right to have access to adequate housing and the state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realization of this right.

The North West Provincial Government is also faced with mammoth task of ensuring that its communities who are in need of quality houses get those houses. Two major contributing factors to the slow delivery of houses during the 2022/23 financial year were contractors who abandoned sites citing high material increase as well as those who were performing at snail pace. The department has strengthened its monitoring on projects by holding weekly monitoring meeting to monitor the progress (financial and non-financial) on the implementation of the projects. The department has also put systems in place to improve contract management so that problems can be identified and resolved at an early stage. The department has also taken a decision to scale down slow performing contractors, issuing letters of intention to terminate and terminating contracts of those who did not went back on site.

The department has again faced sporadic community protests which were attributed to lack of services especially housing, water and sanitation. We have also faced the illegal

occupation of low cost houses as well as selling of these houses by rightful beneficiaries. To this end the department intensified consumer education to provide our beneficiaries with information on this matter.

### **Blocked Projects**

The department has verified all blocked projects in the Province. These are projects at different stages across the four regions. In addressing the blocked projects, the department has included most of the blocked projects in the 2023/24 Business Plan for procurement. Target is to unblock most of these projects in 2023/24 financial year. The department is planning to source funding from private investors who are willing to complete these incomplete houses in the 2023/24 financial year.

### **Title Deeds Restoration Programme**

The department experienced challenges in dealing with the issuing of title deeds to rightful beneficiaries. One of the major reason for non-delivery on this programme was the contractors who did not prioritise the registration of title deeds. The department has established a database of conveyancers in the 4<sup>th</sup> quarter of 2022/23 financial year to specifically deal with the title deeds registration. The department has also taken out the function of title deeds from the newly appointed contractors and allocated it to the conveyancers.

### **Municipal Planning Tribunal**

The department is also faced with the challenge of non-functionality of some Municipal Planning Tribunals which impact negatively on the proclamation of townships. The delays in township proclamation also causes the delays in the registration of subsidy houses.

## **3. INTERNAL ENVIRONMENT ANALYSIS**

The Department has a draft organisational structure that is fit for purpose. The structure was developed with the full support of the National Department of Human Settlements and in consultation with the Department Public Service Administration.

The department has priorities the filling of critical vacant posts. The vacancy rate is still above the DPSA's norms and standards.

The department did extremely well in addressing the delay of procurement of contractors and developers by reconstituting the bid committees. This committees are convening regularly to deal with all related procurement issues.

## Analysis of Women, Youth and Persons with Disabilities (WYPD)

The department set aside 40% of the infrastructure budget targeting Women, Youth and Persons with Disabilities. The department has not done well in ensuring that WYPD benefit in the construction of houses through direct or sub-contracting. Only 5% of the infrastructure budget was spent towards Women. The poor performance is as a result of low number of Women and Youth contractors/developer appointed in 2022/23 as well as the no appointment of Persons with Disabilities' Contractors during the 2022/23 financial year.

### 2.2 Service Delivery Improvement Plan

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

Main services and standards

| Main services                                 | Beneficiaries                                                                                                                                          | Current/actual standard of service                    | Desired standard of service                  | Actual achievement                                                                                      |
|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|----------------------------------------------|---------------------------------------------------------------------------------------------------------|
| Title Deed Restoration Programme              | North-West citizens and legal permanent residents that are approved beneficiaries in all programmes excluding rural projects and CRU and rental units. | Title deeds to eradicate post 1994 backlog            | 5 172 post 1994 title deeds to be registered | <ul style="list-style-type: none"> <li>5 124 post 1994 title deeds transferred to homeowners</li> </ul> |
|                                               |                                                                                                                                                        | Title deeds registered for new homeowners             | 2 112 title deeds to be registered           | <ul style="list-style-type: none"> <li>1 275 title deeds registered to new homeowners.</li> </ul>       |
|                                               |                                                                                                                                                        | Post 2014 Title Deeds to be registered                | 1 821 title deeds to be registered           | <ul style="list-style-type: none"> <li>157 Post 2014 title deeds registered</li> </ul>                  |
|                                               |                                                                                                                                                        | Pre 94 Title Deeds registered                         | 1 098 Title deeds to be registered           | <ul style="list-style-type: none"> <li>22 Pre 94 title deeds registered</li> </ul>                      |
| Housing Units                                 | Approved beneficiaries                                                                                                                                 | Breaking New Grounds to be delivered                  | 4 879 Breaking New Grounds to be delivered   | <ul style="list-style-type: none"> <li>3 661 Breaking New Grounds delivered</li> </ul>                  |
| Financial Linked Individual Subsidy Programme | Approved beneficiaries                                                                                                                                 | FLIPS applications approved and paid to beneficiaries | 65 FLISP applications to be approved         | <ul style="list-style-type: none"> <li>83 applications were approved for beneficiaries.</li> </ul>      |

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

| Current Arrangements             | Desired Arrangements                                                                                                                                                                                                                                                                                                                                                                     | Actual Achievements                                                                                                                                                                                                                                                                                                                      |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Consultation</b>              | <ul style="list-style-type: none"> <li>Informed citizenry</li> </ul>                                                                                                                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>5 806 consumer education conducted across the province.</li> </ul>                                                                                                                                                                                                                                |
| <b>Access</b>                    | <ul style="list-style-type: none"> <li>Effective and efficient front / help desk at NWDC Ground Floor Office 1 and 2 from 08h00 – 16h30 (Housing Subsidy Claims) and availability of personnel at Head Office during department operational hours for all title deed</li> <li>Availability of department operations at district level enquiries and processing</li> </ul>                | <ul style="list-style-type: none"> <li>Department still centralized at Head Office Only (Mafikeng), although Housing officials are assigned per district and rely on weekly/daily travelling to their respective service sites.</li> <li>The department is currently looking at the options of establishing regional offices.</li> </ul> |
| <b>Courtesy</b>                  | <ul style="list-style-type: none"> <li>Use of batho pele community feedback questionnaire;</li> <li>Develop title deed and housing delivery satisfaction survey to circulate to community members / beneficiaries at departmental project sites;</li> <li>Display of Batho Pele Principles at departmental sites;</li> <li>Provision of nametags for outstanding officials.</li> </ul>   | <ul style="list-style-type: none"> <li>All calls and title deed queries directed to relevant section.</li> </ul>                                                                                                                                                                                                                         |
| <b>Redress</b>                   | <ul style="list-style-type: none"> <li>Development of complaints and compliments framework;</li> <li>Suggestion box and complaints register at departmental sites;</li> <li>Provision of feedback and resolution mechanism from provincial tollfree administered by the Municipal admin unit;</li> <li>Liaison with ward councillors, war room and service delivery outreach.</li> </ul> | <ul style="list-style-type: none"> <li>Departmental Complaints and compliments framework were circulated.</li> </ul>                                                                                                                                                                                                                     |
| <b>Information</b>               | <ul style="list-style-type: none"> <li>Housing Consumer Education Awareness campaigns to include title deed restoration programme;</li> <li>Provision of signage at NWDC and service charter at departmental sites.</li> </ul>                                                                                                                                                           | <ul style="list-style-type: none"> <li>5 806 beneficiaries provided with consumer education across the province</li> </ul>                                                                                                                                                                                                               |
| <b>Openness and Transparency</b> | <ul style="list-style-type: none"> <li>Availability of the following to the public: APP, Strategic Plan, Annual Report, Service Charter and Contact list.</li> </ul>                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>Approved 2021/22 Annual Performance Plan available and shared with officials through the departmental intranet.</li> <li>Approved Strategic Plan in Place.</li> </ul>                                                                                                                             |

|                          |                                                                                                                                                |                                                                                                      |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
|                          |                                                                                                                                                |                                                                                                      |
| <b>Service Standards</b> | <ul style="list-style-type: none"> <li>Title deeds transferred to new and existing homeowners who are subsidised by the department.</li> </ul> | <ul style="list-style-type: none"> <li>Title deeds transferred to correct homeowners</li> </ul>      |
| <b>Value for money</b>   | <ul style="list-style-type: none"> <li>Title deed restoration programme utilized within allocated budget</li> </ul>                            | <ul style="list-style-type: none"> <li>6578 title deeds transferred to correct homeowners</li> </ul> |

#### *Service delivery information tool*

| Current Arrangements                   | Desired Arrangements                                                                                                                    | Actual Achievement                               |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|
| Community Information contact sessions | To educate service recipients, community members and housing consumers on access, entitlement and regulations on housing opportunities. | Consumer education provided across the province. |

#### *Complaints mechanism*

| Current Arrangements  | Desired Arrangements                                                                           | Actual Achievement                                                                                                                     |
|-----------------------|------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Department Front Desk | Effective and efficient front-desk (personnel) which deals with all housing related complaints | 2 offices allocated for all housing enquiries, applications and status. Offices are based at no 24 and 26 Ground Floor, NWDC Building. |

## 2.3 Organisational Environment

“For the year 2022/23 the Department is fully operational and stabilized. The Department has four hundred and twenty three positions in the organizational structure, of which 270 are filled and 153 are vacant, which exclude 28 contract workers of 8 cleaners, 15 interns, 1 candidate engineer, 1 engineering technologist, 1 candidate town planner and 2 finance officers. The following is the outline of the posts in the Department:”

| Salary Band | Number of posts | Number of posts filled | Number of posts vacant | Vacancy rate |
|-------------|-----------------|------------------------|------------------------|--------------|
| Salary 1-2  | 16              | 11                     | 5                      | 31 %         |
| Salary 3-5  | 108             | 82                     | 26                     | 24 %         |
| Salary 6-8  | 168             | 95                     | 73                     | 44%          |
| Salary 9-12 | 111             | 68                     | 43                     | 39%          |

|                              |     |     |     |      |
|------------------------------|-----|-----|-----|------|
|                              |     |     |     |      |
| <b>Salary 13-15</b>          | 20  | 14  | 6   | 30 % |
| <b>Total number of posts</b> | 423 | 270 | 153 | 36 % |

## 2.4 Key policy developments and legislative changes

There were no major changes to relevant policies or legislation that may have affected the operations of the Department operations during the period under review or future financial periods.

## 3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The department aims to improve the living conditions of the people of the North West Province through the realisation of its Impact Statement and Outcomes, namely: -

**Impact Statement:** Improved living conditions through the provision of integrated sustainable human settlements in the North West Province. The above-mentioned impact statement will be realized through the achievement of one of the following three (3) departmental outcomes:

### Outcomes:

**Programme 1 Outcome:** Improved good governance and accountability.

The department has planned to contribute towards the achievement of the outcome improved good governance and accountability.

The following three (3) output indicators are set to measure the extent to which the department is achieving its output. The achieved outputs will contribute towards the achievement of the five-year outcome target, i.e. Improved good governance and accountability through the following indicators: -

- Percentage of post audit findings resolved
- Compliance levels with HRM legislative prescripts
- Percentage of infrastructure spent towards designed groups

The department has performed fairly well on the first two indicators in relation to the contribution towards the achievement of the above-mentioned outcome. However the department did not do well on the indicator of infrastructure spent towards designated

groups. This is attributed to low number of designated groups procured during the 2022/23 financial year, as well as, the slow procurement processes.

**Programme 2 Outcome:** Creation of a conducive environment for the implementation of human settlements programmes.

Programme 2 did well on six (6) out of seven (7) output indicators that were planned to be achieved. Notable over-achievement has been realized on three output indicators namely;

- Number of potential beneficiaries provided with consumer education
- Number of integrated implementation programmes for priority development areas completed per year, and
- Percentage of investment of the total human settlements allocation in PDAs

Over-achievement was due to the improved stakeholder relations with municipalities on the Housing Consumer Education Programme and the Housing Development Agency. All 13 priority development areas planned to be achieved on the outer years were all achieved in one financial year.

**Programme 3 Outcome:** Sustainable Human Settlements and improved quality of household life

Programme 3: Out of the seven (7) output indicators only two were achieved whilst five (5) indicators were not achieved. The non-achievement of the title deeds targets was attributed to the fact that contractors did not prioritize the title deeds registration milestone as well as challenges relating to cross border properties for the pre-1994 title deeds. However, during the 4<sup>th</sup> quarter the Department appointed a panel of conveyancers to deal with this challenge. As part of the mitigation strategy, the Department removed this milestone from contracts of newly appointed contractors and this matter is now dealt with by the appointed panel of conveyancers.

Although the department did not achieve the target on delivery of houses, there has been a significant improvement on the delivery of houses as compared to the previous financial year. The department has done well on the installation of internal services owing to improved performance by some contractors and Financial Linked Individual Subsidy Programme (FLISP).

## INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

### 3.1 Programme 1: Administration

**Purpose:** To provide corporate support to the entire Department as well as strategic administration and political direction through the offices of the Head of Department and the Executive Authority respectively. This programme consists of the following sub-programmes: -

- Office of the HOD
- Financial Management
- Corporate services

**Purpose of the sub-programmes:**

- Office of the HOD: To provide strategic leadership in ensuring provision of integrated and sustainable human settlements in the North West Province.
- Financial Management: To manage the department's finances
- Corporate services: To oversee the provision of corporate support services

**Institutional outcomes that each programme contributes.**

| Sub-programme        | Outcome that each programme contributes to.                                                                                                                                                                                                                                      |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Office of the HOD    | <ul style="list-style-type: none"> <li>Improved good governance and accountability</li> <li>Creation of a conducive environment for the implementation of human settlements programmes.</li> <li>Sustainable Human Settlements and improved quality of household life</li> </ul> |
| Financial Management | <ul style="list-style-type: none"> <li>Improved good governance and accountability</li> </ul>                                                                                                                                                                                    |
| Corporate Services   | <ul style="list-style-type: none"> <li>Improved good governance and accountability</li> </ul>                                                                                                                                                                                    |

**Outcomes, Outputs, Output Indicators, Targets and Actual Achievements**

The department has planned to contribute towards the achievement of the outcome Improved good governance and accountability through the following three (3) output indicators. The achieved outputs will contribute towards the achievement of the above-mentioned outcome through the following indicators: -

- Percentage reduction of post audit findings
- Compliance levels with HRM legislative prescripts
- Percentage of infrastructure spent towards designed groups

The department has performed well on one output indicator. This is a below-average performance towards the realization of the outcome. Although the department has not fully achieved the target of the two (2) indicators, positive progress has been registered on the "Percentage of reduction of post audit findings".

The Directorate: SCM is monitoring the expenditure against the 40% infrastructure budget set towards Women, 10% for Youth and 5% for Persons with Disabilities. The department managed to spend only 5% of the infrastructure budget towards Women. One of the major challenge is the low appointment of designated groups' contractors, especially youth and Persons with Disabilities.

**Table 2.4.4.2**

| Programme / Sub-programme:                  |                                                             |                                                              |                                      |                                      |                                  |                                |                                                               |                                                                                                                                                                                                                               |
|---------------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------|--------------------------------------|----------------------------------|--------------------------------|---------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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 good governance and accountability | Approved Post Audit Action Plan.                            | Percentage of post audit findings resolved                   | New KPI                              | New KPI                              | 100%                             | 98%                            | -2%                                                           | The Department could not conclude asset verification.<br><br>The Department could not complete 100% testing of the vouchers.                                                                                                  |
|                                             |                                                             | Compliance levels with HRM legislative prescriptions.        | New KPI                              | New KPI                              | Level 3                          | Level 3                        | None                                                          | N/A                                                                                                                                                                                                                           |
| j                                           | Infrastructure expenditure report towards designated groups | Percentage of infrastructure spent towards designated groups | New KPI                              | New KPI                              | 40%=Women<br>10%=Youth<br>5%=PWD | 5%=Women<br>0%=Youth<br>0%;    | (-35%W<br>;-10%Y<br>and<br>-5%PWD)                            | The appointment of contractors from the designated group was done in the 3 <sup>rd</sup> quarter and targeted expenditure could not be realised in one quarter (4 <sup>th</sup> quarter) as these contractors were finalising |

|  |                                     |                                                       |         |         |      |      |      |                                                                                                                                                             |
|--|-------------------------------------|-------------------------------------------------------|---------|---------|------|------|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |                                     |                                                       |         |         |      |      |      | some important issues (site establishment, enrolment of the projects with NHBRC, beneficiary administration etc) before actual construction could commence. |
|  | Compliance reporting for submission | Percentage of compliant invoices paid within 30 days. | New KPI | New KPI | 100% | 100% | None | N/A                                                                                                                                                         |

### **Linking performance with budgets**

The Department spent R156 028 of its allocated budget in 2022/23 financial year. This translates to 97.8 percent of total budget compared to 93.1 percent in 2021/22. The increase is as a result of increase in number of employee wellness programs hosted and acquisition of new motor fleet, progress registered in staff recruitment with related increase for Microsoft licences, subsistence and travel, and purchase of tools of trade for new staff.

### **Sub-programme expenditure**

| Sub-Programme Name   | 2022/2023           |                    |                          | 2021/2022           |                    |                          |
|----------------------|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
|                      | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
|                      | R'000               | R'000              | R'000                    | R'000               | R'000              | R'000                    |
| Office of the HOD    | -                   | -                  | -                        | 7 804               | 5 625              | 2 179                    |
| Financial Management | -                   | -                  | -                        | 60 998              | 60 218             | 780                      |
| Corporate Services   | 159 028             | 156 028            | 3 547                    | 88 981              | 80 980             | 8 001                    |
| <b>Total</b>         | <b>159 028</b>      | <b>156 028</b>     | <b>3 547</b>             | <b>157 783</b>      | <b>146 823</b>     | <b>10 960</b>            |

**Strategy to overcome areas of under performance**

The department to strengthen the monitoring and implementation of Post Audit Action Plans. Improve on monitoring of payments to suppliers within 30 days

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

No standardised indicators for programme 1



### 3.2 Programme 2: Housing Needs, Research, Planning and Technical Services

**Purpose:** To research, develop policies, and plans that respond to various housing programmes

**Sub-Programmes:**

- Human settlements planning monitoring and evaluation
- Research and policy development
- Statutory bodies secretariat support services
- Human settlements stakeholder engagement and capacity development

**Institutional outcomes that each programme contributes.**

| Sub-programme                                                     | Outcome that each programme contributes to.                                                                                                                                                            |
|-------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Human settlements planning monitoring and evaluation              | <ul style="list-style-type: none"> <li>• Improved good governance and accountability</li> <li>• Creation of a conducive environment for the implementation of human settlements programmes.</li> </ul> |
| Research and policy development                                   | <ul style="list-style-type: none"> <li>• Improved governance and accountability</li> <li>• Creation of a conducive environment for the implementation of human settlements programmes.</li> </ul>      |
| Statutory bodies secretariat support services                     | <ul style="list-style-type: none"> <li>• Improved governance and accountability</li> <li>• Creation of a conducive environment for the implementation of human settlements programmes.</li> </ul>      |
| Human settlements stakeholder engagement and capacity development | <ul style="list-style-type: none"> <li>• Improved governance and accountability</li> <li>• Sustainable Human Settlements and improved quality of household life</li> </ul>                             |

**Outcomes, Outputs, Output Indicators, Targets and Actual Achievements**

Programme 2 has performed fairly well. The programme has achieved six (6) out of seven (7) planned indicators. The outputs will contribute towards the achievement of the outcome.

The programme has over-achieved on the following output indicators:-

- Number of potential beneficiaries provided with consumer education.
- Number of integrated implementation programmes for priority development areas completed per year
- Percentage of investment of the total Human Settlements allocation in PDAs

The over-achievement on these indicators above is as a result of positive response by potential beneficiaries as well as, good work performed by Housing Development Agency.

**Table 2.4.4.2**

| Programme / Sub-programme:                                                                |                                                                     |                                                                                                  |                                      |                                      |                                 |                                |                                                               |                                                                                                                                                                                                                        |
|-------------------------------------------------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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                                                                                                                                                                                                 |
| Creation of a conducive environment for the implementation of human settlement programmes | HSDG/IS UPG Business Plans developed                                | Number of Human Settlements Development Grant Business Plan produced                             | 1                                    | 1                                    | 1                               | 1                              | None                                                          | N/A                                                                                                                                                                                                                    |
|                                                                                           | Potential beneficiaries provided with consumer education            | Number of potential beneficiaries provided with consumer education                               | 0                                    | 9764                                 | 5000                            | 5806                           | +806                                                          | Positive response by the targeted potential beneficiaries as a result of improved stakeholder management                                                                                                               |
|                                                                                           | Integrated Implementation Programmes for priority development areas | Number of integrated implementation programmes for priority development areas completed per year | New KPI                              | New KPI                              | 5                               | 14                             | +9                                                            | The over-achievement is as result of the Department implementing agent (Housing Development Agency) which managed to implement programmes for Priority Development Areas targeted for three years in one (1) financial |

|  |                                                                |                                                                                                              |         |         |     |        |         | year<br>(2022/23).                                                              |
|--|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|---------|---------|-----|--------|---------|---------------------------------------------------------------------------------|
|  | Investment of the total Human Settlements in PDAs              | Percentage of investment of the total Human Settlements allocation in PDAs                                   | New KPI | New KPI | 53% | 64.75% | +11.75% | Over-achievement performance is as a result of good performance by contractors. |
|  | Acquired land during 2014-2019 falling within the PDAs rezoned | Percentage of land acquired during 2014-2019 within the PDAs rezoned                                         | New KPI | New KPI | 10% | 0      | -10%    | Non-existence of MPTs in municipalities where land was planned for rezoning.    |
|  | Human Settlements policy developed                             | Number of Human Settlements policies developed                                                               | 0       | 0       | 1   | 1      | 0       | N/A                                                                             |
|  | Informal settlements upgraded                                  | Number of informal settlements upgraded to phase 3 of the upgrading of informal settlements Programme (UISP) | New KPI | New KPI | 3   | 3      | 0       | N/A                                                                             |

### **Linking performance with budgets**

Total budget allocation of R 32 808 million is spent at R30 813 million, translating into 93.9 percent while 76.6 percent was spent in the prior year. Under-expenditure is attributed to delays in approvals in difference stages of recruitment.

**Sub-programme expenditure**

| Sub-Programme Name                                                       | 2022/2023           |                    |                          | 2021/2022           |                    |                          |
|--------------------------------------------------------------------------|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
|                                                                          | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
|                                                                          | R'000               | R'000              | R'000                    | R'000               | R'000              | R'000                    |
| Administration: Housing Needs, Planning, Research and Technical Services | 17 659              | 16 530             | 1 129                    | 32 103              | 24 589             | 7 514                    |
| Policy: Housing needs and, Research and planning                         | 3 504               | 3 635              | (131)                    | -                   | -                  | -                        |
| Planning: Housing needs and, Research and planning                       | 8 738               | 8 877              | (139)                    | -                   | -                  | -                        |
| Research: Housing needs and, Research and planning                       | 2 907               | 1 771              | 1 136                    | -                   | -                  | -                        |
| <b>Total</b>                                                             | <b>32 808</b>       | <b>30 813</b>      | <b>1 995</b>             | <b>32 103</b>       | <b>24 589</b>      | <b>7 514</b>             |

**Strategy to overcome areas of under performance**

The department to improve integrated planning and effective participation in the District Development Model.

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

The department has achieved three (3) out of four (4) standardised indicators. The department has not done well on the "Percentage of land acquired during 2014-2019 within the PDAs rezoned".

### 3.3 Programme 3: Housing Development

**Purpose:** To provide integrated and sustainable human settlements through accelerating housing opportunities and ensure security of tenure

**Sub-Programmes:**

- Housing subsidy management
- Human settlements project management: Bojanala District Municipality
- Human settlements project management: Dr. R.S.M. District Municipality
- Human settlements project management: NMMDM
- Human settlements project management: Dr. K.K. District Municipality

**Institutional outcomes that each programme contributes**

| Sub-programme                                                           | Outcome that each programme contributes to.                                                                                                                                     |
|-------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Housing subsidy management                                              | <ul style="list-style-type: none"> <li>• Improved good governance and accountability</li> <li>• Sustainable Human Settlements and improved quality of household life</li> </ul> |
| Human settlements project management: Bojanala District Municipality    | <ul style="list-style-type: none"> <li>• Improved good governance and accountability</li> <li>• Sustainable Human Settlements and improved quality of household life</li> </ul> |
| Human settlements project management: Dr. R.S.M. District Municipality. | <ul style="list-style-type: none"> <li>• Improved good governance and accountability</li> <li>• Sustainable Human Settlements and improved quality of household life</li> </ul> |
| Human settlements project management: NMMDM                             | <ul style="list-style-type: none"> <li>• Improved good governance and accountability</li> <li>• Sustainable Human Settlements and improved quality of household life</li> </ul> |
| Human settlements project management: Dr. K.K. District Municipality    | <ul style="list-style-type: none"> <li>• Improved good governance and accountability</li> <li>• Sustainable Human Settlements and improved quality of household life</li> </ul> |

**Outcomes, Outputs, Output Indicators, Targets and Actual Achievements**

Programme 3 managed to achieve two (2) out of seven (7) indicators which translate into 28,5% achievement. The non-achievement of the targets is as a result number of factors,

namely, abandoning of sites by contractors, poor performance by contractors, contractors not prioritising registration of title deeds, delays in township proclamation.

**Table 2.4.4.2**

| Programme / Sub-programme:                                           |                        |                                            |                                       |                                      |                                 |                                |                                                               |                                                                                                                             |
|----------------------------------------------------------------------|------------------------|--------------------------------------------|---------------------------------------|--------------------------------------|---------------------------------|--------------------------------|---------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| 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                                                                                                      |
| Sustainable Human Settlements and Improved Quality of Household Life | Title deeds registered | Number of new title deeds registered       | New KPI                               | 266                                  | 2112                            | 1275                           | -837                                                          | Delays by developers to register the title deeds because they outsourced the function to the conveyancers                   |
|                                                                      |                        | Number of pre-1994 title deeds registered  | New KPI                               | 24                                   | 1098                            | 22                             | -1076                                                         | Beneficiaries with outstanding Balances owed to NWHC.<br><br>Refusal of Mahikeng municipality issue clearance certificates. |
|                                                                      |                        | Number of post 1994 title deeds registered | New KPI                               | 1482                                 | 5172                            | 5124                           | -48                                                           | Developers that left the construction site without completing the registration of title deeds.                              |
|                                                                      |                        | Number of post 2014 title deeds registered | New KPI                               | 201                                  | 1821                            | 157                            | -1664                                                         | Developers that left the construction site without completing the registration of title deeds.                              |

|  |                           |                                                            |         |         |      |      |       |                                                                                                                                     |
|--|---------------------------|------------------------------------------------------------|---------|---------|------|------|-------|-------------------------------------------------------------------------------------------------------------------------------------|
|  | Sites serviced            | Number of serviced sites delivered                         | 500     | 6723    | 6364 | 7245 | +881  | The over-achievement is as a result of sites that were partially completed but were now fully serviced as at end of financial year. |
|  | Housing units constructed | Number of Breaking New Grounds (BNG) houses delivered      | New KPI | New KPI | 4879 | 3614 | -1265 | Contractors left sites citing escalated material costs.                                                                             |
|  |                           | Number of households that received subsidies through FLISP | New KPI | 147     | 65   | 83   | +18   | Positive response from applicants owing to improved stakeholder management.                                                         |

### **Linking performance with budgets**

Department was allocated a budget of R1 786 279 million and spent R1 774 394 million. This translates to 99.3 percent while 84.1 percent was spent in 2021/22. The highest spending sub-programme is Provincial Intervention at 100 followed by Rural Intervention at 100 percent, followed by Incremental Intervention at 99.5 percent then Administration at 93.1 percent and lastly Social and Rental Intervention by 25.4 percent. Under-expenditure is as a result of late submission of claims from developers and delays in approvals in difference stages of recruitment.

### **Sub-programme expenditure**

| Sub-Programme Name                  | 2022/2023           |                    |                          | 2021/2022           |                    |                          |
|-------------------------------------|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
|                                     | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
|                                     | R'000               | R'000              | R'000                    | R'000               | R'000              | R'000                    |
| Administration: Housing Development | 76 609              | 71 289             | 5 320                    | 62 881              | 59 859             | 3 022                    |
| Incremental Intervention            | 748 832             | 745 379            | 3 453                    | 629 202             | 588 379            | 40 823                   |
| Rural Intervention                  | 457 984             | 457 887            | 97                       | 451 190             | 397 269            | 53 921                   |
| Provincial Intervention             | 498 814             | 498 814            | -                        | 559 950             | 386 439            | 173 511                  |
| Social and Rental intervention      | 4 040               | 1 025              | 3 015                    | -                   | -                  | -                        |
| <b>Total</b>                        | <b>1 786 279</b>    | <b>1 774 394</b>   | <b>11 885</b>            | <b>1 703 223</b>    | <b>1 431 946</b>   | <b>271 277</b>           |

### **Strategy to overcome areas of under performance**

- The department will engage municipalities to address the issue of service sites for military veterans.
- The department has reviewed (scaled down and terminated) the contracts of poor performing contractors.
- The department to strengthen the contract management.
- The department to engage relevant stakeholders (e.g. municipalities for township proclamation) who contribute towards the achievement of departmental targets.
- The database for conveyancers has been established at end of the 3rd quarter (2022/23 financial year) for the improvement of title deeds restoration programme.

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

Programme 3 managed to achieve two (2) out of seven (7) standardised indicators which translates into 28, 5% achievement.

### **5. TRANSFER PAYMENTS**

#### **5.1. Transfer payments to public entities**

The North West Housing Corporation is the public entity of the Department charged with the responsibility to become a leading real estate management and development agent of the North West provincial government, to provide and facilitate provision of housing and other buildings for the benefit of lower, middle and in some instances higher income groups within societies of the province. Performance of the entity is monitored through quarterly reporting on financial and service delivery performance. Total of R40 904 000 was allocated for transfer to the entity in 2021/22 while in 2022/23 the amount was R42 867 000 and full allocations was transferred in both financial periods. A fully operational Board of Directors was in place up to end of October and a substantive Chief Executive Officer has been appointed on a five year employment contract in 2020/21. Revenue collection has been a challenge with the entity and the bulk of its allocation from the Department is spent on operational activities.

| <b>Name of Public Entity</b>   | <b>Key Outputs of the public entity</b>                                                                                                                                                                                                                             | <b>Amount transferred to the public entity</b> | <b>Amount spent by the public entity</b> | <b>Achievements of the public entity</b>                                                                                                                                                                                                                                |
|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| North West Housing Corporation | Conduct feasibility studies for New Housing Projects<br>Conclude on funding agreement for student accommodation<br>Secure approved funding.<br>Facilitate sale of flats units<br>Facilitate sale of vacant stands sold (NWHC)<br>Facilitate issuance of title deeds | R42 867 000                                    | R42 867 000                              | Conducted feasibility studies for New Housing Projects<br>Concluded on funding agreement for student accommodation<br>Secured approved funding.<br>Facilitate sale of flats units<br>Facilitate sale of vacant stands sold (NWHC)<br>Facilitate issuance of title deeds |

## 5.2. Transfer payments to all organisations other than public entities

The Department has made a transfer of R100 million to the City of Matlosana Local Municipality for purposes of financial top-up on the National housing development catalytic project along the N12 corridor. The project is approved in the 2022/23 housing development grant business plan. The Department complied with S38 1(j), and monitoring is on the basis of monthly meetings, reports and site inspection conducted by the Department of Human Settlements provincially and nationally.

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 (R'000) | Reasons for the funds unspent by the entity |
|----------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|----------------------------|------------------------------------|---------------------------------------------|
| City of Matlosana          | Local Municipality                                            | Housing Development Catalytic Project                                                                                                                                                                                                | Yes                                                | 100 000                    | R100 000                           |                                             |
| Housing Development Agency | Public entity of the National Department of Human Settlements | Land acquisition and assembly for human settlements development within the Province, land planning assistance with more focus on informal settlements upgrading, facilitation of master spatial plan for the Province amongst others | Nil                                                | R 55 563                   | R 46 645                           |                                             |

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                |                                             |                             |                            |                                        |
|                    |                                             |                             |                            |                                        |

## 6. CONDITIONAL GRANTS

### 6.1. Conditional grants and earmarked funds paid

Not applicable

### 6.2. Conditional grants and earmarked funds received

The Department received a conditional grant allocation of R1.709 670 billion comprised of Human Settlements Development Grant of R1.307 886 billion and Upgrading of Informal Settlements Grant of R401. 784 million. Total expenditure is R1.703 105 billion made up of R1.304 741 billion HSDG and R398.364 million for ISUPG.

The full grant allocation budgeted for 2022/23 was received from the National Department in monthly tranche payments in line with payment schedule submitted by the Department. A total of R1.709 670 billion; inclusive of the roll-over amount of R53. 634 million, was transferred into the Provincial Exchequer grant account. The following key achievements were registered:-

- Out of 2 112 title deeds that were to be transferred to new home owners, only 1 275 were achieved;
- Out of 8 091 title deeds that were to be transferred to home owners (Pre & Post -1994 and Post 2014) only 5 303 were achieved;
- Out of 6 364 sites planned to be serviced 7 245 were serviced;
- Out of 4 879 housing units that were planned to be constructed around mining towns 3 661 units were achieved.

Reasons for under-achievement include the following:-

- Developers did not prioritize registration of title deeds.
- The pre 94 title deeds did not progress well as a result of the Housing Corporation properties that are still with different municipalities.
- Cross border province properties also posed a challenge to the North West Housing Corporation in dealing with the Pre-1994 title deeds.

#### Conditional Grant 1: Human Settlements Development Grant

|                                                            |                                                                                                                                                                |
|------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Department/ Municipality to whom the grant has been</b> | <ul style="list-style-type: none"> <li>Department of Human Settlements (National)</li> </ul>                                                                   |
| <b>Purpose of the grant</b>                                | <ul style="list-style-type: none"> <li>To finance the implementation of National Housing Programs for the creation of sustainable Human Settlements</li> </ul> |
| <b>Expected outputs of the grant</b>                       | <ul style="list-style-type: none"> <li>The department targeted to deliver 4879 housing units</li> </ul>                                                        |
| <b>Actual outputs achieved</b>                             | <ul style="list-style-type: none"> <li>The department managed to deliver 3661 housing units</li> </ul>                                                         |
| <b>Amount per amended DORA (R'000)</b>                     | <ul style="list-style-type: none"> <li>R1 307 886</li> </ul>                                                                                                   |
| <b>Amount transferred (R'000)</b>                          | <ul style="list-style-type: none"> <li>R1 307 886</li> </ul>                                                                                                   |
| <b>Reasons if amount as per DORA not transferred</b>       | <ul style="list-style-type: none"> <li>Not applicable</li> </ul>                                                                                               |
| <b>Amount spent by the department/ municipality</b>        | <ul style="list-style-type: none"> <li>R1 304 740</li> </ul>                                                                                                   |
| <b>Reasons for the funds unspent by the entity</b>         | <ul style="list-style-type: none"> <li>Late submission of claims and invoices for housing development projects</li> </ul>                                      |
| <b>Monitoring mechanism by the transferring department</b> | <ul style="list-style-type: none"> <li>Monthly and quarterly reports (delivery and financial) by regional managers</li> </ul>                                  |

• **Conditional Grant 2: Informal settlements upgrading partnership grant**

|                                                            |                                                                                                                                                                                                                                                     |
|------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Department/ Municipality to whom the grant has been</b> | <ul style="list-style-type: none"> <li>Department of Human Settlements (National)</li> </ul>                                                                                                                                                        |
| <b>Purpose of the grant</b>                                | <ul style="list-style-type: none"> <li>To provide funding to facilitate a programme and inclusive approach to upgrading informal settlements</li> </ul>                                                                                             |
| <b>Expected outputs of the grant</b>                       | <ul style="list-style-type: none"> <li>The department targeted to achieve 6 364 serviced sites</li> </ul>                                                                                                                                           |
| <b>Actual outputs achieved</b>                             | <ul style="list-style-type: none"> <li>The department managed to service 7 245 sites</li> </ul>                                                                                                                                                     |
| <b>Amount per amended DORA (R'000)</b>                     | <ul style="list-style-type: none"> <li>R401 784</li> </ul>                                                                                                                                                                                          |
| <b>Amount transferred (R'000)</b>                          | <ul style="list-style-type: none"> <li>R401 784</li> </ul>                                                                                                                                                                                          |
| <b>Reasons if amount as per DORA not transferred</b>       | <ul style="list-style-type: none"> <li>N/A</li> </ul>                                                                                                                                                                                               |
| <b>Amount spent by the department/ municipality</b>        | <ul style="list-style-type: none"> <li>R398 364</li> </ul>                                                                                                                                                                                          |
| <b>Reasons for the funds unspent by the entity</b>         | <ul style="list-style-type: none"> <li>Close monitoring on project implementation to be enforced</li> <li>Approval for exemption from Constitutional court ruling on BBBEE requirement for procurement will assist in improving spending</li> </ul> |
| <b>Monitoring mechanism by the transferring department</b> | <ul style="list-style-type: none"> <li>Monthly and quarterly reports (delivery and financial) by regional managers</li> <li>Site visits conducted by monitoring and evaluation team within the strategic planning unit</li> </ul>                   |

## 7. DONOR FUNDS

### 7.1. Donor Funds Received

The Department did not receive any donor funding

## 8. CAPITAL INVESTMENT

### 8.1. Capital investment, maintenance and asset management plan

The Department does not engage in any investing activities

## PART C: GOVERNANCE

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## 1. INTRODUCTION

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

## 2. RISK MANAGEMENT

### **Policies, Strategies and Plans:-**

Risk, Ethics and Fraud prevention Literatures were reviewed and updated by the following:-

- Departmental officials,
- Provincial Risk Management Support,
- Risk, Ethics and Fraud prevention Committee Members.

The updated literatures were recommended for approval by the Independent Chairperson of the Committee.

The Accounting Officer approved for all risk, ethics and fraud prevention policies, strategies and plans on the 31/03/2022.

### **The Following are the approved risk, ethics and fraud prevention literature:-**

- Enterprise Risk Management Policy,
- Risk Management Strategy and Implementation plan,
- Risk, Ethics Management and Fraud Prevention Committee Charter,
- Fraud Prevention and Anti-Corruption policy,
- Fraud Prevention and Anti-Corruption Strategy,
- Whistleblowing policy,
- Ethics Management Strategy and Plan,
- Risk Champion Charter,
- Combined Assurance Plan.
- Risk Management Maturity plan.

### Training and Awareness:-

- After the approval of all policies, strategies and plans, the risk management unit conduct training on all officials within the Department.
- The purpose of training is to educate officials within the Department on the Risk, Ethics and Fraud prevention processes.
- Training on Risk, Ethics and Fraud prevention policies, Strategies and Plans was conducted on the 26 to 30<sup>th</sup> September 2022.

## 2.1 DEPARTMENTAL RISK ASSESSMENT

- The Department conducts the strategic risk assessments annually when Senior Managers review the Departmental outcomes. The core purpose of the strategic risk assessment is to identify strategic risks and new emerging risks that will hamper the Department from achieving its set outcomes.
- During the Strategic review of the Departmental outcomes the draft strategic risk register is reviewed and updated by Senior Managers with new emerging strategic risks and treatment plans.
- The updated draft strategic risk register is presented to the risk management committee for recommendations. The Departmental strategic risk register was recommended by the Independent Risk Management Chairperson on the 30/04/2021 and approved by the Head of Department was on the 30/04/2022.

## 2.2 OPERATIONAL RISK ASSESSMENT: -

- Risk Management unit conducts the risk assessment process with all officials within the operational level in the Department.
- During the risk assessment officials identify risks which are inclusive of new emerging risk. The identified risks are measured in terms of likelihood and impact and control measures are identified in order to mitigate the identified risks to an acceptable level.
- The draft risk register was reviewed and updated then submitted to the Risk Management Committee for their review and inputs.
- The updated draft register was recommended by the Chairperson on the 3/04/2022 and approved by the Accounting Officer on the 30/04/2022.

## 2.3 MONITORING OF THE TREATMENT PLANS: -

- On a quarterly basis Programme Managers have to report on the implementation of the treatment plans in order to ensure that identified risks are managed to an acceptable level.
- Risk Management unit on a quarterly basis have to monitor if agreed control measures have been implemented by Programme Managers.
- When the control measures are implemented then the identified risks have to be re-rated to determine if the risk is mitigated to an acceptable level.

#### **2.4 RISK MANAGEMENT CHALLENGE:**

- Non implementation of the treatment plans by the risk owners, Senior Managers,
- The maturity level of risk management within the department is very low.
- Inadequate capacitation of the risk management unit, as only 2 permanent staff is appointed in the unit.
- Risk Management not incorporated in the day-to day activities when the indicators are implemented.
- Non-attendance of officials to workshops.

#### **2.5 MEASURES USED IN THE IMPLEMENTATION OF THE RISK MANAGEMENT PROCESS:-**

- The risk management unit has developed an approved Risk Management Plan which assist in putting system in place to ensure implementation by the risk owners: -
- Monthly reporting by Senior Managers on the progress made in the implementation of the agreed treatment plans as a measure to mitigate identified risks,
- Risk Management forms part of the Departmental Management Committee meeting agenda in order to report on progress made and challenges.
- Risk Management function forms part of the Senior Managers Key performance areas for accountability and responsibility.

## 2.6 RISK MANAGEMENT COMMITTEE:-

- The Department has an effective Risk, Ethics and Fraud prevention Management Committee. In place.
- The Head of the Department has appointed an independent Chairperson, Deputy Chairperson and one (1) External/Independent Member to serve in the committee. The purpose of appointing Independent Members is to provide oversight role in assessing the effectiveness of the Departmental risk management system/processes.
- The appointed Risk Management Committee has an approved scheduled of meetings which was approved by the Independent Risk Management Chairperson on the 25/07/2022.
- As per the approved schedule of meeting, risk management committee meetings have to be attended quarterly in order to assess the implementation of the risk management process within the department.
- The appointed Risk Management Committee are governed by the approved Risk, Ethics and Fraud prevention Charter,
- For the year under review only 3(three) meetings were conducted.

## 3. FRAUD AND CORRUPTION

- The Department has an approved fraud prevention strategy with a plan.
- The plan is implemented on a quarterly basis in order to ensure that adequate preventative and detective measures are put in place in order to mitigate fraud risks.
- The Department has an approved Whistle blowing policy. The officials of the Department and the community reports all allegation of fraud and corrupt practices using the National hotline. The Office of the Premier and the Public Service Commission provide the Department with all reported alleged fraud and corruption cases.
- Minimum Information Security Services within the Department with the assistance of the South African Police Service conduct investigations on all reported alleged fraud and corruption cases.
- During the period under review the Department has not reported any case of allegations of fraud and corruption.

#### 4. MINIMISING CONFLICT OF INTEREST

- The Department has an Ethics Strategy which was approved by the Accounting Officer.
- According to the strategy all Senior Managers, Middle Management, officials within the Supply Chain Management and Finance unit are required to declare their financial interest and assets.
- When the disclosure period is concluded, Ethics unit verify all disclosures and report any identified conflict of interest to the Accounting Officer.
- A report on conflict of interest is prepared and submitted to the office of the Head of the Department.
- Formal letters through the office of the Accounting Officer are written to all officials who have conflict of interest in their disclosures. The officials are required to report within a month on the identified conflict of interest.
- All officials designated by the Department of Public Service and Administration to disclose their financial interests have disclosed accordingly.
- Non-response to the identified conflict of interest result in misconduct and action is taken against the official responsible for the misconduct.

#### 5. CODE OF CONDUCT

- The Department uses the Public Service Regulation Code of Conduct.
- Yearly training on the Code of Conduct is conducted to all officials within the Department. For the period under review training for officials was done from the 26 September to 30 September 2022.
- It is the responsibility of each Manager to ensure that their staff comply with the Code of Conduct. If non-compliance is discovered, Managers are required to prepare formal letter to Labour Relations unit in order to report the matter.
- The Labour relations unit then conduct their own investigation and prepare a report to the Accounting Officer within a reasonable time.
- Officials within the Supply Chain Management, Finance unit and bid committee members are required to complete code of conduct at the beginning of each financial year.

#### 6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Employee Health and Wellness Programme is implemented in the Department. The Programme has four Strategic Pillars, and they are as follows:

- Safety, Health, Environment, Risk and Quality Assurance which focuses mainly on the health and safety of employees and department's clients/ customers

- Wellness Management Pillar- focuses on Individual Wellness and Organizational Wellness
- HIV and AIDS and TB Management- focuses on Awareness and Education, Prevention on HIV and AIDS and TB
- Health and Productivity Management- focuses on Health Promotion and Awareness on Communicable and Non- Communicable Diseases

## 7. PORTFOLIO COMMITTEES

| Resolution No. | Subject                                                                                            | Details                                                                                                                                                                                                                                                                                                                                                                       | Response by the department                                                           | Resolved (Yes/No) |
|----------------|----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-------------------|
| 1              | 10 May 2022- Presentation of the Departmental 22/23 APP and Budget                                 | <ul style="list-style-type: none"> <li>The Members of the Portfolio Committee noted and adopted the 2022/23 APP for budget appropriation purposes</li> </ul>                                                                                                                                                                                                                  | N/A                                                                                  | N/A               |
| 2.             | Presentation of the 2021/22 Annual Report                                                          | <p>The department to provide reports on the following:</p> <ul style="list-style-type: none"> <li>Overpayment on Tigane Developers</li> <li>Developers who left sites and any consequences</li> <li>Blocked projects</li> <li>Overpayment on PMU</li> <li>Overpayment to Barzhani and any consequences to the responsible officials</li> <li>Irregular expenditure</li> </ul> | Reports on all matters raised by the Portfolio Committee were prepared and submitted | Yes               |
| 3.             | 06 October 2022- Meeting on Deelpa Disaster                                                        | <ul style="list-style-type: none"> <li>The department to provide progress report on the Deelpa Disaster</li> </ul>                                                                                                                                                                                                                                                            | Progress report on Deelpa Disaster was prepared and submitted                        | Yes               |
| 4.             | 10 March 2023- Presentation of the 2 <sup>nd</sup> and 3 <sup>rd</sup> Quarter Performance Reports | <ul style="list-style-type: none"> <li>The department is still waiting the formal communication of the resolutions of the meeting from the Portfolio Committee.</li> </ul>                                                                                                                                                                                                    | N/A                                                                                  | N/A               |

## 8. SCOPA RESOLUTIONS

| Resolution No. | Subject                                                                              | Details                                                                                                                                                                                                                                                                                                                                                                                                                   | Response by the department                      | Resolved (Yes/No)                                                   |
|----------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|---------------------------------------------------------------------|
| 1.             | 03 March 2023- Presentation of the Department's responses from the SCOPA resolutions | <p>Blocked projects from 2018 to date:</p> <ul style="list-style-type: none"> <li>-Contractors</li> <li>-No of units</li> <li>- Expenditure</li> <li>- Actions taken to the affected contractor who left sites.</li> </ul> <p>2. Title deeds report</p> <p>3. Report on the Khuma Hostel</p> <p>4. PMU report</p> <p>5. 30 days payment report</p> <p>6. Qualifications of SMS report</p> <p>7. Deelpan Disaster Fund</p> | Reports were prepared and submitted accordingly | Some of the resolutions were addressed and some are still underway. |

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department has developed a post-Audit-Action Plan for implementation during the financial year. The internal control unit monitors and reports to Provincial Treasury on progress registered. Staff in the finance unit have been appointed to ensure that activities linked to compilation, verification and application of various guidelines such as for purposes of addressing irregular expenditure and gaps identified in reporting on accruals and payables are implemented fully. Records management is still a serious challenge as the Department is short of office space. A steering committee chaired by the Accounting Officer comprising of all senior managers and other line managers has been established to closely monitor implementation of the post audit action plan.

| Nature of qualification, disclaimer, adverse opinion and matters of non-compliance | Financial year in which it first arose | Progress made in clearing / resolving the matter     |
|------------------------------------------------------------------------------------|----------------------------------------|------------------------------------------------------|
| Disclaimer                                                                         | 2019/2020                              | Improved to qualified audit opinion                  |
| Qualification                                                                      | 2020/2021                              | Implementation of post audit action plan in progress |
| Qualification                                                                      | 2021/2022                              | Implementation of post audit action plan in progress |

## 10. INTERNAL CONTROL UNIT

Internal control function is seriously under capacitated with staff, with only two officials performing the key responsibilities. Main work performed included:

- Developing the post-audit action plans and monitoring their implementation
- Facilitating audits performed by both the Auditor-General and Provincial Internal Audit
- Identification of unauthorised, irregular, and fruitless and wasteful expenditure through post-verification of payment vouchers
- Reporting on progress registered on the implementation of post audit action plans

## 11. INTERNAL AUDIT AND AUDIT COMMITTEES

### 11.1 Legislative requirements

The Audit Committee herewith presents its report for the financial year ended 31 March 2023, as required by treasury regulation 3.1.13 read with section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended by Act No. 29 of 1999).

### 11.2 Audit Committee Members and Attendance

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

### 11.3 Audit Committee Responsibility

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

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

### 11.4 The effectiveness of internal control

In line with the Public Finance Management Act, 1999, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by evaluating internal controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement.

The accounting officer retains responsibility for implementing such recommendations as per Treasury Regulation 3.1.12.

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

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

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

The Audit Committee remains concerned with the slow progress in the finalisation of irregular and fruitless and wasteful expenditure.

### **11.5 Risk management**

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

### **11.6 In-Year Management and Quarterly Reporting**

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

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

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

### **11.7 Evaluation of Financial Statements**

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

### **11.8 Evaluation of Performance Information**

The information on predetermined objectives to be included in the annual report reviewed by the Audit Committee was not submitted timely and finalised and completed to the extent required to enable adequate and effective review thereof. This compromised the assurance value of the review performed the Audit Committee. The Audit Committee has however reviewed information on predetermined objectives to be included in the annual report prepared by the department and has advised the accounting officer to ensure that all the review notes and comments of Internal Audit and the Audit Committee are fully addressed prior to submission of the annual financial statements to the Auditor General South Africa.

### **11.9 Compliance with laws and regulations**

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

### 11.10 Internal Audit

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

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

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

### 11.12 Auditor General South Africa

We have reviewed the department’s implementation plan for audit issues raised in the previous year and based on the interaction with the department and the internal audit reports, the committee is not satisfied that all matters have been adequately addressed.

### 11.13 General

Signed on behalf of the Cluster Audit Committee by:

**Chairperson of the**

M.P. Tjie

**Cluster Audit Committee:**

**M.P. Tjie**

**Date:**

**9 June 2023**

## 12. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

| 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<br>Yes / No | Discussion<br><i>(include a discussion on your response and indicate what measures have been taken to comply)</i>                                                       |
| Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law? | No                   |                                                                                                                                                                         |
| Developing and implementing a preferential procurement policy?                                                                                           | YES                  | For all procurement above R30 000 to R50m preference point system of 80/20 is applied where 80 is for price and 20 for BBEE points and 90/10 for procurement above R50m |
| Determining qualification criteria for the sale of state-owned enterprises?                                                                              | No                   |                                                                                                                                                                         |
| Developing criteria for entering into partnerships with the private sector?                                                                              | No                   |                                                                                                                                                                         |
| Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?                 | No                   |                                                                                                                                                                         |

## PART D: HUMAN RESOURCE MANAGEMENT

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## 1. INTRODUCTION

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

## 2 OVERVIEW OF HUMAN RESOURCES

The Human Resource Directorate is servicing and supporting Departmental officials through provision and facilitation of recruitment, employee benefits, employee relations, performance management, employee health and wellness as well as training and development. The unit has 38 positions and 31 are filled and 7 are vacant. The unit has capacity to ensure that all HR functions are implemented.

The Human resource priorities for the year under review were;

- Submission of all compliance plans and reports as per legislated time frames (EE report, EHW plans and report , HR Plans and Labour relations report)
- Reduction of high vacancy rate.
- Management of grievance within a mandated time frame.
- Monitoring of performance and implementation of training plan.
- Management of employee health and wellness

## 3. HUMAN RESOURCES OVERSIGHT STATISTICS

### 3.1 Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- amount spent on personnel
- amount spent on salaries, overtime, homeowner's allowances and medical aid.

**Table 3.1.1 Personnel 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                       | 156 028                   | 65 312                        | 924                          | -                                                     | 41.8%                                             |                                             |
| Housing needs, planning and research | 30 813                    | 25 408                        | -                            | -                                                     | 82.4%                                             |                                             |
| Housing Development                  | 1 774 394                 | 51 475                        | -                            | -                                                     | 2.9%                                              |                                             |
| <b>Total</b>                         | <b>1 961 235</b>          | <b>142 195</b>                | <b>924</b>                   | <b>-</b>                                              | <b>7.2%</b>                                       |                                             |

**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 | No. of employees | Average personnel cost per employee (R'000) |
|------------------------------------------|-------------------------------|---------------------------|------------------|---------------------------------------------|
| Lower skilled (Levels 1-2)               | R3 305 911,29                 | 2                         | 28               | R 118 068,00                                |
| Skilled (level 3-5)                      | R21 642 746,66                | 13                        | 80               | R 270 534,00                                |
| Highly skilled production (levels 6-8)   | R48 023 270,17                | 30                        | 105              | R 457 364,00                                |
| Highly skilled supervision (levels 9-12) | R51 341 915,06                | 32                        | 70               | R 733 456,00                                |
| Senior and Top management (levels 13-16) | R17 046 636,26                | 11                        | 14               | R 1 217 617,00                              |
| Non-Permanent                            | R50 996,95                    | 0                         |                  | R 0,00                                      |
| <b>Total</b>                             | <b>R141 411 476,39</b>        | <b>88</b>                 | <b>297</b>       | <b>R 476 133,00</b>                         |

**Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2022 and 31 March 2023**

| Programme                                  | Salaries               |                  | Overtime            |                  | Home Owners Allowance |                  | Medical Aid           |                  |
|--------------------------------------------|------------------------|------------------|---------------------|------------------|-----------------------|------------------|-----------------------|------------------|
|                                            | Amount                 | as a % of person | Amount              | as a % of person | Amount                | as a % of person | Amount                | as a % of person |
| 12140100 ADMINISTRATION                    | R 44 296 726,67        | 69               | R 259 382,45        | 0                | R 1 681 666,69        | 3                | R 3 758 259,26        | 6                |
| 12140500 HOUSING NEEDS.PLANNING & RESEARCH | R 17 675 941,39        | 70               | R 938,54            | 0                | R 435 618,51          | 2                | R 1 012 744,25        | 4                |
| 12141000 HOUSING DEVELOPMENT               | R 35 250 499,19        | 68               | R 32 776,35         | 0                | R 1 659 086,17        | 3                | R 2 918 584,83        | 6                |
| <b>Total</b>                               | <b>R 97 223 167,25</b> | <b>69</b>        | <b>R 293 097,34</b> | <b>0</b>         | <b>R 3 776 371,37</b> | <b>3</b>         | <b>R 7 689 588,34</b> | <b>5</b>         |

**Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2022 and 31 March 2023**

| Salary band                              | Salaries               |                                    | Overtime            |                                    | Home Owners Allowance |                               | Medical Aid           |                                       |
|------------------------------------------|------------------------|------------------------------------|---------------------|------------------------------------|-----------------------|-------------------------------|-----------------------|---------------------------------------|
|                                          | Amount                 | Salaries as a % of personnel costs | Amount              | Overtime as a % of personnel costs | Amount                | HOA as a % of personnel costs | Amount                | Medical aid as a % of personnel costs |
| Lower skilled (Levels 1-2)               | R 2 675 704,43         | 81                                 | R 17 124,88         | 1                                  | R 93 527,70           | 3                             | R 177 834,75          | 5                                     |
| Skilled (Levels 3-5)                     | R 14 065 838,89        | 65                                 | R 125 568,06        | 1                                  | R 1 057 920,06        | 5                             | R 2 203 476,50        | 10                                    |
| Highly skilled production (Levels 6-8)   | R 32 963 686,52        | 69                                 | R 99 501,80         | 0                                  | R 1 650 835,00        | 3                             | R 3 548 825,00        | 7                                     |
| Highly skilled supervision (Levels 9-12) | R 36 052 996,02        | 70                                 | R 50 902,60         | 0                                  | R 872 856,61          | 2                             | R 1 617 524,01        | 3                                     |
| Senior and Top Management (Level 13-16)  | R 11 463 536,50        | 67                                 |                     | 0                                  | R 101 232,00          | 1                             | R 141 928,08          | 1                                     |
| Non-Permanent                            | R 1 404,89             | 3                                  |                     | 0                                  |                       | 0                             |                       | 0                                     |
| <b>Total</b>                             | <b>R 97 223 167,25</b> | <b>69</b>                          | <b>R 293 097,34</b> | <b>0</b>                           | <b>R 3 776 371,37</b> | <b>3</b>                      | <b>R 7 689 588,34</b> | <b>5</b>                              |

## 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 |
|--------------------------------------------|-------------------------------------------|------------------------|--------------|-----------------------------------------------------|
| 12140100 ADMINISTRATION                    | 198                                       | 127                    | 36           | 23                                                  |
| 12140500 HOUSING NEEDS.PLANNING & RESEARCH | 62                                        | 39                     | 37           | 1                                                   |
| 12141000 HOUSING DEVELOPMENT               | 163                                       | 104                    | 36           |                                                     |
| <b>Total</b>                               | <b>423</b>                                | <b>270</b>             | <b>36</b>    | <b>24</b>                                           |

**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)               | 16                                        | 11                     | 31           | 23                                                  |
| Skilled (Levels 3-5)                     | 108                                       | 82                     | 24           |                                                     |
| Highly skilled production (Levels 6-8)   | 168                                       | 95                     | 44           |                                                     |
| Highly skilled supervision (Levels 9-12) | 111                                       | 68                     | 39           | 1                                                   |
| Senior management (Levels 13-16)         | 20                                        | 14                     | 30           |                                                     |
| <b>Total</b>                             | <b>423</b>                                | <b>270</b>             | <b>36</b>    | <b>24</b>                                           |

**Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2023**

| Critical Occupations                               | Number of posts on approved establishment | Number of posts filled | Vacancy Rate | Number of employees additional to the establishment |
|----------------------------------------------------|-------------------------------------------|------------------------|--------------|-----------------------------------------------------|
| ADMINISTRATIVE RELATED                             | 30                                        | 20                     | 33           | 15                                                  |
| ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC.  | 7                                         | 2                      | 71           |                                                     |
| CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.       | 18                                        | 12                     | 33           | 8                                                   |
| COMMUNICATION AND INFORMATION RELATED              | 12                                        | 7                      | 42           |                                                     |
| ENGINEERS AND RELATED PROFESSIONALS                | 8                                         | 7                      | 13           | 1                                                   |
| FINANCIAL AND RELATED PROFESSIONALS                | 1                                         | 1                      | 0            |                                                     |
| FINANCIAL CLERKS AND CREDIT CONTROLLERS            | 21                                        | 14                     | 33           |                                                     |
| HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF | 4                                         | 3                      | 25           |                                                     |
| HUMAN RESOURCES CLERKS                             | 14                                        | 10                     | 29           |                                                     |
| HUMAN RESOURCES RELATED                            | 10                                        | 7                      | 30           |                                                     |
| INFORMATION TECHNOLOGY RELATED                     | 6                                         | 3                      | 50           |                                                     |
| LIBRARY MAIL AND RELATED CLERKS                    | 1                                         |                        | 100          |                                                     |
| LIGHT VEHICLE DRIVERS                              | 11                                        | 10                     | 9            |                                                     |
| LOGISTICAL SUPPORT PERSONNEL                       | 34                                        | 18                     | 47           |                                                     |
| MATERIAL-RECORDING AND TRANSPORT CLERKS            | 3                                         |                        | 100          |                                                     |
| OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS  | 200                                       | 127                    | 37           |                                                     |
| OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS   | 1                                         |                        | 100          |                                                     |
| PROFESSIONAL NURSE                                 | 1                                         |                        | 100          |                                                     |
| RISK MANAGEMENT AND SECURITY SERVICES              | 4                                         | 2                      | 50           |                                                     |
| SECRETARIES & OTHER KEYBOARD OPERATING CLERKS      | 20                                        | 15                     | 25           |                                                     |
| SENIOR MANAGERS                                    | 15                                        | 11                     | 27           |                                                     |
| VISIBLE POLICING OFFICERS/SIGBARE POLISIE OFFISIER | 2                                         | 1                      | 50           |                                                     |
| <b>Total</b>                                       | <b>423</b>                                | <b>270</b>             | <b>36</b>    | <b>24</b>                                           |

### 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 |
|--------------------------------------|----------------------------------|----------------------------------|-----------------------|----------------------------------|-----------------------|
| Director-General/ Head of Department |                                  |                                  | 0                     | 0                                | 0                     |
| Salary Level 16                      |                                  |                                  | 0                     | 0                                | 0                     |
| Salary Level 15                      | 1                                | 1                                | 100                   | 0                                | 0                     |
| Salary Level 14                      | 4                                | 3                                | 75                    | 1                                | 25                    |
| Salary Level 13                      | 15                               | 10                               | 67                    | 5                                | 33                    |
| <b>Total</b>                         | <b>20</b>                        | <b>14</b>                        | <b>70</b>             | <b>6</b>                         | <b>30</b>             |

**Table 3.3.2 SMS post information as on 30 September 2022**

| SMS Level                            | Total number of funded SMS posts | Total number of SMS posts filled | % of SMS posts filled | Total number of SMS posts vacant | % of SMS posts vacant |
|--------------------------------------|----------------------------------|----------------------------------|-----------------------|----------------------------------|-----------------------|
| Director-General/ Head of Department |                                  |                                  | 0                     | 0                                | 0                     |
| Salary Level 16                      |                                  |                                  | 0                     | 0                                | 0                     |
| Salary Level 15                      | 1                                | 1                                | 100                   | 0                                | 0                     |
| Salary Level 14                      | 4                                | 3                                | 75                    | 1                                | 25                    |
| Salary Level 13                      | 15                               | 11                               | 73                    | 4                                | 27                    |
| <b>Total</b>                         | <b>20</b>                        | <b>15</b>                        | <b>75</b>             | <b>5</b>                         | <b>25</b>             |

**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 |
| Director-General/ Head of Department |                                                                         |                                                                     |                                                                              |
| Salary Level 16                      | 0                                                                       |                                                                     |                                                                              |
| Salary Level 15                      | 1                                                                       | 0                                                                   | 0                                                                            |
| Salary Level 14                      | 0                                                                       | 0                                                                   | 1                                                                            |
| Salary Level 13                      | 0                                                                       | 0                                                                   | 1                                                                            |
| <b>Total</b>                         | <b>1</b>                                                                | <b>0</b>                                                            | <b>2</b>                                                                     |

**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**

| <b>Reasons for vacancies not advertised within six months</b>                                                           |
|-------------------------------------------------------------------------------------------------------------------------|
| The post was advertised within six months after it was vacant , and re-advertised after the recommendation of the panel |
|                                                                                                                         |
| <b>Reasons for vacancies not filled within twelve months</b>                                                            |
| The post advertised was filled within 12 months                                                                         |
|                                                                                                                         |

**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**

| <b>Reasons for vacancies not filled within six months</b>                                                                             |
|---------------------------------------------------------------------------------------------------------------------------------------|
| The approval to advertise post of an HOD is sort through the Premier which takes time hence the position was not filled in six months |

## **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 (Levels1-2)                | 16                                        |                          | 0                                    |                | 0                    |                  | 0                    |
| Skilled (Levels 3-5)                     | 108                                       |                          | 0                                    |                | 0                    |                  | 0                    |
| Highly skilled production (Levels 6-8)   | 168                                       |                          | 0                                    |                | 0                    |                  | 0                    |
| Highly skilled supervision (Levels 9-12) | 111                                       |                          | 0                                    |                | 0                    |                  | 0                    |
| Senior Management Service Band A         | 15                                        |                          | 0                                    |                | 0                    |                  | 0                    |
| Senior Management Service Band B         | 4                                         |                          | 0                                    |                | 0                    |                  | 0                    |
| Senior Management Service Band C         | 1                                         |                          | 0                                    |                | 0                    |                  | 0                    |
| Senior Management Service Band D         |                                           |                          | 0                                    |                | 0                    |                  | 0                    |
| <b>Total</b>                             | <b>423</b>                                | <b>0</b>                 | <b>0</b>                             | <b>0</b>       | <b>0</b>             | <b>0</b>         | <b>0</b>             |

**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**

| <b>Gender</b> | <b>African</b> | <b>Asian</b> | <b>Coloured</b> | <b>White</b> | <b>Total</b> |
|---------------|----------------|--------------|-----------------|--------------|--------------|
| Female        | 0              | 0            | 0               | 0            | 0            |
| Male          | 0              | 0            | 0               | 0            | 0            |
| <b>Total</b>  | <b>0</b>       | <b>0</b>     | <b>0</b>        | <b>0</b>     | <b>0</b>     |

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 |
|-------------------------------------------------------------------------------------------------|---------------------|----------------------|--------------------|----------------------|
|                                                                                                 | 0                   |                      |                    |                      |
|                                                                                                 | 0                   |                      |                    |                      |
|                                                                                                 | 0                   |                      |                    |                      |
|                                                                                                 | 0                   |                      |                    |                      |
| <b>Total number of employees whose salaries exceeded the level determined by job evaluation</b> |                     |                      |                    | 0                    |
| <b>Percentage of total employed</b>                                                             |                     |                      |                    | 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       | 0     | 0        | 0     | 0     |
| Male                               | 0       | 0     | 0        | 0     | 0     |
| <b>Total</b>                       | 0       | 0     | 0        | 0     | 0     |
|                                    |         |       |          |       |       |
| <b>Employees with a disability</b> | 0       | 0     | 0        | 0     | 0     |

### 3.5 Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

**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 - 1 April 2022 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate |
|---------------------------------------------------|-----------------------------------------------------------|------------------------------------------------|--------------------------------------------------|---------------|
| Lower skilled (Levels 1-2)                        | 5                                                         | 0                                              | 0                                                | 0             |
| Skilled (Levels 3-5)                              | 76                                                        | 10                                             | 4                                                | 5             |
| Highly skilled production (Levels 6-8)            | 107                                                       | 11                                             | 9                                                | 8             |
| Highly skilled supervision (Levels 9-12)          | 62                                                        | 8                                              | 5                                                | 8             |
| Senior Management Service Band A (Level 13)       | 11                                                        | 0                                              | 1                                                | 9             |
| Senior Management Service Band B (Level 14)       | 3                                                         | 0                                              | 0                                                | 0             |
| Senior Management Service Band C (Level 15)       |                                                           | 0                                              | 0                                                | 0             |
| MEC & Senior Management Service Band D (Level 16) |                                                           | 0                                              | 0                                                | 0             |
| Contracts                                         | 31                                                        | 7                                              | 15                                               | 48            |
| Non Permanent                                     | 12                                                        | 6                                              | 5                                                | 42            |
| <b>Total</b>                                      | <b>307</b>                                                | <b>42</b>                                      | <b>39</b>                                        | <b>13</b>     |

**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 - 1 April 2022 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate |
|----------------------------------------------------|-----------------------------------------------------------|------------------------------------------------|--------------------------------------------------|---------------|
| ADMINISTRATIVE RELATED                             | 107                                                       | 9                                              | 12                                               | 11            |
| ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC.  | 4                                                         | 0                                              | 1                                                | 25            |
| ARCHITECTS TOWN AND TRAFFIC PLANNERS               | 1                                                         | 0                                              | 0                                                | 0             |
| BUILDING AND OTHER PROPERTY CARETAKERS             | 4                                                         | 0                                              | 1                                                | 25            |
| BUS AND HEAVY VEHICLE DRIVERS                      | 5                                                         | 1                                              | 1                                                | 20            |
| CARTOGRAPHERS AND SURVEYORS                        | 1                                                         | 0                                              | 0                                                | 0             |
| CIVIL ENGINEERING TECHNICIANS                      | 2                                                         | 0                                              | 0                                                | 0             |
| CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.       | 16                                                        | 0                                              | 8                                                | 50            |
| COMMUNICATION AND INFORMATION RELATED              | 4                                                         | 1                                              | 0                                                | 0             |
| ENGINEERING SCIENCES RELATED                       | 1                                                         | 0                                              | 0                                                | 0             |
| ENGINEERS AND RELATED PROFESSIONALS                | 6                                                         | 1                                              | 1                                                | 17            |
| FINANCE AND ECONOMICS RELATED                      | 3                                                         | 0                                              | 0                                                | 0             |
| FINANCIAL AND RELATED PROFESSIONALS                | 10                                                        | 0                                              | 1                                                | 10            |
| FINANCIAL CLERKS AND CREDIT CONTROLLERS            | 15                                                        | 4                                              | 1                                                | 7             |
| HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF | 3                                                         | 1                                              | 0                                                | 0             |
| HUMAN RESOURCES CLERKS                             | 5                                                         | 7                                              | 1                                                | 20            |
| HUMAN RESOURCES RELATED                            | 6                                                         | 0                                              | 1                                                | 17            |
| INFORMATION TECHNOLOGY RELATED                     | 1                                                         | 0                                              | 0                                                | 0             |
| INSPECTORS OF APPRENTICES WORKS AND VEHICLES       | 10                                                        | 0                                              | 0                                                | 0             |
| LIBRARY MAIL AND RELATED CLERKS                    | 2                                                         | 0                                              | 2                                                | 100           |
| LIGHT VEHICLE DRIVERS                              | 2                                                         | 0                                              | 0                                                | 0             |
| LOGISTICAL SUPPORT PERSONNEL                       | 3                                                         | 1                                              | 0                                                | 0             |
| MESSENGERS PORTERS AND DELIVERERS                  | 4                                                         | 0                                              | 0                                                | 0             |
| MOTOR VEHICLE DRIVERS                              | 1                                                         | 0                                              | 0                                                | 0             |
| OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS  | 45                                                        | 10                                             | 4                                                | 9             |
| OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS   | 3                                                         | 0                                              | 1                                                | 33            |
| OTHER INFORMATION TECHNOLOGY PERSONNEL.            | 1                                                         | 0                                              | 0                                                | 0             |
| OTHER OCCUPATIONS                                  | 8                                                         | 2                                              | 1                                                | 13            |
| PROFESSIONAL NURSE                                 | 0                                                         | 1                                              | 1                                                | 0             |
| SECRETARIES & OTHER KEYBOARD OPERATING CLERKS      | 20                                                        | 3                                              | 1                                                | 5             |
| SECURITY OFFICERS                                  | 1                                                         | 0                                              | 0                                                | 0             |
| SENIOR MANAGERS                                    | 13                                                        | 1                                              | 1                                                | 8             |
| <b>Total</b>                                       | <b>307</b>                                                | <b>42</b>                                      | <b>39</b>                                        | <b>13</b>     |

**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 |
|----------------------------------------------------------------------|-----------|-------------------------|
| Death                                                                |           | 0                       |
| Resignation                                                          | 7         | 18                      |
| Expiry of contract                                                   | 15        | 39                      |
| Dismissal – operational changes                                      |           | 0                       |
| Dismissal – misconduct                                               |           | 0                       |
| Dismissal – inefficiency                                             |           | 0                       |
| Discharged due to ill-health                                         | 1         | 3                       |
| Retirement                                                           | 5         | 13                      |
| Transfer to other Public Service Departments                         | 9         | 23                      |
| Other                                                                | 2         | 5                       |
| <b>Total</b>                                                         | <b>39</b> | <b>100</b>              |
| <b>Total number of employees who left as a % of total employment</b> |           | <b>13</b>               |

**Table 3.5.4 Promotions by critical occupation for the period 1 April 2022 and 31 March 2023**

| Occupation                                         | Number of employees at beginning of period - 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                             | 107                                                       |                                    | 0                                                         | 18                                                  | 17                                                  |
| ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC.  | 4                                                         |                                    | 0                                                         | 1                                                   | 25                                                  |
| ARCHITECTS TOWN AND TRAFFIC PLANNERS               | 1                                                         |                                    | 0                                                         |                                                     | 0                                                   |
| BUILDING AND OTHER PROPERTY CARETAKERS             | 4                                                         |                                    | 0                                                         | 1                                                   | 25                                                  |
| BUS AND HEAVY VEHICLE DRIVERS                      | 5                                                         |                                    | 0                                                         | 2                                                   | 40                                                  |
| CARTOGRAPHERS AND SURVEYORS                        | 1                                                         |                                    | 0                                                         |                                                     | 0                                                   |
| CIVIL ENGINEERING TECHNICIANS                      | 2                                                         |                                    | 0                                                         |                                                     | 0                                                   |
| CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.       | 16                                                        |                                    | 0                                                         | 2                                                   | 13                                                  |
| COMMUNICATION AND INFORMATION RELATED              | 4                                                         |                                    | 0                                                         | 3                                                   | 75                                                  |
| ENGINEERING SCIENCES RELATED                       | 1                                                         |                                    | 0                                                         |                                                     | 0                                                   |
| ENGINEERS AND RELATED PROFESSIONALS                | 6                                                         |                                    | 0                                                         |                                                     | 0                                                   |
| FINANCE AND ECONOMICS RELATED                      | 3                                                         |                                    | 0                                                         |                                                     | 0                                                   |
| FINANCIAL AND RELATED PROFESSIONALS                | 10                                                        |                                    | 0                                                         |                                                     | 0                                                   |
| FINANCIAL CLERKS AND CREDIT CONTROLLERS            | 15                                                        |                                    | 0                                                         | 1                                                   | 7                                                   |
| HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF | 3                                                         |                                    | 0                                                         |                                                     | 0                                                   |
| HUMAN RESOURCES CLERKS                             | 5                                                         | 1                                  | 20                                                        | 4                                                   | 80                                                  |
| HUMAN RESOURCES RELATED                            | 6                                                         |                                    | 0                                                         | 3                                                   | 50                                                  |
| INFORMATION TECHNOLOGY RELATED                     | 1                                                         |                                    | 0                                                         | 2                                                   | 200                                                 |
| INSPECTORS OF APPRENTICES WORKS AND VEHICLES       | 10                                                        |                                    | 0                                                         | 5                                                   | 50                                                  |
| LIBRARY MAIL AND RELATED CLERKS                    | 2                                                         |                                    | 0                                                         |                                                     | 0                                                   |
| LIGHT VEHICLE DRIVERS                              | 2                                                         |                                    | 0                                                         |                                                     | 0                                                   |
| LOGISTICAL SUPPORT PERSONNEL                       | 3                                                         | 1                                  | 33                                                        | 1                                                   | 33                                                  |
| MESSENGERS PORTERS AND DELIVERERS                  | 4                                                         |                                    | 0                                                         | 1                                                   | 25                                                  |
| MOTOR VEHICLE DRIVERS                              | 1                                                         |                                    | 0                                                         | 1                                                   | 100                                                 |
| OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS  | 45                                                        | 2                                  | 4                                                         | 3                                                   | 7                                                   |
| OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS   | 3                                                         |                                    | 0                                                         | 1                                                   | 33                                                  |
| OTHER INFORMATION TECHNOLOGY PERSONNEL.            | 1                                                         |                                    | 0                                                         | 1                                                   | 100                                                 |
| OTHER OCCUPATIONS                                  | 8                                                         |                                    | 0                                                         |                                                     | 0                                                   |
| PROFESSIONAL NURSE                                 | 0                                                         |                                    | 0                                                         | 1                                                   | 0                                                   |
| SECRETARIES & OTHER KEYBOARD OPERATING CLERKS      | 20                                                        |                                    | 0                                                         | 2                                                   | 10                                                  |
| SECURITY OFFICERS                                  | 1                                                         |                                    | 0                                                         |                                                     | 0                                                   |
| SENIOR MANAGERS                                    | 13                                                        |                                    | 0                                                         |                                                     | 0                                                   |
| <b>Total</b>                                       | <b>307</b>                                                | <b>4</b>                           | <b>1</b>                                                  | <b>53</b>                                           | <b>17</b>                                           |

**Table 3.5.5 Promotions by salary band for the period 1 April 2022 and 31 March 2023**

| Salary Band                              | Number of employees at beginning of period - 1 April 2022 | Promotions to another salary level | Salary band promotions as a % of employees by salary level | Progressions to another notch within a salary level | Notch progression as a % of employees by occupation |
|------------------------------------------|-----------------------------------------------------------|------------------------------------|------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| Lower skilled (Levels 1-2)               | 30                                                        |                                    | 0                                                          | 2                                                   | 7                                                   |
| Skilled (Levels 3-5)                     | 76                                                        |                                    | 0                                                          | 10                                                  | 13                                                  |
| Highly skilled production (Levels 6-8)   | 109                                                       | 3                                  | 3                                                          | 31                                                  | 28                                                  |
| Highly skilled supervision (Levels 9-12) | 66                                                        | 1                                  | 2                                                          | 10                                                  | 15                                                  |
| Senior management (Levels 13-16)         | 14                                                        |                                    | 0                                                          |                                                     | 0                                                   |
| Non-Permanent                            | 12                                                        |                                    | 0                                                          |                                                     | 0                                                   |
| <b>Total</b>                             | <b>307</b>                                                | <b>4</b>                           | <b>1</b>                                                   | <b>53</b>                                           | <b>17</b>                                           |

### 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    |            |
| Legislators, senior officials, and managers    | 6          |          |          |          | 6          |          |          | 1        | 13         |
| Professionals                                  | 15         |          |          |          | 24         |          |          |          | 39         |
| Technicians and associate professionals        | 45         |          | 1        | 2        | 64         |          |          |          | 112        |
| Clerks                                         | 29         | 1        | 1        |          | 57         |          |          |          | 88         |
| Service and sales workers                      |            |          |          |          | 1          |          |          |          | 1          |
| Skilled agriculture and fishery workers        |            |          |          |          |            |          |          |          |            |
| Craft and related trades workers               | 9          |          |          |          | 3          |          |          |          | 12         |
| Plant and machine operators and assemblers     | 8          |          |          |          |            |          |          |          | 8          |
| Elementary occupations                         | 10         |          |          |          | 14         |          |          |          | 24         |
| Non Permanent Worker                           |            |          |          |          |            |          |          |          |            |
| Non Permanent Worker (Developmental Programme) |            |          |          |          |            |          |          |          |            |
| <b>Total</b>                                   | <b>122</b> | <b>1</b> | <b>2</b> | <b>2</b> | <b>169</b> | <b>0</b> | <b>0</b> | <b>1</b> | <b>297</b> |
| Employees with disabilities                    |            |          |          |          | 1          |          |          | 1        | 2          |

***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                                                                                                    |            |          |          |          | 1          |          |          |          | 1          |
| Senior Management                                                                                                 | 6          |          |          |          | 6          |          |          | 1        | 13         |
| Professionally qualified and experienced specialists and mid-management                                           | 15         |          | 1        | 1        | 16         |          |          |          | 33         |
| Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents | 57         |          |          | 1        | 84         |          |          |          | 142        |
| Semi-skilled and discretionary decision making                                                                    | 37         | 1        | 1        |          | 41         |          |          |          | 80         |
| Unskilled and defined decision making                                                                             | 7          |          |          |          | 21         |          |          |          | 28         |
| Non Permanent Worker                                                                                              |            |          |          |          |            |          |          |          |            |
| Non Permanent Worker (Developmental Programme)                                                                    |            |          |          |          |            |          |          |          |            |
| <b>Total</b>                                                                                                      | <b>122</b> | <b>1</b> | <b>2</b> | <b>2</b> | <b>169</b> | <b>0</b> | <b>0</b> | <b>1</b> | <b>297</b> |
| Employees with disabilities                                                                                       |            |          |          |          | 1          |          |          | 1        | 2          |

**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                                                                                                    |           |          |          |          | 1         |          |          |          | 1         |
| Senior Management                                                                                                 |           |          |          |          |           |          |          |          |           |
| Professionally qualified and experienced specialists and mid-management                                           | 2         |          |          |          |           |          |          |          | 2         |
| Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents | 6         |          |          |          | 12        |          |          |          | 18        |
| Semi-skilled and discretionary decision making                                                                    | 2         | 1        |          |          | 8         |          |          |          | 11        |
| Unskilled and defined decision making                                                                             |           |          |          |          |           |          |          |          |           |
| Non Permanent Worker                                                                                              | 5         |          |          |          | 1         |          |          |          | 6         |
| Non Permanent Worker (Developmental Programme)                                                                    |           |          |          |          |           |          |          |          |           |
| <b>Total</b>                                                                                                      | <b>15</b> | <b>1</b> | <b>0</b> | <b>0</b> | <b>22</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>38</b> |
| Transfers to the Department                                                                                       | 1         |          |          |          | 3         |          |          |          | 4         |
| <b>Total including transfers to the Department</b>                                                                | <b>16</b> | <b>1</b> | <b>0</b> | <b>0</b> | <b>25</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>42</b> |
| Employees with disabilities                                                                                       |           |          |          |          |           |          |          |          | 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                                                                                                    |          |          |          |          |          |          |          |          |          |
| Senior Management                                                                                                 |          |          |          |          |          |          |          |          |          |
| Professionally qualified and experienced specialists and mid-management                                           |          |          |          |          |          |          |          |          |          |
| Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents | 2        |          |          |          | 2        |          |          |          | 4        |
| Semi-skilled and discretionary decision making                                                                    |          |          |          |          |          |          |          |          |          |
| Unskilled and defined decision making                                                                             |          |          |          |          |          |          |          |          |          |
| <b>Total</b>                                                                                                      | <b>2</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>2</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>4</b> |
| Employees with disabilities                                                                                       |          |          |          |          |          |          |          |          | 0        |

**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                                                                                                    |           |          |          |          |           |          |          |          |           |
| Senior Management                                                                                                 | 1         |          |          |          |           |          |          |          | 1         |
| Professionally qualified and experienced specialists and mid-management                                           | 3         |          |          |          |           |          |          |          | 3         |
| Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents | 6         |          |          |          | 3         | 1        |          |          | 10        |
| Semi-skilled and discretionary decision making                                                                    |           |          |          |          | 1         |          |          |          | 1         |
| Unskilled and defined decision making                                                                             | 2         |          |          |          | 8         |          |          |          | 10        |
| Non Permanent Worker                                                                                              | 5         |          |          |          |           |          |          |          | 5         |
| Non Permanent Worker (Developmental Programme)                                                                    |           |          |          |          |           |          |          |          |           |
| <b>Total</b>                                                                                                      | <b>17</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>12</b> | <b>1</b> | <b>0</b> | <b>0</b> | <b>30</b> |
| Transfers out of the Department                                                                                   | 3         |          |          |          | 5         |          | 1        |          | 9         |
| <b>Total including transfers out of the Department</b>                                                            | <b>20</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>17</b> | <b>1</b> | <b>1</b> | <b>0</b> | <b>39</b> |
| Employees with Disabilities                                                                                       |           |          |          |          |           |          |          |          | 0         |

**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 |       |
|                     | 0       | 0        | 0      | 0     | 0       | 0        | 0      | 0     | 0     |
|                     | 0       | 0        | 0      | 0     | 0       | 0        | 0      | 0     | 0     |

**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    | 6          |          |          |          | 6          |          |          | 1        | 13         |
| Professionals                                  | 15         |          |          |          | 24         |          |          |          | 39         |
| Technicians and associate professionals        | 45         |          | 1        | 2        | 64         |          |          |          | 112        |
| Clerks                                         | 29         | 1        | 1        |          | 57         |          |          |          | 88         |
| Service and sales workers                      |            |          |          |          | 1          |          |          |          | 1          |
| Skilled agriculture and fishery workers        |            |          |          |          |            |          |          |          |            |
| Craft and related trades workers               | 9          |          |          |          | 3          |          |          |          | 12         |
| Plant and machine operators and assemblers     | 8          |          |          |          |            |          |          |          | 8          |
| Elementary occupations                         | 10         |          |          |          | 14         |          |          |          | 24         |
| Non Permanent Worker                           |            |          |          |          |            |          |          |          |            |
| Non Permanent Worker (Developmental Programme) |            |          |          |          |            |          |          |          |            |
| <b>Total</b>                                   | <b>122</b> | <b>1</b> | <b>2</b> | <b>2</b> | <b>169</b> | <b>0</b> | <b>0</b> | <b>1</b> | <b>297</b> |
| Employees with disabilities                    |            |          |          |          | 1          |          |          | 1        | 2          |

### 3.7 Signing of Performance Agreements by SMS Members

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

| SMS Level                            | Total number of funded SMS posts on 30 April 2022 | Total number of SMS members on 30 April 2022 | Total number of signed performance agreements | Signed performance agreements as % of total number of SMS members |
|--------------------------------------|---------------------------------------------------|----------------------------------------------|-----------------------------------------------|-------------------------------------------------------------------|
| Director-General/ Head of Department |                                                   |                                              |                                               | 0                                                                 |
| Salary Level 16                      |                                                   |                                              |                                               | 0                                                                 |
| Salary Level 15                      | 1                                                 | 1                                            |                                               | 0                                                                 |
| Salary Level 14                      | 4                                                 | 3                                            | 2                                             | 66,7                                                              |
| Salary Level 13                      | 15                                                | 11                                           | 6                                             | 54,5                                                              |
| <b>Total</b>                         | <b>20</b>                                         | <b>15</b>                                    | <b>8</b>                                      | <b>53,3</b>                                                       |

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

| Reasons                        |
|--------------------------------|
| None compliance of SMS members |

**Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 May 2023**

| Reasons |
|---------|
| None    |

### 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         | Gender | Beneficiary Profile  |                     |                         | Cost                |                           |
|--------------|--------|----------------------|---------------------|-------------------------|---------------------|---------------------------|
|              |        | No. of Beneficiaries | Number of employees | % of total within group | Cost                | Average cost per employee |
| AFRICAN      | FEMALE | 22                   | 169                 | 13                      | R 305 616,72        | R 13 891,70               |
|              | MALE   | 12                   | 119                 | 10                      | R 156 028,20        | R 13 002,40               |
| COLOURED     | FEMALE |                      |                     | 0                       |                     | R 0,00                    |
|              | MALE   |                      | 1                   | 0                       |                     | R 0,00                    |
| INDIAN       | FEMALE |                      |                     | 0                       |                     | R 0,00                    |
|              | MALE   |                      | 2                   | 0                       |                     | R 0,00                    |
| WHITE        | FEMALE |                      | 1                   | 0                       |                     | R 0,00                    |
|              | MALE   |                      | 2                   | 0                       |                     | R 0,00                    |
| <b>Total</b> |        | <b>34</b>            | <b>294</b>          | <b>12</b>               | <b>R 461 644,92</b> | <b>R 13 577,80</b>        |

**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 |
|-----------------------------------------|----------------------|---------------------|--------------------------------|---------------------|---------------------------|------------------------------------------------------|
|                                         | No. of Beneficiaries | Number of employees | % of total within salary bands | Total Cost          | Average cost per employee |                                                      |
| Lower Skilled (Levels 1-2)              | 3                    | 34                  | 9                              | R 17 157,75         | R 5 719,30                | 0                                                    |
| Skilled (level 3-5)                     | 15                   | 82                  | 18                             | R 137 967,45        | R 9 197,80                | 0                                                    |
| Highly skilled production (level 6-8)   | 12                   | 95                  | 13                             | R 199 516,56        | R 16 626,40               | 0                                                    |
| Highly skilled supervision (level 9-12) | 4                    | 69                  | 6                              | R 107 003,16        | R 26 750,80               | 0                                                    |
| <b>Total</b>                            | <b>34</b>            | <b>280</b>          | <b>12</b>                      | <b>R 461 644,92</b> | <b>R 13 577,80</b>        | <b>0</b>                                             |

**Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2022 to 31 March 2023**

| Critical Occupation                                | Beneficiary Profile  |                     |                              | Cost                |                           |
|----------------------------------------------------|----------------------|---------------------|------------------------------|---------------------|---------------------------|
|                                                    | No. of Beneficiaries | Number of employees | % of total within occupation | Total Cost          | Average Cost per employee |
| ADMINISTRATIVE RELATED                             | 11                   | 35                  | 31                           | R 166 430,97        | R 15 130,10               |
| ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC.  |                      | 2                   | 0                            |                     | R 0,00                    |
| BUILDING AND OTHER PROPERTY CARETAKERS             | 3                    | 0                   | 0                            | R 20 947,35         | R 6 982,50                |
| CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.       | 4                    | 20                  | 20                           | R 24 378,30         | R 6 094,60                |
| COMMUNICATION AND INFORMATION RELATED              |                      | 7                   | 0                            |                     | R 0,00                    |
| ENGINEERS AND RELATED PROFESSIONALS                |                      | 8                   | 0                            |                     | R 0,00                    |
| FINANCIAL AND RELATED PROFESSIONALS                | 3                    | 1                   | 300                          | R 38 421,90         | R 12 807,30               |
| FINANCIAL CLERKS AND CREDIT CONTROLLERS            | 4                    | 14                  | 29                           | R 85 995,84         | R 21 499,00               |
| HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF |                      | 3                   | 0                            |                     | R 0,00                    |
| HUMAN RESOURCES CLERKS                             | 1                    | 10                  | 10                           | R 11 574,75         | R 11 574,80               |
| HUMAN RESOURCES RELATED                            |                      | 7                   | 0                            |                     | R 0,00                    |
| INFORMATION TECHNOLOGY RELATED                     | 1                    | 3                   | 33                           | R 31 165,20         | R 31 165,20               |
| LIGHT VEHICLE DRIVERS                              |                      | 10                  | 0                            |                     | R 0,00                    |
| LOGISTICAL SUPPORT PERSONNEL                       | 1                    | 18                  | 6                            | R 16 227,96         | R 16 228,00               |
| MESSENGERS PORTERS AND DELIVERERS                  | 1                    | 0                   | 0                            | R 8 305,80          | R 8 305,80                |
| MOTOR VEHICLE DRIVERS                              | 1                    | 0                   | 0                            | R 7 825,95          | R 7 826,00                |
| OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS  | 3                    | 127                 | 2                            | R 35 866,95         | R 11 955,70               |
| RISK MANAGEMENT AND SECURITY SERVICES              |                      | 2                   | 0                            |                     | R 0,00                    |
| SECRETARIES & OTHER KEYBOARD OPERATING CLERKS      | 1                    | 15                  | 7                            | R 14 503,95         | R 14 504,00               |
| SENIOR MANAGERS                                    |                      | 11                  | 0                            |                     | R 0,00                    |
| VISIBLE POLICING OFFICERS/SIGBARE POLISIE OFFISIER |                      | 1                   | 0                            |                     | R 0,00                    |
| <b>Total</b>                                       | <b>34</b>            | <b>294</b>          | <b>12</b>                    | <b>R 461 644,92</b> | <b>R 13 577,80</b>        |

**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 |
|---------------------------------------------|----------------------|---------------------|--------------------------------|---------------|---------------------------|------------------------------------------------------|
|                                             | No. of Beneficiaries | Number of employees | % of total within salary bands | Total Cost    | Average cost per employee |                                                      |
| Senior Management Service Band A (Level 13) |                      | 10                  | 0                              |               | R 0,00                    | 0                                                    |
| Senior Management Service Band B (Level 14) |                      | 3                   | 0                              |               | R 0,00                    | 0                                                    |
| Senior Management Service Band C (Level 15) |                      | 1                   | 0                              |               | R 0,00                    | 0                                                    |
| Senior Management Service Band D (Level 16) |                      |                     | 0                              |               | R 0,00                    | 0                                                    |
| <b>Total</b>                                | <b>0</b>             | <b>14</b>           | <b>0</b>                       | <b>R 0,00</b> | <b>R 0,00</b>             | <b>0</b>                                             |

### 3.9 Foreign Workers

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

**Table 3.9.1 Foreign workers by salary band for the period 1 April 2022 and 31 March 2023**

| Salary Band                              | 1 April 2022 |            | 31 March 2023 |            | Change   |          |
|------------------------------------------|--------------|------------|---------------|------------|----------|----------|
|                                          | Number       | % of total | Number        | % of total | Number   | % Change |
| Lower skilled (Levels 1-2)               |              | 0          |               | 0          | 0        | 0        |
| Skilled (Levels 3-5)                     |              | 0          |               | 0          | 0        | 0        |
| Highly skilled production (Levels 6-8)   | 1            | 100        | 1             | 100        | 0        | 0        |
| Highly skilled supervision (Levels 9-12) |              | 0          |               | 0          | 0        | 0        |
| Senior Management (Level 13-16)          |              | 0          |               | 0          | 0        | 0        |
| Non-Permanent                            |              | 0          |               | 0          | 0        | 0        |
| <b>Total</b>                             | <b>1</b>     | <b>100</b> | <b>1</b>      | <b>100</b> | <b>0</b> | <b>0</b> |

**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 |
| FINANCIAL AND RELATED PROFESSIONALS | 1            | 100        | 1             | 100        | 0        | 0        |
| <b>Total</b>                        | <b>1</b>     | <b>100</b> | <b>1</b>      | <b>100</b> | <b>0</b> | <b>0</b> |

### 3.10 Leave utilisation

**Table 3.10.1 Sick leave for the period 1 January 2022 to 31 December 2022**

| Salary Band                              | Total days  | % Days with medical certification | No. of employees using sick leave | % of total employees using sick leave | Average days per employee | Estimated Cost        |
|------------------------------------------|-------------|-----------------------------------|-----------------------------------|---------------------------------------|---------------------------|-----------------------|
| Lower skilled (Levels 1-2)               | 68          | 93                                | 10                                | 6                                     | 7                         | R 32 247,44           |
| Skilled (Levels 3-5)                     | 237         | 81                                | 46                                | 29                                    | 5                         | R 220 968,43          |
| Highly skilled production (Levels 6-8)   | 501         | 88                                | 56                                | 36                                    | 9                         | R 792 813,04          |
| Highly skilled supervision (Levels 9-12) | 377         | 87                                | 39                                | 25                                    | 10                        | R 898 394,64          |
| Senior management (Levels 13-16)         | 37          | 95                                | 6                                 | 4                                     | 6                         | R 174 078,35          |
| <b>Total</b>                             | <b>1220</b> | <b>87</b>                         | <b>157</b>                        | <b>100</b>                            | <b>8</b>                  | <b>R 2 118 501,90</b> |

**Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2022 to 31 December 2022**

| Salary Band                              | Total Days | % Days with medical certification | No. of employees using Disability Leave | % of total employees using Disability Leave | Average days per employee | Estimated Cost     |
|------------------------------------------|------------|-----------------------------------|-----------------------------------------|---------------------------------------------|---------------------------|--------------------|
| Lower skilled (Levels 1-2)               |            | 0                                 |                                         | 0                                           | 0                         |                    |
| Skilled (Levels 3-5)                     |            | 0                                 |                                         | 0                                           | 0                         |                    |
| Highly skilled production (Levels 6-8)   |            | 0                                 |                                         | 0                                           | 0                         |                    |
| Highly skilled supervision (Levels 9-12) | 5          | 100                               | 1                                       | 100                                         | 5                         | R 10 819,15        |
| Senior management (Levels 13-16)         |            | 0                                 |                                         | 0                                           | 0                         |                    |
| <b>Total</b>                             | <b>5</b>   | <b>100</b>                        | <b>1</b>                                | <b>100</b>                                  | <b>5</b>                  | <b>R 10 819,15</b> |

**Table 3.10.3 Annual Leave for the period 1 January 2022 to 31 December 2022**

| Salary band                              | Total days taken | Number of Employees using annual leave | Average per employee |
|------------------------------------------|------------------|----------------------------------------|----------------------|
| Lower skilled (Levels 1-2)               | 261              | 28                                     | 9                    |
| Skilled (Levels 3-5)                     | 1336             | 77                                     | 17                   |
| Highly skilled production (Levels 6-8)   | 2246             | 109                                    | 21                   |
| Highly skilled supervision (Levels 9-12) | 1340             | 70                                     | 19                   |
| Senior management (Levels 13-16)         | 260              | 14                                     | 19                   |
| <b>Total</b>                             | <b>5443</b>      | <b>298</b>                             | <b>18</b>            |

**Table 3.10.4 Capped leave for the period 1 January 2022 to 31 December 2022**

| Salary band                              | Total days of capped leave taken | Number of Employees using capped leave | Average number of days taken per employee | Average capped leave per employee as on 31 March 2023 |
|------------------------------------------|----------------------------------|----------------------------------------|-------------------------------------------|-------------------------------------------------------|
| Lower skilled (Levels 1-2)               | 0                                | 0                                      | 0                                         | 0                                                     |
| Skilled (Levels 3-5)                     | 0                                | 0                                      | 0                                         | 6                                                     |
| Highly skilled production (Levels 6-8)   | 0                                | 0                                      | 0                                         | 18                                                    |
| Highly skilled supervision (Levels 9-12) | 0                                | 0                                      | 0                                         | 22                                                    |
| Senior management (Levels 13-16)         | 0                                | 0                                      | 0                                         | 30                                                    |
| <b>Total</b>                             | <b>0</b>                         | <b>0</b>                               | <b>0</b>                                  | <b>14</b>                                             |

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

**Table 3.10.5 Leave payouts for the period 1 April 2022 and 31 March 2023**

| Reason                                                                                                                | Total Amount        | No. of Employees | Average payment per employee |
|-----------------------------------------------------------------------------------------------------------------------|---------------------|------------------|------------------------------|
| Leave payout for 2022/23 due to non-utilisation of leave for the previous cycle [LEAVE DISCOUNTING (UNUSED LEAVE CR)] | R 0,00              | 0                | R 0,00                       |
| Capped leave payouts on termination of service for 2022/23 (LEAVE GRATUITY)                                           | R 0,00              | 0                | R 0,00                       |
| Current leave payout on termination of service for 2022/23 [LEAVE DISCOUNTING \ GRATUITY (UNUSED LEAVE CR)]           | R 600 031,46        | 17               | R 35 296,00                  |
| <b>Total</b>                                                                                                          | <b>R 600 031,46</b> | <b>17</b>        | <b>R 35 296,00</b>           |

### 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                                     |
|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| all officials are at risk of HIV/AIDS                                                                      | HIV/AIDS awareness workshops and distribution of educational materials |

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

| Question                                                                                                                                                                                                                                                                          | Yes | No | Details, if yes                                                                                                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.                                                                           | x   |    | Ms MR Modisakeng                                                                                                                                                                                                        |
| 2. Does the department have a dedicated unit, or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose. | x   |    | yes ( 4 permanent officials and 2 interns                                                                                                                                                                               |
| 3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.                                                                                                            | x   |    | counselling sessions , promotion of healthy living workshops , workshops on communicable and none communicable diseases , promotion of healthy lifestyle , sports Wednesday                                             |
| 4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.                           | x   |    | Ms MR Modisakeng - chairperson . Committee members : Mr Rens , Mr Mafulako , Ms Kgosiemang , Ms Colane , Ms Sejanamane , Ms Lebelwane , Mr Lerefole, Ms Sewedi, Mr Bidi, Mr Phetlho , Mr Magakwe, Mr Budeli , Ms Legodi |
| 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.                                             | x   |    | <b>recruitment policy , employee health and wellness policy</b>                                                                                                                                                         |
| 6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.                                                                                            | x   |    | <b>Education and awareness of HIV/AIDS and distribution of educational material</b>                                                                                                                                     |
| 7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.                                                                                                                                      | x   |    | through counselling , workshops and educational sessions , VCT is encouraged                                                                                                                                            |
| 8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.                                                                                                                    | x   |    | no                                                                                                                                                                                                                      |

### 3.12 Labour Relations

**Table 3.12.1 Collective agreements for the period 1 April 2022 and 31 March 2023**

| Subject matter | Date |
|----------------|------|
| none           |      |
| none           |      |

**Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2022 and 31 March 2023**

| Outcomes of disciplinary hearings | Number   | % of Total |
|-----------------------------------|----------|------------|
| Correctional counselling          |          | 0          |
| Verbal warning                    |          | 0          |
| Written warning                   |          | 0          |
| Final written warning             |          | 0          |
| Suspended without pay             |          | 0          |
| Fine                              |          | 0          |
| Demotion                          |          | 0          |
| Dismissal                         |          | 0          |
| Not guilty                        |          | 0          |
| Case withdrawn                    | 1        | 100        |
| <b>Total</b>                      | <b>1</b> | <b>100</b> |

**Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 and 31 March 2023**

| Type of misconduct                               | Number   | % of Total |
|--------------------------------------------------|----------|------------|
| undue benefit relating to social relief distress | 1        | 100        |
|                                                  |          | 0          |
|                                                  |          | 0          |
|                                                  |          | 0          |
| <b>Total</b>                                     | <b>1</b> | <b>100</b> |

**Table 3.12.4 Grievances logged for the period 1 April 2022 and 31 March 2023**

| Grievances                               | Number    | % of Total |
|------------------------------------------|-----------|------------|
| Number of grievances resolved            | 19        | 100        |
| Number of grievances not resolved        | 0         | 0          |
| <b>Total number of grievances lodged</b> | <b>19</b> | <b>100</b> |

**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              | 4        | 100        |
| Number of disputes dismissed           | 0        | 0          |
| <b>Total number of disputes lodged</b> | <b>4</b> | <b>100</b> |

**Table 3.12.6 Strike actions for the period 1 April 2022 and 31 March 2023**

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

**Table 3.12.7 Precautionary suspensions for the period 1 April 2022 and 31 March 2023**

|                                                    |    |
|----------------------------------------------------|----|
| Number of people suspended                         | 0  |
| Number of people who's suspension exceeded 30 days | 0  |
| Average number of days suspended                   | 0  |
| Cost of suspension(R'000)                          | R0 |

### 3.13 Skills development

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

| Occupational category                      | Gender | Number of employees as at 1 April 2022 | Training needs identified at start of the reporting period |                                         |    |       |
|--------------------------------------------|--------|----------------------------------------|------------------------------------------------------------|-----------------------------------------|----|-------|
|                                            |        |                                        | Learnerships                                               | Skills Programmes & other short courses | h  | Total |
| Legislators, senior officials and managers | Female | 2                                      |                                                            | 8                                       |    | 8     |
|                                            | Male   | 7                                      |                                                            | 2                                       |    | 2     |
| Professionals                              | Female | 21                                     |                                                            | 16                                      | 5  | 21    |
|                                            | Male   | 16                                     |                                                            | 2                                       |    | 2     |
| Technicians and associate professionals    | Female | 67                                     |                                                            | 7                                       | 5  | 12    |
|                                            | Male   | 48                                     |                                                            | 5                                       | 4  | 9     |
| Clerks                                     | Female | 55                                     |                                                            |                                         | 5  | 5     |
|                                            | Male   | 27                                     |                                                            |                                         | 2  | 2     |
| Service and sales workers                  | Female | 1                                      |                                                            |                                         |    | 0     |
|                                            | Male   |                                        |                                                            |                                         |    | 0     |
| Skilled agriculture and fishery workers    | Female |                                        |                                                            |                                         |    | 0     |
|                                            | Male   |                                        |                                                            |                                         |    | 0     |
| Craft and related trades workers           | Female | 3                                      |                                                            |                                         |    | 0     |
|                                            | Male   | 11                                     |                                                            |                                         |    | 0     |
| Plant and machine operators and assemblers | Female |                                        |                                                            |                                         |    | 0     |
|                                            | Male   | 8                                      |                                                            |                                         |    | 0     |
| Elementary occupations                     | Female | 15                                     |                                                            | 1                                       |    | 1     |
|                                            | Male   | 10                                     |                                                            | 1                                       |    | 1     |
| Non permanent worker                       | Female | 6                                      |                                                            | 34                                      |    | 34    |
|                                            | Male   | 6                                      |                                                            | 17                                      |    | 17    |
| Sub Total                                  | Female | 170                                    | 0                                                          | 66                                      | 15 | 81    |
|                                            | Male   | 133                                    | 0                                                          | 27                                      | 6  | 33    |
| Total                                      |        | 303                                    | 0                                                          | 93                                      | 21 | 114   |

**Table 3.13.2 Training provided for the period 1 April 2022 and 31 March 2023**

| Occupational category                      | Gender | Number of employees as at 1 April 2022 | Training provided within the reporting period |                                         |                         |           |
|--------------------------------------------|--------|----------------------------------------|-----------------------------------------------|-----------------------------------------|-------------------------|-----------|
|                                            |        |                                        | Learnerships                                  | Skills Programmes & other short courses | Other forms of training | Total     |
| Legislators, senior officials and managers | Female | 6                                      |                                               | 7                                       |                         | 7         |
|                                            | Male   | 7                                      |                                               | 1                                       |                         | 1         |
| Professionals                              | Female | 21                                     |                                               | 16                                      | 4                       | 20        |
|                                            | Male   | 16                                     |                                               | 6                                       |                         | 6         |
| Technicians and associate professionals    | Female | 67                                     |                                               | 7                                       | 5                       | 12        |
|                                            | Male   | 48                                     |                                               | 5                                       | 4                       | 9         |
| Clerks                                     | Female | 55                                     |                                               |                                         | 5                       | 5         |
|                                            | Male   | 27                                     |                                               |                                         | 2                       | 2         |
| Service and sales workers                  | Female | 1                                      |                                               |                                         |                         | 0         |
|                                            | Male   |                                        |                                               |                                         |                         | 0         |
| Skilled agriculture and fishery workers    | Female |                                        |                                               |                                         |                         | 0         |
|                                            | Male   |                                        |                                               |                                         |                         | 0         |
| Craft and related trades workers           | Female | 3                                      |                                               |                                         |                         | 0         |
|                                            | Male   | 11                                     |                                               |                                         |                         | 0         |
| Plant and machine operators and assemblers | Female |                                        |                                               |                                         |                         | 0         |
|                                            | Male   | 8                                      |                                               |                                         |                         | 0         |
| Elementary occupations                     | Female | 15                                     |                                               |                                         |                         | 0         |
|                                            | Male   | 10                                     |                                               |                                         |                         | 0         |
| Non permanent worker                       | Female | 6                                      |                                               |                                         |                         | 0         |
|                                            | Male   | 6                                      |                                               |                                         |                         | 0         |
| <b>Sub Total</b>                           | Female | <b>174</b>                             | <b>0</b>                                      | <b>30</b>                               | <b>14</b>               | <b>44</b> |
|                                            | Male   | <b>133</b>                             | <b>0</b>                                      | <b>12</b>                               | <b>6</b>                | <b>18</b> |
| <b>Total</b>                               |        | <b>307</b>                             | <b>0</b>                                      | <b>42</b>                               | <b>20</b>               | <b>62</b> |

### 3.14 Injury on duty

The following tables provide basic information on injury on duty.

**Table 3.14.1 Injury on duty for the period 1 April 2022 and 31 March 2023**

| Nature of injury on duty              | Number   | % of total |
|---------------------------------------|----------|------------|
| Required basic medical attention only | 1        | 100%       |
| Temporary Total Disablement           | 0        | 0          |
| Permanent Disablement                 | 0        | 0          |
| Fatal                                 | 0        | 0          |
| <b>Total</b>                          | <b>1</b> | <b>100</b> |

### 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 (work days) | Contract value in Rand |
|---------------|----------------------------------------------------|----------------------|------------------------|
| N/A           | N/A                                                | N/A                  | N/A                    |
|               |                                                    |                      |                        |

| Total number of projects | Total individual consultants | Total duration Work days | Total contract value in Rand |
|--------------------------|------------------------------|--------------------------|------------------------------|
|                          |                              |                          |                              |
|                          |                              |                          |                              |

*Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) 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 |
|---------------|------------------------------------|-------------------------------------|----------------------------------------------------------------|
| N/A           | N/A                                | N/A                                 | N/A                                                            |
|               |                                    |                                     |                                                                |

*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 (Work days) | Donor and contract value in Rand |
|---------------|----------------------------------------------------|----------------------|----------------------------------|
| N/A           | N/A                                                | N/A                  | N/A                              |
|               |                                                    |                      |                                  |

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

*Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 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 |
|---------------|------------------------------------|-------------------------------------|----------------------------------------------------------------|
| N/A           | N/A                                | N/A                                 | N/A                                                            |
|               |                                    |                                     |                                                                |

### 3.16 Severance Packages

*Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 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                                         |
| <b>Total</b>                            | 0                               | 0                                           | 0                                        | 0                                         |

# PART E: PFMA COMPLIANCE REPORT

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# 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                                           | 2 491 901        | 1 511 162        |
| Add: Irregular expenditure confirmed                      | 1 428 541        | 980 739          |
| Less: Irregular expenditure condoned                      |                  |                  |
| Less: Irregular expenditure not condoned and removed      |                  |                  |
| Less: Irregular expenditure recoverable                   |                  |                  |
| Less: Irregular expenditure not recovered and written off |                  |                  |
| <b>Closing balance</b>                                    | <b>3 920 442</b> | <b>2 491 901</b> |

### 2021/2022

*Included on the opening is the total amount of R 1 266 820 492.30 is prior period error adjustment relating to 2019/2020 amounting to R 379 134 434.89 and relating to 2020/2021 amounting to R887 686 057.41*

### Reconciling notes

| Description                                                                  | 2022/2023        | 2021/2022      |
|------------------------------------------------------------------------------|------------------|----------------|
|                                                                              | R'000            | R'000          |
| Irregular expenditure that was under assessment in 2022/2023                 | -                | -              |
| Irregular expenditure that relates to 2020/ 2021 and identified in 2021/2022 | -                | -              |
| Irregular expenditure for the current year                                   | 1 428 541        | 980 739        |
| <b>Total</b>                                                                 | <b>1 428 541</b> | <b>980 739</b> |

**b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation)**

| Description <sup>1</sup>                  | 2022/2023 | 2021/2022 |
|-------------------------------------------|-----------|-----------|
|                                           | R'000     | R'000     |
| Irregular expenditure under assessment    | -         | -         |
| Irregular expenditure under determination | -         | -         |
| Irregular expenditure under investigation | -         | -         |
| <b>Total 2</b>                            | -         | -         |

*Include discussion here where deemed relevant.*

**c) Details of current and previous year irregular expenditure condoned**

| Description                    | 2022/2023 | 2021/2022 |
|--------------------------------|-----------|-----------|
|                                | R'000     | R'000     |
| Irregular expenditure condoned | -         | -         |
| <b>Total</b>                   | -         | -         |

*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 | -         | -         |
| <b>Total</b>                                   | -         | -         |

*Include discussion here where deemed relevant.*

<sup>1</sup> Group similar items

<sup>2</sup> Total unconfirmed irregular expenditure (assessment), losses (determination), and criminal conduct (investigation)

**e) Details of current and previous year irregular expenditure recovered**

| Description                     | 2022/2023 | 2021/2022 |
|---------------------------------|-----------|-----------|
|                                 | R'000     | R'000     |
| Irregular expenditure recovered | -         | -         |
| <b>Total</b>                    | -         | -         |

*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 | -         | -         |
| <b>Total</b>                      | -         | -         |

*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  |
|--------------|
| None         |
|              |
|              |
|              |
| <b>Total</b> |

*Include discussion here where deemed relevant.*

**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     |
| None         |           |           |
|              |           |           |
|              |           |           |
|              |           |           |
| <b>Total</b> |           |           |

*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 |
|--------------------------|
| None                     |
|                          |
|                          |

*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                                      | 32        | 32        |
| Add: Fruitless and wasteful expenditure confirmed    | -         | -         |
| Less: Fruitless and wasteful expenditure written off | -         | -         |
| Less: Fruitless and wasteful expenditure recoverable | -         | -         |
| <b>Closing balance</b>                               | <b>32</b> | <b>32</b> |

*Fruitless and wasteful expenditure relates to interest charged by Auditor General (SA) for late payments on invoices.*

## Reconciling notes

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

## b) Details of current and previous year fruitless and wasteful expenditure (under assessment, determination, and investigation)

| Description <sup>3</sup>                               | 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 | -         | -         |
| <b>Total<sup>4</sup></b>                               | -         | -         |

*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 | -         | -         |
| <b>Total</b>                                 | -         | -         |

*Include discussion here where deemed relevant.*

<sup>3</sup> Group similar items

<sup>4</sup> 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 | -         | -         |
| <b>Total</b>                                   | -         | -         |

*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 |
|--------------------------|
| None                     |
|                          |
|                          |
| <b>Total</b>             |

*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 <sup>5</sup> | -         | -         |
| <b>Closing balance</b>                                        | -         | -         |

<sup>5</sup> This amount may only be written off against available savings

*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              | -         | -         |
| Unauthorised expenditure that relates to 20XX/YY and identified in 20YY/ZZ | -         | -         |
| Unauthorised expenditure for the current year                              | -         | -         |
| <b>Total</b>                                                               | -         | -         |

#### b) Details of current and previous year unauthorised expenditure (under assessment, determination, and investigation)

| Description <sup>6</sup>                     | 2022/2023 | 2021/2022 |
|----------------------------------------------|-----------|-----------|
|                                              | R'000     | R'000     |
| Unauthorised expenditure under assessment    | -         | -         |
| Unauthorised expenditure under determination | -         | -         |
| Unauthorised expenditure under investigation | -         | -         |
| <b>Total<sup>7</sup></b>                     | -         | -         |

*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 | 20YY/20ZZ | 20XX/20YY |
|------------------------------------------|-----------|-----------|
|                                          | R'000     | R'000     |
| Theft                                    |           |           |
| Other material losses                    |           |           |
| Less: Recovered                          |           |           |
| Less: Not recovered and written off      |           |           |
| <b>Total</b>                             |           |           |

<sup>6</sup> Group similar items

<sup>7</sup> Total unconfirmed unauthorised expenditure (assessment), losses (determination), and criminal conduct (investigation)

*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     |
|                                 |           |           |
|                                 |           |           |
|                                 |           |           |
|                                 |           |           |
| <b>Total</b>                    |           |           |

*Include discussion here where deemed relevant.*

**c) Other material losses recovered**

| Nature of losses                                                  | 2022/2023     | 2021/2022 |
|-------------------------------------------------------------------|---------------|-----------|
|                                                                   | R'000         | R'000     |
| Payment of an overstated invoices for housing development project | R6 765        | ➤         |
|                                                                   |               |           |
|                                                                   |               |           |
|                                                                   |               |           |
|                                                                   |               |           |
| <b>Total</b>                                                      | <b>R6 765</b> | ➤         |

*Part payment was recovered in October 2022 on the previously overstated invoices*

**d) Other material losses written off**

| Nature of losses                                         | 20YY/20ZZ | 20XX/20YY |
|----------------------------------------------------------|-----------|-----------|
|                                                          | R'000     | R'000     |
| <i>(Group major categories, but list material items)</i> |           |           |
|                                                          |           |           |
|                                                          |           |           |
|                                                          |           |           |
|                                                          |           |           |

|       |  |   |
|-------|--|---|
| Total |  | ➤ |
|-------|--|---|

Include discussion here where deemed relevant.

## 2. Late and/or Non-Payment of Suppliers

| Description                                                                        | Number of invoices | Consolidated Value  |
|------------------------------------------------------------------------------------|--------------------|---------------------|
|                                                                                    |                    | R'000               |
| Valid invoices received                                                            | 3597               | 1 885 070<br>157.85 |
| Invoices paid <b>within</b> 30 days or agreed period                               | 3045               | 1 609 426<br>532.34 |
| Invoices paid <b>after</b> 30 days or agreed period                                | 552                | 275 643 625.51      |
| Invoices older than 30 days or agreed period ( <i>unpaid and without dispute</i> ) | 0                  | 0                   |
| Invoices older than 30 days or agreed period ( <i>unpaid and in dispute</i> )      | 0                  | 0                   |

- *Insufficient funds*
- *Invoices submitted without relevant documentations*
- *Late submission of supporting documents*
- *Network error due to loadshedding*

## 3. SUPPLY CHAIN MANAGEMENT

### 3.1. Procurement by other means

| Project description | Name of supplier | Type of procurement by other means | Contract number | Value of contract R'000 |
|---------------------|------------------|------------------------------------|-----------------|-------------------------|
| None                |                  |                                    |                 |                         |
|                     |                  |                                    |                 |                         |
|                     |                  |                                    |                 |                         |
| Total               |                  |                                    |                 |                         |

### 3.2. Contract variations and expansions

| Project description                                                                                                                        | Name of supplier          | Contract modification type (Expansion or Variation) | Contract number | Original contract value | Value of previous contract expansion/s or variation/s (if applicable) | Value of current contract expansion or variation |
|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|-----------------------------------------------------|-----------------|-------------------------|-----------------------------------------------------------------------|--------------------------------------------------|
|                                                                                                                                            |                           |                                                     |                 | R'000                   | R'000                                                                 | R'000                                            |
| Application for additional funding for project in Kopela Village                                                                           | Beyond Build Construction | Extraordinary soil condition                        | B20040061/2     | 93 272 935,00           | 21 993 125,00                                                         | -                                                |
| Application for geotechnical allowance of 18 of 431 housing units of lower Majeakgoro housing projects                                     | Synchrom (PTY) LTD        | Geotechnical allowance                              | B17100004       | 47 387 157,00           | 150 138,00                                                            | 9 598 063,56                                     |
| Application for additional funding for extraordinary geotechnical conditions (hard) rock for internal services for 2300 sites in Boitekong | Drop Dot (PTY) LTD        | Extraordinary geotechnical conditions (hard rock)   | B20060002/      | 105 765 500,00          | 42 539 868,75                                                         | 21 153 192,00                                    |
| Application for additional funding for extraordinary geotechnical conditions (hard rock) for internal services for 1200 sites in Boitekong | M Civils (PTY) LTD        | Extraordinary geotechnical conditions (Hard rock)   | B20060002/1     | 55 182 240,00           | 6 575 003,95                                                          | 11 036 448,00                                    |
| Application for additional funding for extra stands (365 sites) and extension of time at Wolmaranstad                                      | Barzani Group             | Extraordinary geotechnical conditions (Hard rock)   | B18100001/1     | 149 404 082,20          | 19 064 661,73                                                         | 85 416 288,10                                    |

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|                                                                                           |                                           |                                                                                                      |              |               |               |   |
|-------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------------------------------------------------------------------|--------------|---------------|---------------|---|
| Request for additional funds for the subsidy increase adjustment                          | Balo Holdings                             | additional stands, longer street fronts, engineering design requirements and geotechnical challenges | B20040104/2  | 10 531 622,25 | 5 757 219,45  | - |
| Request for additional funds for the subsidy increase adjustment                          | Khoisan Roads CC                          | additional stands, longer street fronts, engineering design requirements and geotechnical conditions | B18040029/6  | 50 583 280,00 | 22 711 514,04 | - |
| Request for additional funds for the subsidy increase adjustment                          | Maseno General Trade (PTY) LTD            | additional stands, longer street fronts, engineering design requirements and geotechnical conditions | B18040029/2  | 50 583 280,00 | 22 512 881,76 | - |
| Request for additional funds for the additional funds for the subsidy increase adjustment | Malapane Property Service and Development | longer street fronts and engineering design requirements                                             | B200401104/7 | 37 385 642,40 | 16 443 323,37 | - |
| Request for additional funds for the subsidy increase adjustment                          | Setshabelo Trading 647 (PTY) LTD          | longer street fronts and engineering design requirements                                             | B18040029/9  | 47 778 207,20 | 21 014 284,11 | - |
| Request for additional funds for the subsidy increase adjustment                          | Lethukuthula Development Projects         | additional funding for longer streets fronts, additional stands and geotechnical conditions          | B18040029/3  | 16 278 619,20 | 7 159 823,46  | - |
| Request for additional funds for the subsidy increase adjustment                          | Lebo Tebo Trading & Projects              | longer street fronts and engineering design requirements                                             | B18040029/10 | 16 278 619,20 | 7 159 823,46  | - |

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|                                                                                            |                                             |                              |             |               |               |              |
|--------------------------------------------------------------------------------------------|---------------------------------------------|------------------------------|-------------|---------------|---------------|--------------|
|                                                                                            |                                             |                              |             |               |               |              |
| Application for additional funding to increase contract value                              | Palesa & Associates                         | Extension of Time            | B17040014/2 | 13 703 589,60 | 2 863 422,40  | -            |
| Application for the adjustment of the subsidy quantum                                      | Dimakotso Construction                      | Adjustment of subsidy        | B20030002/1 | 44 927 589,25 | 9 387 748,75  | -            |
| Application for the review of approved variation order                                     | Mercycon Construction and Projects          | Variation order              | B18040002/9 | 50 981 480.00 | 12 863 724.00 | 7 850472,13  |
| Request for subsidy quantum adjustment of the project Masutlhe II project Brooksby Village | L. S Doll Distributor                       | Adjustment of subsidy        | B16010001/1 | 9 738 477,15  | 6 019132,88   | 4 045 333,90 |
| Request for extension of scope of work for the project Brooksby Village                    | Moroka Consultants and Training Development | Extension of scope           | B1802000/2  | 6 187 700.00  | 6 090 886,05  | -            |
| Request for additional funding in Bokamoso                                                 | Dimakotso Construction                      | Extraordinary soil condition | B20030002/1 | 44 927 589,25 | 10371648,81   | -            |
| Request for subsidy quantum adjustment of the project in Kopela Village                    | Beyond Build Construction                   | Subsidy quantum adjustment   | B20040061/3 | 95 203 276    | 19 898 963.00 | -            |
| Request for subsidy quantum adjustment of the project in Mabele-a-Pudi Village             | Oitsegodira General Trading                 | Subsidy quantum adjustment   | B19040016/5 | 22 797 000.00 | 4 804 400.00  | -            |
| Request for subsidy quantum adjustment of the project                                      | Vince Homes (PTY) LTD                       | Subsidy quantum adjustment   | B19040016/6 | 27 591 120.00 | 5 765 280.00  | -            |

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|                                                                                                 |                                          |                                                           |              |               |              |   |
|-------------------------------------------------------------------------------------------------|------------------------------------------|-----------------------------------------------------------|--------------|---------------|--------------|---|
| inMabele-a-Pudi Village                                                                         |                                          |                                                           |              |               |              |   |
| Request for additional funding to increase the contract value of the project                    | Reabeleng Group (PTY) LTD                | Increase in the contract value                            | B20040055/2  | 27 729 057,60 | 5 794 106,40 | - |
| Application for additional funding for project in Mamusa Local Municipality                     | Malapane Propert Service and Development | Extraordinary geotechnical conditions                     | B18040032/1  | 22 992 500.00 | 5497223,62   | - |
| Request for approval of additional funding for 300 housing units due to earthworks at Geludspan | Ryxor Construction                       | Extra ordinary soil conditions                            | B160401128/1 | 39 374 700.00 | 6 412 740.00 | - |
| Request for approval of additional funding for Kanana EXT 13 due to earthworks                  | Sechoaro Supply & Delivery               | Adjustment of subsidy & demolition of existing foundation | B13120007/2  | 28 241 413.00 | 5 368781,35  | - |
| Extension of contract for 50 units at Kagisano Ga-Madisenyane                                   | Welshero Trading                         | Extension of Time                                         | B17080002    | 5 497 350.00  | -            | - |
| Extension of contract for Naledi Ext.28                                                         | Toro ya Africa                           | Extension of Time                                         | B1111003/1   | 55 979 566,94 | -            | - |
| Extension of contract for 340 Housing units at Kagisano molopo                                  | Leungo Construction                      | Extension of Time                                         | B08030001/2  | 97 205 760.00 | -            | - |
| Extension of contract for 400 Housing units at Stella                                           | World Focus 2346                         | Extension of Time                                         | B1906004/1   | 52 756 000.00 | -            | - |
| Extension of contract for 93 Housing units at Ipelegeng EXT 5                                   | Philama Construction                     | Extension of Time                                         | B17080001/2  | 10 318 071.00 | -            | - |
| Extension of contract for ward 28 & Ext 38 at Mahikeng                                          | Didino Distributors & Enterprise         | Extension of Time                                         | B15030002/1  | 3 408 357.00  | -            | - |

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|                                                                                                                               |                              |                                               |              |                |              |              |
|-------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------------------------|--------------|----------------|--------------|--------------|
| Extension of contract for 130 Housing units at 3 villages, Meetmekaar (30 units), Springbokpan (70 units) & Matile (30 units) | CH Enterprise                | Extension of Time                             | B16040083/4  | -              | -            | -            |
| Request for approval of additional funding for 200 Housing units at Agisanang Village                                         | Bokgaitisadi NW Facilitators | Removal of soil and replaced with G5 material | B13120018/2  | 14 046 606.00  | 2 613 485,70 | -            |
| Extension of contract for 47 Housing units at Lekung Village                                                                  | MP Construction              | Extension of Time                             | B21010011    | -              | -            | -            |
| Request of approval of Geotechnical allowance of 18 of 431 housing projects in Greater Taung                                  | Synchrocom                   | Geotechnical Allowance                        | B17100004    | 47 387 157.00  | 150 138.00   | 9 598 063,56 |
| Request for subsidy quantum adjustment                                                                                        | Tlotliso sempe construction  | Adjustment of subsidy                         | B19040016/3  | 18 853 932.00  | 3 939 608.00 | -            |
| Application for additional funding for project in kruisriver                                                                  | Seeletso construction        | Extraordinary soil condition                  | B14100004    | 9 235 548.00   | -            | 2610871,2    |
| Application for additional funding for project in ruigtesloot village                                                         | Babatsho cconstruction       | Extraordinary soil condition                  | B19040022/10 | 19 590 450.00  | 3 465 570.00 | -            |
| Request for extension of time for payment of title deeds milestone                                                            | Urban dynamics               | Extension of time                             | B13070001/1  | 62 854 689,50  | -            | -            |
| Request for renewal of contract                                                                                               | Lesedi ciivil construction   | Extension of scope                            | B19040017/2  | 21 613 044.00  | -            | -            |
| Request for renewal of                                                                                                        | Drop dot (pty) ltd           | Extension of time                             | B20060002/2  | 105 765 960.00 | -            | -            |

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|                                                                                  |                               |                   |             |               |   |   |
|----------------------------------------------------------------------------------|-------------------------------|-------------------|-------------|---------------|---|---|
| contract                                                                         |                               |                   |             |               |   |   |
| Request for extension of time of contractor for title deeds payment purposes     | Tora ya africa                | Extension of time | B11110003/1 | 86 652,44     | - | - |
| Request for extension of time for payment of title deeds restoration project     | Selebogo incorporatio<br>n    | Extension of time | DHS 27/2021 | -             | - | - |
| Request for extension of time for various projects in dr kenneth kaunda district | Care paballo trading cc       | Extension of time | B04020009/1 | -             | - | - |
| Request for extension of time for various projects in dr kenneth kaunda district | Kalesego maintenance services | Extension of time | B19110003/3 | 39 041 434,80 | - | - |
| Request for extension of time for various projects in Dr kenneth kaunda district | R.s. Rekopane                 | Extension of time | B19110003/2 | 33 967 896,50 | - | - |
|                                                                                  |                               |                   |             |               | - | - |

## PART F: FINANCIAL INFORMATION

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AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## **Report of the auditor-general to North West Provincial Legislature on vote no. 14: Department of Human Settlements**

### **Report on the audit of the financial statements**

#### **Opinion**

1. I have audited the financial statements of the Department of Human Settlements set out on pages 117 to 283, which comprise the appropriation statement, statement of financial position as at 31 March 2023, 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 Department of Human Settlements as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 9 of 2021) (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 matters below. My opinion is not modified in respect of these matters.

#### Irregular expenditure

7. As disclosed in note 30 to the financial statements, irregular expenditure of R1 428 542 000 was incurred in the current year.

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### Restatement of corresponding figures

8. As disclosed in note 42 to the financial statements, the corresponding figures for 31 March 2023 were restated as a result of errors in the financial statements of the department for the year ended 31 March 2022.

### Other matters

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

### National Treasury Instruction Note No. 4 of 2022-23: 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 (UIFW 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 30 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 the department of human settlements. 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.

### Unaudited supplementary schedules

11. The supplementary information set out on pages 247 to 283 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

### Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by National Treasury and the requirements of the PFMA and the Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless 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

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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.
15. 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

16. 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 programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
17. I selected the following programmes presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected programmes that measures the department's performance on its primary mandated functions and that are of significant national, community or public interest.

| Programme                                                             | Page numbers | Purpose                                                                                                                    |
|-----------------------------------------------------------------------|--------------|----------------------------------------------------------------------------------------------------------------------------|
| Programme 3: Housing Development                                      |              | To provide integrated and sustainable human settlements through accelerating housing opportunities and security of tenure. |
| Programme 2: Housing needs, research, planning and technical services |              | To research, develop policies and plan that respond to various housing programmes                                          |

18. I evaluated the reported performance information for the selected programmes 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.



19. 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.

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

21. The material findings on the performance information of the selected programmes are as follows:

### Programme 3: Housing development

#### Various indicators

22. I was unable to obtain sufficient appropriate audit evidence for the achievement as reported in the annual performance report for the indicators listed below. This was due to a lack of accurate and complete records. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustment was required to the reported achievements.

| Indicator name                             | Planned achievement | Reported achievement |
|--------------------------------------------|---------------------|----------------------|
| Number of new titles registered            | 2112                | 1275                 |
| Number of post-1994 title deeds registered | 5172                | 5124                 |
| Number of post-2014 title deeds registered | 1821                | 157                  |



## Number of households that received subsidies through FLISP

23. The achievement of the indicator was reported against the number of households that received subsidies through FLISP in the annual performance report. However, the supporting evidence provided did not agree to the reported achievement and materially differed from the reported achievement.

## Programme 2: Housing needs, research, planning and technical services

24. I was unable to obtain sufficient appropriate audit evidence for the achievement as reported in the annual performance report for the indicator listed below. This was due to a lack of accurate and complete records. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustment was required to the reported achievements.

| Indicator name                                                              | Planned achievement | Reported achievement |
|-----------------------------------------------------------------------------|---------------------|----------------------|
| Percentage of investment of the total Human Settlements allocation in PDA's | 9,5                 | 65%                  |

## Other matter

25. I draw attention to the matter below.

## Achievement of planned targets

26. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and under- achievements. This information should be considered in the context of the material findings on the reported performance information.

27. The department plays a key role in delivering services to South Africans. The annual performance report includes the following service delivery achievements against planned targets:

| Key service delivery indicators not achieved                                               | Planned target | Reported achievement |
|--------------------------------------------------------------------------------------------|----------------|----------------------|
| <b>Programme 3: Housing development</b><br>Targets achieved: 28.75%<br>Budget spent: 99.3% |                |                      |
| 3.1 Number of title deeds transferred to new owners                                        | 2112           | 1275                 |
| 3.2. Number of pre 1994 title deeds transferred to home owners                             | 1098           | 22                   |
| 3.3 Number of post 1994 title deeds transferred to home owners                             | 5172           | 5124                 |
| 3.4 Number of post 2014 title deeds transferred to home owners                             | 4879           | 3661                 |



|                                                                                                                                 |            |           |
|---------------------------------------------------------------------------------------------------------------------------------|------------|-----------|
| <b>Programme 2: Housing needs, research, planning and technical services</b><br>Targets achieved: 66.67%<br>Budget spent: 93.9% |            |           |
| 2.1 Percentage of land acquired during 2014-2019 within the PDA's rezoned                                                       | <b>10%</b> | <b>0%</b> |

28. Reasons for the underachievement of targets are included in the annual performance report on pages 29 to 34.

### Material misstatements

29. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Programme 3: Housing development and Programme 2: Housing needs, research, planning and technical services. Management did not correct all of the misstatements and I reported material findings in this regard.

### Report on compliance with legislation

30. 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 accounting officer is responsible for the department's compliance with legislation.

31. 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.

32. 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 department, 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.

33. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

### Strategic planning and performance management

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



### Expenditure management

35. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R1 428 542 000, as disclosed in note 30 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and Treasury Regulation 9.1.1. The majority of the irregular expenditure was caused by contracts awarded without following competitive bidding processes. Irregular expenditure of R103 552 706 was incurred on a key project for the construction of 700 houses in Kopela Village.
36. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by Treasury Regulation 8.2.3

### Procurement and contract management

37. Some of the goods and services of a transaction value above R1 000 000 were procured without inviting competitive bids and deviations were not approved by the accounting officer but it was practical to invite competitive bids, as required by Treasury Regulations 16A6.1 and 16A6.4 and paragraph 3.4.1 of Practice Note 8 of 2007/2008.
38. I was unable to obtain sufficient appropriate audit evidence that invitations for competitive bidding were advertised for a required minimum period, as required by Treasury Regulation 16A6.3(c). This limitation was identified in the procurement processes for the Mintirho Business Enterprise.
39. I was unable to obtain sufficient appropriate audit evidence that contracts were awarded only to bidders who submitted a declaration on whether they are employed by the state or connected to any person employed by the state, which is prescribed in order to comply with Treasury Regulation 16A8.3. This limitation was identified in the procurement processes for the Mintirho Business Enterprise.
40. I was unable to obtain sufficient appropriate audit evidence that quotations were awarded to suppliers whose tax matters have been declared by the South African Revenue Services to be in order as required by Treasury Regulation 16A9.1 (d). Similar non-compliance was also reported in the prior year.
41. I was unable to obtain sufficient appropriate audit evidence that bid documentation/ invitation to tender for procurement of commodities designated for local content and production, stipulated the minimum threshold for local production and content, as required by the 2017 Preferential Procurement Regulation 8(2). This limitation was identified in the procurement processes for the Mintirho Business Enterprise.
42. I was unable to obtain sufficient appropriate audit evidence that commodities designated for local content and production, were procured from suppliers who submitted a declaration on local production and content in accordance with paragraph 3.4 of National Treasury Instruction



Note 4 of 2015/2016. This limitation was identified in the procurement processes for the Mintirho Business Enterprise.

43. I was unable to obtain sufficient appropriate audit evidence that commodities designated for local content and production, were procured from suppliers who met the prescribed minimum threshold for local production and content, as required by the 2017 Preferential Procurement Regulation 8(5). This limitation was identified in the procurement processes for the Mintirho Business Enterprise.
44. I was unable to obtain sufficient appropriate audit evidence that all extensions or modifications to contracts were approved by a properly delegated official as required by section 44 of the PFMA and Treasury Regulations 8.2.1 and 8.2.2. Similar limitation was also reported in the prior year.

#### **Consequence management**

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

#### **Other information in the annual report**

46. The accounting officer 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 programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
47. 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.
48. 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 programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

#### **Internal control deficiencies**

49. 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.



50. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the material findings on the annual
51. Leadership did not adequately exercise oversight responsibility regarding financial and performance reporting and compliance with legislation. The department did not have sufficient monitoring and reviewing controls to ensure that financial and performance reports submitted for audit were accurate and complete and that action plans developed were adequately and timeously implemented.
52. Vacancies in positions that are required for the size and operations of the department led to capacity constraints within the service delivery programmes of the department.
53. The department did not adequately monitor that the service providers adheres to the clauses provided in the service level agreement due to capacity constraints experienced by the department during the year under review.

#### **Material irregularities**

54. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

#### **Status of previously reported material irregularities**

##### **Overpayment on project management services (project management unit)**

55. The department entered into a contract with a supplier to provide project management unit services in November 2016. The department did not implement appropriate internal control measures for the payment of invoices relating to these services. This contravened Treasury Regulation 8.1.1 which requires internal procedures and internal control measures to be put in place for the approval and processing of payments. These controls should provide reasonable assurance that all expenditure is necessary, is appropriate, is paid promptly and is adequately recorded and reported on. The non-compliance resulted in overpayments of R2 984 768 to the supplier as the same person was paid for work done in two different roles for the months of October 2019, December 2019 to March 2020 and July 2020 to Dec 2020 and is likely to result in a material financial loss for the Department of Human Settlements if these overpayments are not recovered from the supplier. Further losses are likely if controls related to the payment of these invoices are not implemented including invoices and claims already paid during the period that were not provided for audit purposes.



56. The accounting officer was notified of this material irregularity on 21 September 2021 and invited to make a written submission on the actions that have been or will be taken to address the matter. An external investigation into the material irregularity was initiated by the accounting officer and completed on 7 July 2022. The accounting officer studied the result of the investigation to determine who was responsible and planned to initiate disciplinary steps against the implicated officials by 31 August 2022. The accounting officer also issued a letter of intention to recover the overpaid amounts to the supplier on 11 July 2022.
57. I am in the process of referring the material irregularity to a public body for investigation as provided for in section 5(1A) of the PAA. I further recommend that the accounting officer should take the following further actions to address the material irregularity, which should be implemented by 28 February 2024:
- (a) Appropriate action should be taken to investigate the non-compliance with Treasury Regulation 8.1.1 in order to determine the circumstances that led to the non-compliance for the purpose of taking appropriate corrective actions.
  - (b) The financial loss, as relates to the overpayment, should be fully quantified.
  - (c) All persons including juristic persons liable for the financial loss should be identified and appropriate action should commence to recover the financial loss suffered. The recovery process should not be unduly delayed.
  - (d) Effective and appropriate disciplinary steps should be initiated, without undue delay, against any official that the investigation found to be responsible, as required by section 38(1)(h) of the PFMA.
  - (e) Reasonable steps should be taken to implement internal controls to prevent unsubstantiated payments to suppliers on professional services and construction contracts. The controls should as a minimum include:
    - (i) Review of invoices by the housing programme unit to confirm services rendered before approval of payment.
    - (ii) Review of the invoices to detect items for which the department has been invoiced already.
    - (iii) Referred to the relevant public body for investigation purposes and recovery of the full amount from the liable persons.
58. For purposes of monitoring the implementation of the recommendation, you are required to provide a progress report by 30 October 2023 to the AGSA on the progress you have made to implement the recommendations.



59. The AGSA's material irregularity unit will follow up on whether the recommendations contained in the audit report were implemented within the time frame stipulated in the audit report, as required by section 5A (1) of the PAA.
60. For the purpose of the follow-up, you will be required to submit the following by the implementation date in accordance with the regulations:
- Documents substantiating the implementation of the recommendations and any other information that is relevant to the recommendations; or
  - If you failed to implement the recommendations, the reasons for your failure to do so.
61. If it is concluded that the recommendations in the audit report have not been implemented, the Auditor-General must take appropriate remedial action to address the failure to implement the recommendations, as required by section 5A (2) of the PAA.
62. As required by section 5A (3) of the PAA, the remedial action must include a directive to the accounting officer to determine the amount of financial loss, if not yet determined, as a result of the non-compliance with legislation and to recover such loss from the responsible person as required by any applicable legislation. The processes and responsibilities of the AGSA and the accounting officer as it relates to remedial action are defined in the regulations.
63. Failure to comply with the remedial action can result in a certificate of debt requiring the accounting officer to repay the amount specified in the certificate of debt to the state, as required by section 5B (2) of the PAA, but only after the processes of written and oral representations as required by sections 5B (4) and (5) of the PAA and detailed in the regulations have been concluded.
64. Failure to comply with the remedial action can also result in further action in terms of MI regulation 11(2), which may include:
- notification of the executive authority, relevant legislature or any appropriate body for failure by the AA to implement the remedial action;
  - legal action; or
  - anything else contemplated in section 5(2)(c) of the PAA.



Overpayment to supplier for services in Wolmaransstad extension 17 and 18 project

65. The department entered into a contract with a contractor for the design and installation of internal services for 3422 sites in Wolmaransstad extension 17 and 18 within the Maquassi Hills Local Municipality on 8 October 2018 for an amount of R149 404 082. The department did not implement appropriate internal control measures for the payment of invoices relating to this service. This contravened Treasury Regulation 8.1.1 which requires internal procedures and internal control measures be put in place for the approval and processing of payments. These controls should provide reasonable assurance that all expenditure is necessary, is appropriate, is paid promptly and is adequately recorded and reported on. The non-compliance resulted in a total overpayment of R6 764 797 paid to the contractor in excess of the value of work certified at the date of the claims. This is likely to result in a material financial loss for the Department of Human Settlements if these overpayments are not recovered from the contractor.
66. The accounting officer was notified of this material irregularity on 12 October 2021 and invited to make a written submission on the actions that have been or will be taken to address the matter. The accounting officer initiated an investigation to review all payments made to the contractor and planned to involve the external investigations unit situated in the Office of the Premier during August 2022 to finalise the investigation and determine who might be liable for the material irregularity. The accounting officer also issued a letter of intention to recover the overpaid amounts on 29 June 2022 to the contractor.
67. I am in the process of referring the material irregularity to a public body for investigation as provided for in section 5(1A) of the PAA. I further recommend that the accounting officer should take the following further actions to address the material irregularity, which should be implemented by 28 February 2024:
- (a) Appropriate action should be taken to investigate the non-compliance with Treasury Regulation 8.1.1 in order to determine the circumstances that led to the non-compliance for the purpose of taking appropriate corrective actions.
  - (b) In order to finalise the quantification of the financial loss as it relates to the overpayment, the quantification process should include the investigation for the retrieval of all missing documentation needed to complete the quantification of the loss, and the steps to address the root cause for any documents that may be missing.
  - (c) All persons including juristic persons liable for the financial loss should be identified and appropriate action should commence to recover the financial loss suffered. The recovery process should not be unduly delayed.



(d) Effective and appropriate disciplinary steps should be initiated, without undue delay, against any official that the investigation found to be responsible, as required by section 38(1)(h) of the PFMA.

68. Reasonable steps should be taken to implement internal controls to prevent unsubstantiated payments to suppliers on construction projects. The controls should as a minimum include:

- Review of invoices by the housing programme unit to confirm services rendered before approval of payment.
- Review of the invoices to detect items for which the department has been invoiced already.

69. For purposes of monitoring the implementation of the recommendation, you are required to provide a progress report by 30 October 2023 to the AGSA on the progress you have made to implement the recommendations.

70. The AGSA's material irregularity unit will follow up on whether the recommendations contained in the audit report were implemented within the time frame stipulated in the audit report, as required by section 5A (1) of the PAA.

71. For the purpose of the follow-up, you will be required to submit the following by the implementation date in accordance with the regulations:

Documents substantiating the implementation of the recommendations and any other information that is relevant to the recommendations; or

If you failed to implement the recommendations, the reasons for your failure to do so.

72. If it is concluded that the recommendations in the audit report have not been implemented, the Auditor-General must take appropriate remedial action to address the failure to implement the recommendations, as required by section 5A (2) of the PAA.

73. As required by section 5A (3) of the PAA, the remedial action must include a directive to the accounting officer to determine the amount of financial loss, if not yet determined, as a result of the non-compliance with legislation and to recover such loss from the responsible person as required by any applicable legislation. The processes and responsibilities of the AGSA and the accounting officer as it relates to remedial action are defined in the regulations.



74. Failure to comply with the remedial action can result in a certificate of debt requiring the accounting officer to repay the amount specified in the certificate of debt to the state, as required by section 5B (2) of the PAA, but only after the processes of written and oral representations as required by sections 5B (4) and (5) of the PAA and detailed in the regulations have been concluded.

75. Failure to comply with the remedial action can also result in further action in terms of MI regulation 11(2), which may include:

- notification of the executive authority, relevant legislature or any appropriate body for failure by the AA to implement the remedial action;
- legal action; or
- anything else contemplated in section 5(2)(c) of the PAA.

*Auditor General*

**Potchefstroom**

**31 July 2023**



## Annexure to the auditor's report

### The annexure includes the following:

- the auditor-general's responsibility for the audit
- the selected legislative requirements for compliance testing.

### Auditor-general's responsibility for the audit

#### Professional judgement and professional scepticism

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

#### Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

identify and assess the risks of material misstatement of the financial statements, whether due

- to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern.



- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

#### Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.



**Compliance with legislation – selected legislative requirements**

The selected legislative requirements are as follows:

| Legislation                                                                                                  | Sections or regulations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Public Finance Management Act No.1 of 1999 (PFMA)                                                            | <p>Section 1</p> <p>Section 38(1)(a)(iv); 38(1)(b); 38(1)(c); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii);</p> <p>Section 39(1)(a); 39(2)(a);</p> <p>Section 40(1)(a); 40(1)(b); 40(1)(c)(i)</p> <p>Section 43(4); 44; 44 (1) and (2) ; 45(b); Section 50(3); 50(3)(a)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR) | <p>Treasury Regulation 4.1.1; 4.1.3</p> <p>Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1</p> <p>Treasury Regulation 6.3.1(a); 6.3.1(b); 6.3.1(c'); 6.3.1(d); 6.4.1(b)</p> <p>Treasury Regulation 7.2.1</p> <p>Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1</p> <p>Treasury Regulation 9.1.1; 9.1.4</p> <p>Treasury Regulation 10.1.1(a); 10.1.2</p> <p>Treasury Regulation 11.4.1; 11.4.2;</p> <p>11.5.1 Treasury Regulation 12.5.1</p> <p>Treasury Regulation 15.10.1.2(c')</p> <p>Treasury Regulation 16A3.1 ; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) ,(b) &amp; (e) ; 16A 6.3(a); 16A 6.3(a)(i);16A 6.3(b); 16A 6.3(c);16A6.3(d) ; 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7; TR 16A8.2 (1) and (2); 16A 8.3 16A8.3 (d); 16A 8.4; 16A9; 16A9.1; 16A9.1(b)(ii);16A9.1 (c); 16A 9.1(d); 16A 9.1(e); 116A9.2; 16A9.2(a)(ii) &amp;(iii); 16A9.1(f).</p> <p>Treasury Regulation 17.1.1</p> <p>Treasury Regulation 18.2</p> <p>Treasury Regulation 19.8.4</p> |

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|                                                                              |                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Division of Revenue Act No. 5 of 2022                                        | DoRA 11(6)(a)<br>DoRA 12(5)<br>DoRA 16(1)<br>DoRA 16(3)<br>DoRA 16(3)(a)(i)<br>DoRA 16(3)(a)(ii)(bb)                                                                                                                                                             |
| Public service regulation                                                    | Public service regulation 13(c );18; 18 (1) and (2);<br>25(1)(e)(i); 25(1)(e)(iii)                                                                                                                                                                               |
| Prevention and Combating of Corrupt Activities Act<br>No.12 of 2004 (PRECCA) | Section 29<br>Section 34(1)                                                                                                                                                                                                                                      |
| Construction Industry Development Board Act<br>No.38 of 2000 (CIDB)          | Section 18(1)                                                                                                                                                                                                                                                    |
| Construction Industry Development Board<br>Regulations                       | CIDB regulation 17; 25(1); 25 (5) & 25(7A)                                                                                                                                                                                                                       |
| PPPFA                                                                        | Section 1(i); 2.1(a); 2.1(b); 2.1(f)                                                                                                                                                                                                                             |
| PPR 2017                                                                     | Paragraph 4.1; 4.2<br>Paragraph 5.1; 5.3; 5.6;<br>5.7 Paragraph 6.1; 6.2;<br>6.3; 6.5; 6.6; 6.8<br>Paragraph 7.1; 7.2; 7.3;<br>7.5; 7.6; 7.8 Paragraph<br>8.2; 8.5 Paragraph 9.1;<br>9.2 Paragraph 10.1; 10.2<br>Paragraph 11.1; 11.2<br>Paragraph 12.1 and 12.2 |
| PPR 2022                                                                     | Paragraph 3.1<br>Paragraph 4.1; 4.2; 4.3; 4.4<br>Paragraph 5.1; 5.2; 5.3; 5.4                                                                                                                                                                                    |
| SITA ACT                                                                     | Section 7(3)<br>Section 7(6)(b)<br>Section 20(1)(a)(l)                                                                                                                                                                                                           |
| SITA regulations                                                             | Regulation 8.1.1 (b); 8.1.4; 8.1.7<br>Regulation 9.6; 9.4<br>Regulation 12.3<br>Regulation 13.1 (a)<br>Regulation 14.1; 14.2                                                                                                                                     |
| PFMA SCM Instruction no. 09 of 2022/2023                                     | Paragraph 3.1; 3.3 (b); 3.3 (c ); 3.3 (e ); 3.6                                                                                                                                                                                                                  |

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|                                               |                                                                                                    |
|-----------------------------------------------|----------------------------------------------------------------------------------------------------|
| National Treasury Instruction No.1 of 2015/16 | Paragraph 3.1; 4.1; 4.2                                                                            |
| NT SCM Instruction Note 03 2021/22            | Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4 (a);4.4 (c) -(d); 4.6<br>Paragraph 5.4<br>Paragraph 7.2; 7.6 |
| NT SCM Instruction 4A of 2016/17              | Paragraph 6                                                                                        |
| NT SCM Instruction Note 03 2019/20            | Par 5.5.1(vi); Paragraph 5.5.1(x);                                                                 |
| NT SCM Instruction Note 11 2020/21            | Paragraph 3.1; 3.4 (a) and (b); 3.9; 6.1;6.2;6.7                                                   |
| NT SCM Instruction note 2 of 2021/22          | Paragraph 3.2.1; 3.2.2; 3.2.4(a) and (b) ; 3.3.1; 3.2.2; 4.1                                       |
| PFMA SCM Instruction 04 of 2022/23            | Paragraph 4(1); 4(2); 4(4)                                                                         |
| Practice Note 5 of 2009/10                    | Paragraph 3.3                                                                                      |
| PFMA SCM instruction 08 of 2022/23            | Paragraph 3.2<br>Paragraph 4.3.2 and 4.3.3                                                         |
| Competition Act                               | Section 4(1)(b)(ii)                                                                                |
| NT instruction note 4 of 2015/16              | Paragraph 3.4                                                                                      |
| NT instruction 3 of 2019/20 - Annexure A      | Section 5.5.1 (iv) and (x)                                                                         |
| Second amendment of NTI 05 of 2020/21         | Paragraph 4.8; 4.9 ; 5.1 ; 5.3                                                                     |
| Erratum NTI 5 of 202/21                       | Paragraph 1                                                                                        |
| Erratum NTI 5 of 202/21                       | Paragraph 2                                                                                        |
| Practice note 7 of 2009/10                    | Paragraph 4.1.2                                                                                    |
| Practice note 11 of 2008/9                    | Paragraph 3.1<br>Paragraph 3.1 (b)                                                                 |
| NT instruction note 1 of 2021/22              | Paragraph 4.1                                                                                      |
| Public Service Act                            | Section 30 (1)                                                                                     |
| Employment of Educators Act                   | Section 33 (1)                                                                                     |





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**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2023**

| Appropriation per programme                                |                                      |                   |          |              |                    |              |                                  |              |                    |
|------------------------------------------------------------|--------------------------------------|-------------------|----------|--------------|--------------------|--------------|----------------------------------|--------------|--------------------|
| [Financial Statement Presentation par .03(a)]              | 2022/23                              |                   |          |              |                    |              |                                  | 2021/22      |                    |
|                                                            | Approved Budget                      | Shifting of Funds | Virement | Final Budget | Actual Expenditure | Variance     | Expenditure as % of final budget | Final Budget | Actual Expenditure |
|                                                            | [Appropriation Statement par .14(a)] |                   |          |              | [par .14(b)]       | [par .14(c)] |                                  | [par .19]    |                    |
|                                                            | R'000                                | R'000             | R'000    | R'000        | R'000              | R'000        | %                                | R'000        | R'000              |
| Programme                                                  |                                      |                   |          |              |                    |              |                                  |              |                    |
| 1. Programme 1                                             | 165 545                              | -                 | (5 970)  | 159 757      | 156 028            | 3 547        | 97.8%                            | 157 783      | 146 823            |
| 2. Programme 2                                             | 33 538                               | -                 | (730)    | 32 808       | 30 813             | 1 995        | 93.9%                            | 32 103       | 24 589             |
| 3. Programme 3                                             | 1 779 579                            | -                 | 6 700    | 1 786 279    | 1 774 394          | 11 885       | 99.3%                            | 1 703 223    | 1 431 946          |
| 4. Repeat for all programmes                               |                                      |                   |          |              |                    |              |                                  |              |                    |
| .....                                                      |                                      |                   |          |              |                    |              |                                  |              |                    |
| Subtotal                                                   | 1 978 662                            | -                 | -        | 1 978 662    | 1 961 235          | 17 427       | 99.1%                            | 1 893 109    | 1 603 358          |
| Statutory Appropriation                                    | -                                    | -                 | -        | -            | -                  | -            | -                                | -            | -                  |
| President and Deputy President salary                      | -                                    | -                 | -        | -            | -                  | -            | -                                | -            | -                  |
| Members' remuneration                                      | -                                    | -                 | -        | -            | -                  | -            | -                                | -            | -                  |
| Debt service costs                                         | -                                    | -                 | -        | -            | -                  | -            | -                                | -            | -                  |
| Provincial equitable share                                 | -                                    | -                 | -        | -            | -                  | -            | -                                | -            | -                  |
| General fuel levy sharing with metropolitan municipalities | -                                    | -                 | -        | -            | -                  | -            | -                                | -            | -                  |
| National Revenue Fund payments                             | -                                    | -                 | -        | -            | -                  | -            | -                                | -            | -                  |
| Skills levy and sector education and training              | -                                    | -                 | -        | -            | -                  | -            | -                                | -            | -                  |

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**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2023**

|                                               |   |   |   |   |   |   |   |   |   |
|-----------------------------------------------|---|---|---|---|---|---|---|---|---|
| authorities                                   |   |   |   |   |   |   |   |   |   |
| Auditor-General of South Africa               | - | - | - | - | - | - | - | - | - |
| Land Bank                                     | - | - | - | - | - | - | - | - | - |
| International Oil Pollution Compensation Fund | - | - | - | - | - | - | - | - | - |
| South African Express Airways                 | - | - | - | - | - | - | - | - | - |
| South African Airways                         | - | - | - | - | - | - | - | - | - |
| Denel                                         | - | - | - | - | - | - | - | - | - |
| National Skills Fund                          | - | - | - | - | - | - | - | - | - |
| Judges' and magistrates' salaries             | - | - | - | - | - | - | - | - | - |
| <b>TOTAL</b>                                  | - | - | - | - | - | - | - | - | - |

|                                                                                                              | 2022/23      |                    |  |  | 2021/22      |                    |
|--------------------------------------------------------------------------------------------------------------|--------------|--------------------|--|--|--------------|--------------------|
|                                                                                                              | Final Budget | Actual Expenditure |  |  | Final Budget | Actual Expenditure |
|                                                                                                              | R'000        | R'000              |  |  | R'000        | R'000              |
| <b>TOTAL (brought forward)</b>                                                                               |              |                    |  |  |              |                    |
| <b>Reconciliation with statement of financial performance</b><br><b>[Appropriation Statement par .14(d)]</b> |              |                    |  |  |              |                    |
| <b>ADD</b>                                                                                                   |              |                    |  |  |              |                    |
| <b>Departmental receipts</b>                                                                                 | <b>7 411</b> |                    |  |  | <b>908</b>   |                    |
| <b>NRF Receipts</b>                                                                                          | -            |                    |  |  | -            |                    |
| <b>Aid assistance</b>                                                                                        | -            |                    |  |  | -            |                    |

**(HUMAN SETTLEMENTS)**

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**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2023**

|                                                                           |           |           |  |  |           |           |
|---------------------------------------------------------------------------|-----------|-----------|--|--|-----------|-----------|
| Actual amounts per statement of financial performance (total revenue)     | 1 986 073 |           |  |  | 1 894 017 |           |
|                                                                           |           |           |  |  |           |           |
| ADD                                                                       |           |           |  |  |           |           |
| Aid assistance                                                            | -         |           |  |  | -         |           |
|                                                                           |           |           |  |  |           |           |
| Prior year unauthorised expenditure approved without funding              |           |           |  |  |           |           |
|                                                                           |           |           |  |  |           |           |
| Actual amounts per statement of financial performance (total expenditure) |           | 1 961 235 |  |  |           | 1 603 358 |

(HUMAN SETTLEMENTS)

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**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2023**

| Appropriation per economic classification           |                 |                   |          |              |                    |          |                                  |              |                    |
|-----------------------------------------------------|-----------------|-------------------|----------|--------------|--------------------|----------|----------------------------------|--------------|--------------------|
| 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              |
| Economic classification                             |                 |                   |          |              |                    |          |                                  |              |                    |
| Current payments                                    | 222 230         | (1 360)           | -        | 220 870      | 211 378            | 9 492    | 95.7%                            | 200 983      | 181 114            |
| Compensation of employees                           | 150 192         | -                 | -        | 150 192      | 142 195            | 7 997    | 94.7%                            | 126 841      | 126 637            |
| Goods and services                                  | 72 038          | (1 630)           | -        | 70 678       | 69 183             | 1 495    | 97.95                            | 74 142       | 54 445             |
| Interest and rent on land                           | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |
| Transfers and subsidies                             |                 |                   |          |              |                    |          |                                  |              |                    |
| Provinces and municipalities                        | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |
| Departmental agencies and accounts                  | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |
| Higher education institutions                       | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |
| Foreign governments and international organisations | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |
| Public corporations and private enterprises         | 42 867          | -                 | -        | 42 867       | 42 867             | 0        | 100%                             | 40 904       | 40 904             |
| Non-profit institutions                             |                 |                   |          |              |                    |          |                                  |              |                    |
| Households                                          | 1 711 132       | -                 | -        | 1 711 132    | 1 704 728          | 6 404    | 99.6%                            | 1 641 990    | 1 373 670          |
| Social benefits                                     | 1 462           | -                 | -        | 1 462        | 1 623              | (161)    | 111.0%                           | 1 648        | 1 583              |
| Payments for capital assets                         |                 |                   |          |              |                    |          |                                  |              |                    |

(HUMAN SETTLEMENTS)

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**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2023**

|                                      |           |       |   |           |           |        |       |           |           |
|--------------------------------------|-----------|-------|---|-----------|-----------|--------|-------|-----------|-----------|
| Buildings and other fixed structures | -         | -     |   |           |           |        |       |           |           |
| Machinery and equipment              | 2 433     | 1 360 | - | 3 793     | 2 262     | 1 531  | 59.6% | 9 232     | 7 670     |
| Heritage assets                      | -         | -     | - | -         | -         | -      | -     | -         | -         |
| Specialised military assets          | -         | -     | - | -         | -         | -      | -     | -         | -         |
| Biological assets                    | -         | -     | - | -         | -         | -      | -     | -         | -         |
| Land and subsoil assets              | -         | -     | - | -         | -         | -      | -     | -         | -         |
| Intangible assets                    | -         | -     | - | -         | -         | -      | -     | -         | -         |
|                                      |           |       |   |           |           |        |       |           |           |
| Payments for financial assets        | -         | -     | - | -         | -         | -      | -     | -         | -         |
| Total                                | 1 978 661 | -     | - | 1 978 662 | 1 961 235 | 17 427 | 99.1% | 1 893 109 | 1 603 358 |

| 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 | Final Budget | Actual expenditure |
|                                                     | R'000           | R'000             | R'000    | R'000        | R'000              | R'000    | %                                | R'000        | R'000              |
| Economic classification                             | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |
| Current payments                                    | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |
| Compensation of employees                           | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |
| Goods and services                                  | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |
| Interest and rent on land                           | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |
|                                                     |                 |                   |          |              |                    |          |                                  |              |                    |
| Transfers and subsidies                             | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |
| Provinces and municipalities                        | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |
| Departmental agencies and accounts                  | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |

(HUMAN SETTLEMENTS)

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**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2023**

|                                                     |   |   |   |   |   |   |   |   |   |
|-----------------------------------------------------|---|---|---|---|---|---|---|---|---|
| Higher education institutions                       | - | - | - | - | - | - | - | - | - |
| Foreign governments and international organisations | - | - | - | - | - | - | - | - | - |
| Public corporations and private enterprises         | - | - | - | - | - | - | - | - | - |
| Non-profit institutions                             | - | - | - | - | - | - | - | - | - |
| Households                                          | - | - | - | - | - | - | - | - | - |
|                                                     |   |   |   |   |   |   |   |   |   |
| Payments for capital assets                         |   |   |   |   |   |   |   |   |   |
| Buildings and other fixed structures                | - | - | - | - | - | - | - | - | - |
| Machinery and equipment                             | - | - | - | - | - | - | - | - | - |
| Heritage assets                                     | - | - | - | - | - | - | - | - | - |
| Specialised military assets                         | - | - | - | - | - | - | - | - | - |
| Biological assets                                   | - | - | - | - | - | - | - | - | - |
| Land and subsoil assets                             | - | - | - | - | - | - | - | - | - |
| Intangible assets                                   | - | - | - | - | - | - | - | - | - |
|                                                     |   |   |   |   |   |   |   |   |   |
| Payments for financial assets                       |   |   |   |   |   |   |   |   |   |
| Total                                               | - | - | - | - | - | - | - | - | - |

| Programme 1: [CORPORATE SERVICE] |                 |                   |          |              |                    |          |                                  |              |                    |
|----------------------------------|-----------------|-------------------|----------|--------------|--------------------|----------|----------------------------------|--------------|--------------------|
| 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                    |                 |                   |          |              |                    |          |                                  |              |                    |

(HUMAN SETTLEMENTS)

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**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2023**

|                                                     |         |       |         |         |         |       |        |         |         |
|-----------------------------------------------------|---------|-------|---------|---------|---------|-------|--------|---------|---------|
| 1. SUB PROGRAMME 1                                  | 165 545 | -     | (5 970) | 159 575 | 156 028 | 3 547 | 97.8%  | 157 783 | 146 823 |
| 2. SUB PROGRAMME 2                                  | -       | -     | -       | -       | -       | -     | -      | -       | -       |
| 3. SUB PROGRAMME 3                                  | -       | -     | -       | -       | -       | -     | -      | -       | -       |
| 4. REPEAT FOR ALL SUB PROGRAMMES                    | -       | -     | -       | -       | -       | -     | -      | -       | -       |
| Total for sub programmes                            | 165 545 | -     | (5 970) | 159 575 | 156 028 | 3 547 | 97.8%  | 157 783 | 146 823 |
| Economic classification                             |         |       |         |         |         |       |        |         |         |
| Current payments                                    | 119 707 | (687) | (5 970) | 113 050 | 110 132 | 2 918 | 97.4%  | 107 830 | 98 214  |
| Compensation of employees                           | 68 137  | -     | -       | 68 137  | 65 312  | 2 825 | 95.9%  | 55 800  | 55 730  |
| Goods and services                                  | 51 570  | (687) | (5 970) | 44 913  | 44 820  | 93    | 99.8%  | 52 030  | 42 452  |
| Interest and rent on land                           | -       | -     | -       | -       | -       | -     | -      | -       | -       |
| Transfers and subsidies                             | 44 329  | -     | -       | 44 329  | 44 390  | (161) | 100.4% | 42 552  | 42 487  |
| Provinces and municipalities                        | -       | -     | -       | -       | -       | -     | -      | -       | -       |
| Departmental agencies and accounts                  | -       | -     | -       | -       | -       | -     | -      | -       | -       |
| Higher education institutions                       | -       | -     | -       | -       | -       | -     | -      | -       | -       |
| Foreign governments and international organisations | -       | -     | -       | -       | -       | -     | -      | -       | -       |
| Public corporations and private enterprises         | 44 867  | -     | -       | 44 867  | 44 867  | -     | 100%   | 40 904  | 40 904  |
| Non-profit institutions                             | -       | -     | -       | -       | -       | -     | -      | -       | -       |
| Households                                          | -       | -     | -       | -       | -       | -     | -      | -       | -       |
|                                                     | 1 462   | -     | -       | 1 462   | 1 623   | (161) | 111%   | 1 648   | 1 583   |
| Payments for capital assets                         | -       | -     | -       | -       | -       | -     | -      | -       | -       |
| Buildings and other fixed structures                | -       | -     | -       | -       | -       | -     | -      | -       | -       |
| Machinery and equipment                             | 1 509   | 687   | -       | 2 196   | 1 406   | 790   | 64.0%  | 7 401   | 6 122   |
| Heritage assets                                     | -       | -     | -       | -       | -       | -     | -      | -       | -       |
| Specialised military assets                         | -       | -     | -       | -       | -       | -     | -      | -       | -       |

(HUMAN SETTLEMENTS)

14

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2023**

|                               |         |   |         |         |         |       |       |         |         |
|-------------------------------|---------|---|---------|---------|---------|-------|-------|---------|---------|
| Biological assets             | -       | - | -       | -       | -       | -     | -     | -       | -       |
| Land and subsoil assets       | -       | - | -       | -       | -       | -     | -     | -       | -       |
| Intangible assets             | -       | - | -       | -       | -       | -     | -     | -       | -       |
|                               | -       | - | -       | -       | -       | -     | -     | -       | -       |
| Payments for financial assets | -       | - | -       | -       | -       | -     | -     | -       | -       |
| Total                         | 165 545 | - | (5 790) | 159 575 | 156 028 | 3 547 | 97.8% | 157 783 | 146 823 |

| Programme 2: [HOUSING NEEDS, PLANNING AND RESEACH] |                 |                   |          |              |                    |          |                                  |              |                    |
|----------------------------------------------------|-----------------|-------------------|----------|--------------|--------------------|----------|----------------------------------|--------------|--------------------|
| 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                                      |                 |                   |          |              |                    |          |                                  |              |                    |
| 1. ADMINISTRATION                                  | 18 389          | -                 | (730)    | 17 659       | 16 530             | 1 129    | 93.6%                            | 32 103       | 24 589             |
| 2. POLICY                                          | 3 626           | (122)             | -        | 3 504        | 3 635              | (131)    | 103.7%                           | -            | -                  |
| 3. PLANNING                                        | 8 242           | 496               | -        | 8 738        | 8 877              | (139)    | 101.6%                           | -            | -                  |
| 4. RESEACH                                         | 3 281           | (374)             | -        | 2 907        | 1 771              | 1 136    | 60.9%                            | -            | -                  |
| Total for sub programmes                           | 33 538          | -                 | (730)    | 32 808       | 30 813             | 1 995    | 93.9%                            | 32 103       | 24 589             |
| Economic classification                            |                 |                   |          |              |                    |          |                                  |              |                    |
| Current payments                                   | 33 202          | (157)             | (730)    | 32 315       | 30 566             | 1 749    | 94.6%                            | 31 235       | 23 830             |
| Compensation of employees                          | 27 015          | -                 | -        | 27 015       | 25 408             | 1 607    | 94.1%                            | 21 087       | 20 998             |
| Goods and services                                 | 6 187           | (157)             | (730)    | 5 300        | 5 158              | 142      | 97.3%                            | 10 148       | 2 832              |
| Interest and rent on land                          | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |
| Transfers and subsidies                            | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |
| Provinces and municipalities                       | -               | -                 | -        | -            | -                  | -        | -                                | -            | -                  |

(HUMAN SETTLEMENTS)

14

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2023**

|                                                     |        |     |       |        |        |       |       |        |        |
|-----------------------------------------------------|--------|-----|-------|--------|--------|-------|-------|--------|--------|
| Departmental agencies and accounts                  | -      | -   | -     | -      | -      | -     | -     | -      | -      |
| Higher education institutions                       | -      | -   | -     | -      | -      | -     | -     | -      | -      |
| Foreign governments and international organisations | -      | -   | -     | -      | -      | -     | -     | -      | -      |
| Public corporations and private enterprises         | -      | -   | -     | -      | -      | -     | -     | -      | -      |
| Non-profit institutions                             | -      | -   | -     | -      | -      | -     | -     | -      | -      |
| Households                                          | -      | -   | -     | -      | -      | -     | -     | -      | -      |
|                                                     |        |     |       |        |        |       |       |        |        |
| Payments for capital assets                         | 336    | 157 | -     | 493    | 247    | 246   | 50.1% | 868    | 759    |
| Buildings and other fixed structures                | -      | -   | -     | -      | -      | -     | -     | -      | -      |
| Machinery and equipment                             | 336    | 157 | -     | 493    | 247    | 246   | 50.1% | 868    | 759    |
| Heritage assets                                     | -      | -   | -     | -      | -      | -     | -     | -      | -      |
| Specialised military assets                         | -      | -   | -     | -      | -      | -     | -     | -      | -      |
| Biological assets                                   | -      | -   | -     | -      | -      | -     | -     | -      | -      |
| Land and subsoil assets                             | -      | -   | -     | -      | -      | -     | -     | -      | -      |
| Intangible assets                                   | -      | -   | -     | -      | -      | -     | -     | -      | -      |
|                                                     |        |     |       |        |        |       |       |        |        |
| Payments for financial assets                       | -      | -   | -     | -      | -      | -     | -     | -      | -      |
|                                                     |        |     |       |        |        |       |       |        |        |
| Total                                               | 33 538 | -   | (730) | 32 808 | 30 813 | 1 995 | 93.9% | 32 103 | 24 589 |

(HUMAN SETTLEMENTS)

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**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 1A-H of the Annual Financial Statements.

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

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

**3. Detail on payments for financial assets**

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

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

*[Appropriation Statement par .17]*

**4.1 Per programme**

| Programme    | Final Budget     | Actual Expenditure | Variance      | Variance as a % of Final Budget |
|--------------|------------------|--------------------|---------------|---------------------------------|
|              | R'000            | R'000              | R'000         | %                               |
| Programme 1  | 159 575          | 156 028            | 3 547         | 2.2%                            |
| Programme 2  | 32 808           | 30 813             | 1 995         | 6.1%                            |
| Programme 3  | 1 786 279        | 1 774 394          | 11 885        | 7%                              |
| <b>Total</b> | <b>1 978 662</b> | <b>1 961 235</b>   | <b>17 427</b> | <b>9%</b>                       |

**4.2 Per economic classification**

| Economic classification            | Final Budget     | Actual Expenditure | Variance     | Variance as a % of Final Budget |
|------------------------------------|------------------|--------------------|--------------|---------------------------------|
|                                    | R'000            | R'000              | R'000        | %                               |
| <b>Current payments</b>            | <b>220 870</b>   | <b>211 378</b>     | <b>9 492</b> | <b>4.3%</b>                     |
| Compensation of employees          | 150 192          | 142 195            | 7 997        | 5.3%                            |
| Goods and services                 | 70 678           | 69 183             | 1 495        | 2.1%                            |
| Interest and rent on land          | -                | -                  | -            | -                               |
| <b>Transfers and subsidies</b>     | <b>1 753 999</b> | <b>1 747 595</b>   | <b>6 404</b> | <b>4%</b>                       |
| Provinces and municipalities       | -                | -                  | -            | -                               |
| Departmental agencies and accounts | -                | -                  | -            | -                               |
| Higher education institutions      | -                | -                  | -            | -                               |

(HUMAN SETTLEMENTS)

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**NOTES TO THE APPROPRIATION STATEMENT**  
**for the year ended 31 March 2023**

|                                                     |                  |                  |               |              |
|-----------------------------------------------------|------------------|------------------|---------------|--------------|
| Public corporations and private enterprises         | 42 867           | 42 867           | -             | 0%           |
| Foreign governments and international organisations | -                | -                | -             | -            |
| Non-profit institutions                             | -                | -                | -             | -            |
| Households                                          | 1 711 132        | 1 704 728        | 6 404         | 4%           |
|                                                     | 1 462            | 1 623            | (161)         | -11%         |
| <b>Payments for capital assets</b>                  | <b>3 793</b>     | <b>2 261</b>     | <b>1 531</b>  | <b>40.4%</b> |
| Buildings and other fixed structures                | -                | -                | -             | -            |
| Machinery and equipment                             | 2 689            | 1 653            | 1 036         | 38.5%        |
| Heritage assets                                     | 1 104            | 609              | 495           | 44.8%        |
| Specialised military assets                         | -                | -                | -             | -            |
| Biological assets                                   | -                | -                | -             | -            |
| Land and subsoil assets                             | -                | -                | -             | -            |
| Intangible assets                                   | -                | -                | -             | -            |
| <b>Payments for financial assets</b>                | <b>-</b>         | <b>-</b>         | <b>-</b>      | <b>-</b>     |
| <b>Total</b>                                        | <b>1 978 662</b> | <b>1 961 235</b> | <b>17 427</b> | <b>9%</b>    |

*Include discussion here where deemed relevant*

**[Appropriation Statement par .17]**

**4.3 Per conditional grant** *(Only report on the conditional grants applicable to the department)*

| Conditional grant | Final Budget     | Actual Expenditure | Variance     | Variance as a percentage of Final Budget |
|-------------------|------------------|--------------------|--------------|------------------------------------------|
|                   | R'000            | R'000              | R'000        | %                                        |
| HSDG              | 1 307 886        | 1 304 741          | 3 145        | 0%                                       |
| ISUP              | 401 784          | 398 364            | 3 420        | 1%                                       |
|                   |                  |                    |              |                                          |
|                   |                  |                    |              |                                          |
|                   |                  |                    |              |                                          |
|                   |                  |                    |              |                                          |
| <b>Total</b>      | <b>1 709 670</b> | <b>1 703 105</b>   | <b>6 565</b> | <b>0%</b>                                |

(HUMAN SETTLEMENTS)

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**STATEMENT OF FINANCIAL PERFORMANCE**  
**for the year ended 31 March 2023**

[Financial Statement Presentation par .03(b)]

2022/23

2021/22

Note

R'000

R'000

**REVENUE**

[Financial Statement Presentation par .44]

|                         |   |                  |                  |
|-------------------------|---|------------------|------------------|
| Annual appropriation    | 1 | 1 978 662        | 1 893 109        |
| Statutory appropriation | 2 | -                | -                |
| Departmental revenue    | 3 | 7 411            | 908              |
| NRF Receipts            |   | -                | -                |
| Aid assistance          |   | -                | -                |
| <b>TOTAL REVENUE</b>    |   | <b>1 986 073</b> | <b>1 894 017</b> |

**EXPENDITURE**

[Financial Statement Presentation par .44]

**Current expenditure**

|                           |   |         |         |
|---------------------------|---|---------|---------|
| Compensation of employees | 5 | 142 195 | 126 638 |
| Goods and services        | 6 | 69 184  | 54 445  |
| Interest and rent on land | 7 | -       | 32      |
| Aid assistance            | 4 | -       | -       |

**Transfers and subsidies**

|                         |   |           |           |
|-------------------------|---|-----------|-----------|
| Transfers and subsidies | 9 | 1 747 595 | 1 414 574 |
| Aid assistance          | 4 | -         | -         |

**Expenditure for capital assets**

|                 |    |       |       |
|-----------------|----|-------|-------|
| Tangible assets | 10 | 2 261 | 7 669 |
|-----------------|----|-------|-------|

(HUMAN SETTLEMENTS)

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**STATEMENT OF FINANCIAL PERFORMANCE**  
**for the year ended 31 March 2023**

|                                                                                                                  |    |                  |                  |
|------------------------------------------------------------------------------------------------------------------|----|------------------|------------------|
| Intangible assets                                                                                                | 10 | -                | -                |
| Unauthorised expenditure approved without funding                                                                |    |                  |                  |
| Payments for financial assets                                                                                    | 8  |                  |                  |
| <b>TOTAL EXPENDITURE</b>                                                                                         |    | <b>1 961 235</b> | <b>1 603 358</b> |
| <b>SURPLUS/(DEFICIT) FOR THE YEAR</b>                                                                            |    | <b>24 838</b>    | <b>290 659</b>   |
| <b>Reconciliation of Net Surplus/(Deficit) for the year</b><br><i>[Financial Statement Presentation par .44]</i> |    |                  |                  |
| Voted funds                                                                                                      |    | 17 427           | 289 751          |
| Annual appropriation                                                                                             |    | 10 862           | 21 498           |
| Statutory appropriation                                                                                          |    | -                | -                |
| Conditional grants                                                                                               |    | 6 565            | 268 255          |
| Departmental revenue and NRF receipts                                                                            | 18 | 7 411            | 908              |
| Aid assistance                                                                                                   | 4  | -                | -                |
| <b>SURPLUS/(DEFICIT) FOR THE YEAR</b>                                                                            |    | <b>24 838</b>    | <b>290 659</b>   |

(HUMAN SETTLEMENTS)

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**STATEMENT OF FINANCIAL POSITION**  
**as at 31 March 2023**

[Financial Statement Presentation par .03(c)]

2022/23

2021/22

Note

R'000

R'000

**ASSETS**

[Financial Statement Presentation par .43]

**Current assets**

17 853

55 502

[Financial Statement Presentation par .37]

Cash and cash equivalents

11

17 765

54 565

Other financial assets

12

-

-

Prepayments and advances

13

-

-

Receivables

14

88

937

Loans

16

-

-

Aid assistance prepayments

4

-

-

Aid assistance receivable

4

-

-

**Non-current assets**

[Financial Statement Presentation par .37]

Investments

15

-

-

Prepayments and advances

13

-

-

Receivables

14

-

-

Loans

16

-

-

Other financial assets

12

-

-

**TOTAL ASSETS**

17 853

55 502

**LIABILITIES**

[Financial Statement Presentation par .43]

**Current liabilities**

[Financial Statement Presentation par .37]

(HUMAN SETTLEMENTS)

14

STATEMENT OF FINANCIAL POSITION

as at 31 March 2023

|                                                                             |    |        |        |
|-----------------------------------------------------------------------------|----|--------|--------|
| Voted funds to be surrendered to the Revenue Fund                           | 17 | 17 427 | 54 897 |
| Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund | 18 | 316    | 12     |
| Bank overdraft                                                              | 19 | -      | -      |
| Payables                                                                    | 20 | 110    | 577    |
| Aid assistance repayable                                                    | 4  | -      | -      |
| Aid assistance unutilised                                                   | 4  | -      | -      |

**Non-current liabilities**

[Financial Statement Presentation par .37]

|          |    |   |   |
|----------|----|---|---|
| Payables | 21 | - | - |
|----------|----|---|---|

**TOTAL LIABILITIES**

17 853

55 486

**NET ASSETS**

-

16

|                          | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|--------------------------|------|------------------|------------------|
| <b>Represented by:</b>   |      | -                | -                |
| Capitalisation reserve   |      | -                | 16               |
| Recoverable revenue      |      | -                | -                |
| Retained funds           |      | -                | -                |
| Revaluation reserves     |      | -                | -                |
| Unauthorised expenditure |      | -                | -                |
| <b>TOTAL</b>             |      | -                | 16               |

(HUMAN SETTLEMENTS)

14

**STATEMENT OF CHANGES IN NET ASSETS**  
**as at 31 March 2023**

[Financial Statement Presentation par .03(d)]

|                                                                               |      | 2022/23 | 2021/22 |
|-------------------------------------------------------------------------------|------|---------|---------|
|                                                                               | Note | R'000   | R'000   |
| <b>Capitalisation reserves</b>                                                |      | -       | -       |
| Opening balance                                                               |      | -       | -       |
| Transfers                                                                     |      | -       | -       |
| Movement in equity                                                            |      | -       | -       |
| Movement in operational funds                                                 |      | -       | -       |
| Other movements                                                               |      | -       | -       |
| Closing balance                                                               |      | -       | -       |
| <b>Recoverable revenue</b>                                                    |      |         |         |
| Opening balance                                                               |      | 16      | -       |
| Transfers:                                                                    |      | (16)    | 16      |
| Irrecoverable amounts written off                                             | 8.3  | -       | -       |
| Debts revised                                                                 |      | -       | -       |
| Debts recovered (included in departmental revenue)                            |      | (16)    | 16      |
| Debts raised                                                                  |      | -       | -       |
| Closing balance                                                               |      | -       | 16      |
| <b>Retained funds</b>                                                         |      |         |         |
| Opening balance                                                               |      | -       | -       |
| Transfer from voted funds to be surrendered<br>(Parliament/Legislatures ONLY) |      | -       | -       |
| Utilised during the year                                                      |      | -       | -       |
| Other transfers                                                               |      | -       | -       |
| Closing balance                                                               |      | -       | -       |

**(HUMAN SETTLEMENTS)**  
**14**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**Revaluation reserve**

|                                                        |   |           |
|--------------------------------------------------------|---|-----------|
| Opening balance                                        | - | -         |
| Revaluation adjustment (Human Settlements departments) | - | -         |
| Transfers                                              | - | -         |
| Other                                                  | - | -         |
| Closing balance                                        | - | <b>16</b> |

**Unauthorised expenditure**

|                                                                                   |   |   |
|-----------------------------------------------------------------------------------|---|---|
| Opening balance                                                                   | - | - |
| Unauthorised expenditure - current year                                           | - | - |
| Relating to overspending of the vote or main division within the vote             | - | - |
| Incurred not in accordance with the purpose of the vote or main division          | - | - |
| Less: Amounts approved by Parliament/Legislature with funding                     | - | - |
| Less: Amounts approved by Parliament/Legislature without funding and derecognised | - | - |
| Current                                                                           | - | - |
| Capital                                                                           | - | - |
| Transfers and subsidies                                                           | - | - |
| Less: Amounts recoverable                                                         |   |   |
| Less: Amounts written off                                                         | - | - |
| Closing Balance                                                                   | - | - |
| <b>TOTAL</b>                                                                      | - | - |

**(HUMAN SETTLEMENTS)**  
**14**  
**CASH FLOW STATEMENT**  
**for the year ended 31 March 2023**

*[Financial Statement Presentation par .03(e)]*

**2022/23**

**2021/22**

**Note**

**R'000**

**R'000**

**CASH FLOWS FROM OPERATING ACTIVITIES**

*[Cash Flow Statements par .09 and par .13]*

Receipts

**1 659 263**

|                                                          |           |                |                |
|----------------------------------------------------------|-----------|----------------|----------------|
| Annual appropriation funds received                      | 1.1       | 1 978 662      | 1 658 255      |
| Statutory appropriation funds received                   | 2         | -              | -              |
| Departmental revenue received                            | 3         | 7 511          | 1 008          |
| Interest received <i>[Cash Flow Statements par .27]</i>  | 3.3       | -              | -              |
| NRF receipts                                             |           | -              | -              |
| Aid assistance received                                  | 4         | -              | -              |
| Net (increase)/decrease in net working capital           |           | 382            | -82 188        |
| Surrendered to Revenue Fund                              |           | -62 104        | -76 710        |
| Surrendered to RDP Fund/Donor                            |           | -              | -              |
| Current payments                                         |           | -211 379       | -181 083       |
| Interest paid <i>[Cash Flow Statements par .29]</i>      | 7         | -              | -32            |
| Payments for financial assets                            |           | -              | -              |
| Transfers and subsidies paid                             |           | -1 747 595     | -1 414 574     |
| <b>Net cash flow available from operating activities</b> | <b>22</b> | <b>-34 523</b> | <b>-95 324</b> |

**CASH FLOWS FROM INVESTING ACTIVITIES**

*[Cash Flow Statements par .09, par .15 and par .27]*

|                                      |     |        |        |
|--------------------------------------|-----|--------|--------|
| Distribution/dividend received       |     | -      | -      |
| Payments for capital assets          | 10  | -2 261 | -7 669 |
| Proceeds from sale of capital assets | 3.4 | -      | -      |
| (Increase)/decrease in loans         |     | -      | -      |

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|                                                          |               |               |
|----------------------------------------------------------|---------------|---------------|
| (Increase)/decrease in investments                       | -             | -             |
| (Increase)/decrease in other financial assets            | -             | -             |
| (Increase)/decrease in non-current receivables           | 14            | -             |
| <b>Net cash flow available from investing activities</b> | <b>-2 261</b> | <b>-7 669</b> |

**CASH FLOWS FROM FINANCING ACTIVITIES**

*[Cash Flow Statements par .09, par .16 and par .27]*

|                                                 |            |           |
|-------------------------------------------------|------------|-----------|
| Increase/(decrease) in net assets               | -16        | 16        |
| Increase/(decrease) in non-current payables     | -          | -         |
| <b>Net cash flows from financing activities</b> | <b>-16</b> | <b>16</b> |

|                                                                                                    |               |               |
|----------------------------------------------------------------------------------------------------|---------------|---------------|
| Net increase/(decrease) in cash and cash equivalents                                               | -36 800       | 102 977       |
| Cash and cash equivalents at beginning of period                                                   | 54 565        | 157 542       |
| Unrealised gains and losses within cash and cash equivalents <i>[Cash Flow Statements par .26]</i> | -             | -             |
| <b>Cash and cash equivalents at end of period</b>                                                  | <b>17 765</b> | <b>54 565</b> |

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**PART A: ACCOUNTING POLICIES**

*[Financial Statement Presentation par .03(f)]*

**Summary of significant accounting policies**

***[Concepts and Principles, Financial Statement Presentation]***

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.

|            |                                                                                                                                                                                                                                                                       |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1.</b>  | <b>Basis of preparation</b><br><i>[Financial Statement Presentation]</i><br>The financial statements have been prepared in accordance with the Modified Cash Standard.                                                                                                |
| <b>2.</b>  | <b>Going concern</b><br><i>[Financial Statement Presentation]</i><br>The financial statements have been on a going concern basis.                                                                                                                                     |
| <b>3.</b>  | <b>Presentation currency</b><br><i>[Financial Statement Presentation]</i><br>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department                                                        |
| <b>4.</b>  | <b>Rounding</b><br><i>[Financial Statement Presentation]</i><br>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).                                                                                                 |
| <b>5.</b>  | <b>Foreign currency translation</b><br><i>[Cash Flow Statement, Expenditure, Revenue]</i><br>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. |
| <b>6.</b>  | <b>Comparative information</b>                                                                                                                                                                                                                                        |
| <b>6.1</b> | <b>Prior period comparative information</b><br><i>[Financial Statement Presentation]</i>                                                                                                                                                                              |

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|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|            | <p>Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>6.2</b> | <p><b>Current year comparison with budget</b></p> <p><i>[Appropriation Statement]</i></p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>7.</b>  | <p><b>Revenue</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>7.1</b> | <p><b>Appropriated funds</b></p> <p><i>[Revenue, General Departmental Assets and Liabilities]</i></p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>Appropriated funds are measured at the amounts receivable.</p> <p>The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p> |
| <b>7.2</b> | <p><b>Departmental revenue</b></p> <p><i>[Revenue, General Departmental Assets and Liabilities]</i></p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Departmental revenue is measured at the cash amount received.</p> <p>In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>                                                                                                                                                                   |
| <b>7.3</b> | <p><b>Accrued departmental revenue</b></p> <p><i>[General Departmental Assets and Liabilities]</i></p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> <li>• it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and</li> <li>• the amount of revenue can be measured reliably.</li> </ul> <p>The accrued revenue is measured at the fair value of the consideration receivable.</p>                                                                                                                                                                                                                                          |

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|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy.</p>                                                                                                                                                                                                                                                                                                                              |
| <b>8.</b>    | <b>Expenditure</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>8.1</b>   | <b>Compensation of employees</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>8.1.1</b> | <p><b>Salaries and wages</b></p> <p><i>[Expenditure]</i></p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>                                                                                                                                                                                                                                                                                                                                                                  |
| <b>8.1.2</b> | <p><b>Social contributions</b></p> <p><i>[Expenditure]</i></p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>                                                                                                             |
| <b>8.2</b>   | <p><b>Other expenditure</b></p> <p><i>[Expenditure]</i></p> <p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p> <p>Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.</p> |
| <b>8.3</b>   | <p><b>Accruals and payables not recognised</b></p> <p><i>[General Departmental Assets and Liabilities]</i></p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.</p>                                                                                                                                                                                                                                                                            |
| <b>8.4</b>   | <b>Leases</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>8.4.1</b> | <p><b>Operating leases</b></p> <p><i>[Leases]</i></p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>                                                                                                                                   |
| <b>8.4.2</b> | <b>Finance leases</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

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|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|            | <p><b><i>[Leases]</i></b></p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> <li>• cost, being the fair value of the asset; or</li> <li>• the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.</li> </ul> |
| <b>9.</b>  | <b>Aid assistance</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>9.1</b> | <p><b>Aid assistance received</b></p> <p><b><i>[Revenue, General Departmental Assets and Liabilities]</i></b></p> <p>Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.</p> <p>CARA Funds are recognised when receivable and measured at the amounts receivable.</p> <p>Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.</p>                                                                                                                                |
| <b>9.2</b> | <p><b>Aid assistance paid</b></p> <p><b><i>[Expenditure, General Departmental Assets and Liabilities]</i></b></p> <p>Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>10.</b> | <p><b>Cash and cash equivalents</b></p> <p><b><i>[General Departmental Assets and Liabilities, Cash Flow Statement]</i></b></p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>                                                                                                                                                                                                                                                                            |
| <b>11.</b> | <p><b>Prepayments and advances</b></p> <p><b><i>[General Departmental Assets and Liabilities]</i></b></p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

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|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p><i>&lt;Indicate when prepayments and advances are expensed and under what circumstances&gt;</i></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>12.</b>  | <p><b>Loans and receivables</b></p> <p><b><i>[General Departmental Assets and Liabilities]</i></b></p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.</p>                                                                                                                                                                                                                                                                           |
| <b>13.</b>  | <p><b>Investments</b></p> <p><b><i>[General Departmental Assets and Liabilities]</i></b></p> <p>Investments are recognised in the statement of financial position at cost.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>14.</b>  | <p><b>Financial assets</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>14.1</b> | <p><b>Financial assets (not covered elsewhere)</b></p> <p><b><i>[General Departmental Assets and Liabilities]</i></b></p> <p>A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.</p> <p>At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.</p>                                    |
| <b>14.2</b> | <p><b>Impairment of financial assets</b></p> <p><b><i>[General Departmental Assets and Liabilities]</i></b></p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>                                                                                                                                                                                                               |
| <b>15.</b>  | <p><b>Payables</b></p> <p><b><i>[General Departmental Assets and Liabilities]</i></b></p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>16.</b>  | <p><b>Capital assets</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>16.1</b> | <p><b>Immovable capital assets</b></p> <p><b><i>[Capital Assets]</i></b></p> <p>Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready</p> |

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|             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | <p>for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>16.2</b> | <p><b>Movable capital assets</b></p> <p><i>[Capital Assets]</i></p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Biological assets are subsequently carried at fair value. <i>[Add this sentence on biological assets if the department has elected to revalue its biological assets at reporting date]</i></p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p> |
| <b>16.3</b> | <p><b>Intangible capital assets</b></p> <p><i>[Capital Assets]</i></p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>                                             |
| <b>16.4</b> | <p><b>Project costs: Work-in-progress</b></p> <p><i>[Capital Assets]</i></p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

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|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>                                                                                                             |
| <b>17.</b>  | <b>Provisions and contingents</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>17.1</b> | <p><b>Provisions</b></p> <p><i>[Provisions and Contingents]</i></p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>                               |
| <b>17.2</b> | <p><b>Contingent liabilities</b></p> <p><i>[Provisions and Contingents]</i></p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p> |
| <b>17.3</b> | <p><b>Contingent assets</b></p> <p><i>[Provisions and Contingents]</i></p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>                                                                                                                                                                                                                                                              |
| <b>17.4</b> | <p><b>Capital commitments</b></p> <p><i>[Provisions and Contingents]</i></p> <p>Capital commitments are recorded at cost in the notes to the financial statements.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>18.</b>  | <p><b>Unauthorised expenditure</b></p> <p><i>[General Departmental Assets and Liabilities]</i></p> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p> <p>Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:</p> <ul style="list-style-type: none"> <li>• approved by Parliament or the Provincial Legislature with funding and the related funds are received; or</li> </ul>                                                                                                                       |

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|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|            | <ul style="list-style-type: none"> <li>• approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or</li> <li>• transferred to receivables for recovery.</li> </ul> <p>Unauthorised expenditure recorded in the notes to the financial statements comprise of</p> <ul style="list-style-type: none"> <li>• unauthorised expenditure that was under assessment in the previous financial year;</li> <li>• unauthorised expenditure relating to previous financial year and identified in the current year; and</li> <li>• Unauthorised incurred in the current year.</li> </ul>                                                                                                                                                                                                                                  |
| <b>19.</b> | <p><b>Fruitless and wasteful expenditure</b></p> <p><b><i>[General Departmental Assets and Liabilities]</i></b></p> <p>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.</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of .</p> <ul style="list-style-type: none"> <li>• fruitless and wasteful expenditure that was under assessment in the previous financial year;</li> <li>• fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and</li> <li>• fruitless and wasteful expenditure incurred in the current year.</li> </ul> |
| <b>20.</b> | <p><b>Irregular expenditure</b></p> <p><b><i>[General Departmental Assets and Liabilities]</i></b></p> <p>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.</p> <p>Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:</p> <ul style="list-style-type: none"> <li>• irregular expenditure that was under assessment in the previous financial year;</li> <li>• irregular expenditure relating to previous financial year and identified in the current year; and</li> <li>• irregular expenditure incurred in the current year.</li> </ul>                                                       |
| <b>21.</b> | <p><b>Changes in accounting estimates and errors</b></p> <p><b><i>[Accounting Policies, Estimates and Errors]</i></b></p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>                                                                                                                                                                                                                           |

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| <b>22.</b> | <p><b>Events after the reporting date</b></p> <p><i>[Events after the Reporting Date]</i></p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>                                                                                                                                                                                |
| <b>23.</b> | <p><b>Principal-Agent arrangements</b></p> <p><i>[Accounting by Principals and Agents]</i></p> <p>The department is party to a principal-agent arrangement for <i>[include details here]</i>. In terms of the arrangement the department is the <i>[principal / agent]</i> and is responsible for <i>[include details here]</i>. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p> |
| <b>24.</b> | <p><b>Departures from the MCS requirements</b></p> <p><i>[Preface to the Modified Cash Standard]</i></p> <p><i>[Insert information on the following: that management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.]</i></p>                               |
| <b>25.</b> | <p><b>Capitalisation reserve</b></p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>                                                                   |
| <b>26.</b> | <p><b>Recoverable revenue</b></p> <p>Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>                                                                                                                                                                                                           |
| <b>27.</b> | <p><b>Related party transactions</b></p> <p><i>[Related Party Disclosures]</i></p> <p>Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.</p>                                                                                                                                                                                |
| <b>28.</b> | <p><b>Inventories (Effective from date determined by the Accountant-General)</b></p> <p><i>[Inventories]</i></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

|            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|            | <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>              |
| <b>29.</b> | <p><b>Public-Private Partnerships</b></p> <p><i><b>[Financial Statement Presentation]</b></i></p> <p>Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p> |
| <b>30.</b> | <p><b>Employee benefits</b></p> <p><i><b>[General Departmental Assets and Liabilities]</b></i></p> <p><i><b>[Provisions and Contingents]</b></i></p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note.</p> <p>Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.</p> <p>The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>                                  |
| <b>31.</b> | <p><b>Transfer of functions</b></p> <p><i><b>[Transfer of Functions]</b></i></p> <p>Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.</p> <p>Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.</p>                                                                                                                                                                                                |
| <b>32.</b> | <p><b>Mergers</b></p> <p><i><b>[Mergers]</b></i></p> <p>Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.</p> <p>Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.</p>                                                                                                                                                                                                                              |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**PART B: EXPLANATORY NOTES**

*[Financial Statement Presentation par .03]*

**1. Annual Appropriation**

*[Revenue par .14(a) – (c)]*

**1.1. Annual Appropriation**

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

|                   | <b>2022/23</b>          |                                      |                                                   | <b>2021/22</b>          |                                   |                                                   |
|-------------------|-------------------------|--------------------------------------|---------------------------------------------------|-------------------------|-----------------------------------|---------------------------------------------------|
|                   | <b>Final<br/>Budget</b> | <b>Actual<br/>Funds<br/>Received</b> | <b>Funds not<br/>requested /<br/>not received</b> | <b>Final<br/>Budget</b> | <b>Appropriation<br/>Received</b> | <b>Funds not<br/>requested /<br/>not received</b> |
| <b>Programmes</b> | <b>R'000</b>            | <b>R'000</b>                         | <b>R'000</b>                                      | <b>R'000</b>            | <b>R'000</b>                      | <b>R'000</b>                                      |
| Programme 1       | 159 575                 | 159 575                              | -                                                 | 157 783                 | 157 783                           | -                                                 |
| Programme 2       | 32 808                  | 32 808                               | -                                                 | 32 103                  | 32 103                            | -                                                 |
| Programme 3       | 1 786 279               | 1 786 279                            | -                                                 | 1 703 223               | 1 468 369                         | 234 854                                           |
| Programme 4       |                         |                                      |                                                   |                         |                                   |                                                   |
| Programme 5       |                         |                                      |                                                   |                         |                                   |                                                   |
| Programme 6       |                         |                                      |                                                   |                         |                                   |                                                   |
| .....             |                         |                                      |                                                   |                         |                                   |                                                   |
| .....             |                         |                                      |                                                   |                         |                                   |                                                   |
| .....             |                         |                                      |                                                   |                         |                                   |                                                   |
| Programme 20      |                         |                                      |                                                   |                         |                                   |                                                   |
| <b>Total</b>      | <b>1 987 662</b>        | <b>1 987 662</b>                     | <b>-</b>                                          | <b>1 893 109</b>        | <b>1 658 255</b>                  | <b>234 854</b>                                    |

*Provide an explanation for funds not requested/not received.*

*[Revenue par .14(c)]*

**1.2. Conditional grants**

|                                                     | <i>Note</i> | <b>2022/23<br/>R'000</b> | <b>2021/22<br/>R'000</b> |
|-----------------------------------------------------|-------------|--------------------------|--------------------------|
| Total grants received                               | 45          | 1 709 670                | 1 592 676                |
| Provincial grants included in total grants received |             | -                        | -                        |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**2. Statutory Appropriation**

*[Revenue par .14(a) – (b)]*

|                                                            | <i>Note</i> | <b>2022/23<br/>R'000</b> | <b>2021/22<br/>R'000</b> |
|------------------------------------------------------------|-------------|--------------------------|--------------------------|
| President and Deputy President salaries                    |             | -                        | -                        |
| Members' remuneration                                      |             | -                        | -                        |
| Debt service costs                                         |             | -                        | -                        |
| Provincial equitable share                                 |             | -                        | -                        |
| General fuel levy sharing with metropolitan municipalities |             | -                        | -                        |
| National Revenue Fund payments                             |             | -                        | -                        |
| Skills levy and sector education and training authorities  |             | -                        | -                        |
| Auditor-General of South Africa                            |             | -                        | -                        |
| Land Bank                                                  |             | -                        | -                        |
| International Oil Pollution Compensation Fund              |             | -                        | -                        |
| South African Express Airways                              |             | -                        | -                        |
| South African Airways                                      |             | -                        | -                        |
| Denel                                                      |             | -                        | -                        |
| National Skills Fund                                       |             | -                        | -                        |
| Magistrates salaries                                       |             | -                        | -                        |
| Judges salaries                                            |             | -                        | -                        |
| <b>Total</b>                                               |             | <b>-</b>                 | <b>-</b>                 |
|                                                            |             | -                        | -                        |
| Actual Statutory Appropriation received                    |             | -                        | -                        |

*Include discussion here where deemed relevant.*

**3. Departmental revenue**

*[Revenue par .14(d)]*

|                                                       | <i>Note</i> | <b>2022/23<br/>R'000</b> | <b>2021/22<br/>R'000</b> |
|-------------------------------------------------------|-------------|--------------------------|--------------------------|
| Tax revenue                                           |             |                          |                          |
| Sales of goods and services other than capital assets | 3.1         | 144                      | 197                      |
| Fines, penalties and forfeits                         | 3.2         | -                        | -                        |
| Interest, dividends and rent on land                  | 3.3         | -                        | -                        |
| Sales of capital assets                               | 3.4         | -                        | -                        |
| Transactions in financial assets and liabilities      | 3.5         | 7 367                    | 811                      |
| Transfer received                                     | 3.6         | -                        | -                        |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

|                                             |    |              |              |
|---------------------------------------------|----|--------------|--------------|
| <b>Total revenue collected</b>              |    | <b>7 511</b> | <b>1 008</b> |
| Less: Own revenue included in appropriation | 18 | -100         | -100         |
| <b>Total</b>                                |    | <b>7 411</b> | <b>908</b>   |

*Include discussion here where deemed relevant.*

**3.1. Sales of goods and services other than capital assets**

*[Revenue par .14(e)]*

|                                                        | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|--------------------------------------------------------|-------------|--------------------------------|--------------------------------|
| Sales of goods and services produced by the department |             | 144                            | 197                            |
| Sales by market establishment                          |             | -                              | -                              |
| Administrative fees                                    |             | -                              | -                              |
| Other sales                                            |             | 144                            | 197                            |
| Sales of scrap, waste and other used current goods     |             | -                              | -                              |
| <b>Total</b>                                           | <b>3</b>    | <b>144</b>                     | <b>197</b>                     |

*Include discussion here where deemed relevant.*

**3.2. Fines, penalties and forfeits**

*[Revenue par .14(e)]*

|              | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|--------------|-------------|--------------------------------|--------------------------------|
| Fines        |             | -                              | -                              |
| Penalties    |             | -                              | -                              |
| Forfeits     |             | -                              | -                              |
| <b>Total</b> | <b>3</b>    | <b>-</b>                       | <b>-</b>                       |

*Include discussion here where deemed relevant.*

**3.3. Interest, dividends and rent on land**

*[Revenue par .14(e)]*

|  | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|--|-------------|--------------------------------|--------------------------------|
|  |             |                                |                                |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

|              |   |   |
|--------------|---|---|
| Interest     | - | - |
| Dividends    | - | - |
| Rent on land | - | - |
| <b>Total</b> | 3 | - |

*Include discussion here where deemed relevant.*

**3.4. Sales of capital assets**

*[Revenue par .14(e)]*

|                                                          | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|----------------------------------------------------------|------|------------------|------------------|
| <b>Tangible capital assets</b>                           |      | -                | -                |
| Buildings and other fixed structures                     |      | -                | -                |
| Machinery and equipment                                  |      | -                | -                |
| Heritage assets                                          |      | -                | -                |
| Specialised military assets                              |      | -                | -                |
| Land and subsoil assets                                  |      | -                | -                |
| Biological assets                                        |      | -                | -                |
| <b>Intangible capital assets</b>                         |      | -                | -                |
| Software                                                 |      | -                | -                |
| Mastheads and publishing titles                          |      | -                | -                |
| Patents, licences, copyright, brand names and trademarks |      | -                | -                |
| Recipes, formulae, prototypes, designs, models           |      | -                | -                |
| Services and operating rights                            |      | -                | -                |
| <b>Total</b>                                             | 3    | -                | -                |

*Include discussion here where deemed relevant.*

**3.5. Transactions in financial assets and liabilities**

*[Revenue par .14(e)]*

|                                              | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|----------------------------------------------|------|------------------|------------------|
| Loans and advances                           |      | -                | -                |
| Receivables                                  |      | -                | -                |
| Forex gain                                   |      | -                | -                |
| Other receipts including Recoverable Revenue |      | 7,367            | 811              |
| Gains on GFECRA                              |      | -                | -                |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

|              |   |       |     |
|--------------|---|-------|-----|
| <b>Total</b> | 3 | 7,367 | 811 |
|--------------|---|-------|-----|

*Include discussion here where deemed relevant.*

**3.6. Transfers received**  
**[Revenue par .14(e)]**

|                                             | <i>Note</i> | <b>2022/21</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|---------------------------------------------|-------------|--------------------------------|--------------------------------|
| Other governmental units                    |             | -                              | -                              |
| Higher education institutions               |             | -                              | -                              |
| Foreign governments                         |             | -                              | -                              |
| International organisations                 |             | -                              | -                              |
| Public corporations and private enterprises |             | -                              | -                              |
| Households and non-profit institutions      |             | -                              | -                              |
| <b>Total</b>                                | 3           | -                              | -                              |

*Include discussion here where deemed relevant.*

**3.6.1. Donations received in-kind (not included in the main note or sub note)**  
**[Treasury Regulations 21.2.4]**

|                                        | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|----------------------------------------|-------------|--------------------------------|--------------------------------|
| <i>List in-kind donations received</i> |             | -                              | -                              |
| <b>Total</b>                           |             | -                              | -                              |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**3.7. Cash received not recognised (not included in the main note)**

*[Revenue par .14(g)]*

| 2022/23               |                 |                                 |         |
|-----------------------|-----------------|---------------------------------|---------|
|                       | Amount received | Amount paid to the revenue fund | Balance |
| Name of entity        | R'000           | R'000                           | R'000   |
| <i>Please specify</i> | -               | -                               | -       |
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| 2022/23        |                 |                                 |         |
|----------------|-----------------|---------------------------------|---------|
|                | Amount received | Amount paid to the revenue fund | Balance |
| Name of entity | R'000           | R'000                           | R'000   |
| Please specify | -               | -                               | -       |
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*Include discussion here where deemed relevant.*

**4. Aid assistance**

*[Revenue par .14(f)]*

|                                                     | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|-----------------------------------------------------|------|------------------|------------------|
| Opening balance                                     |      | -                | -                |
| Prior period error                                  |      |                  | -                |
| As restated                                         |      | -                | -                |
| Transferred from statement of financial performance |      | -                | -                |
| Transfers to or from retained funds                 |      | -                | -                |
| Paid during the year                                |      | -                | -                |
| <b>Closing balance</b>                              |      | -                | -                |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

*Include discussion here where deemed relevant.*

**4.1. Analysis of balance by source**

|                                   | <i>Note</i> | <b>2022/23<br/>R'000</b> | <b>2021/22<br/>R'000</b> |
|-----------------------------------|-------------|--------------------------|--------------------------|
| Aid assistance from RDP           |             | -                        | -                        |
| Aid assistance from other sources |             | -                        | -                        |
| CARA Funds                        |             | -                        | -                        |
| <b>Closing balance</b>            | <b>4</b>    | <b>-</b>                 | <b>-</b>                 |

*Include discussion here where deemed relevant.*

**4.2. Analysis of balance**

**[General Departmental Assets and Liabilities par .41]**

|                                           | <i>Note</i> | <b>2022/23<br/>R'000</b> | <b>2021/22<br/>R'000</b> |
|-------------------------------------------|-------------|--------------------------|--------------------------|
| Aid assistance receivable                 |             | -                        | -                        |
| Aid assistance prepayments (not expensed) |             | -                        | -                        |
| Aid assistance unutilised                 |             | -                        | -                        |
| Aid assistance repayable                  |             | -                        | -                        |
| <b>Closing balance</b>                    | <b>4</b>    | <b>-</b>                 | <b>-</b>                 |
| Aid assistance not requested/not received |             | -                        | -                        |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**4.2.1. Aid assistance prepayments (expensed)** (*"prepayments expensed" not permitted from 1 April 2023*)

*[General Departmental Assets and Liabilities par .34]*

**2022/23**

|                           | Amount as<br>at 1 April<br>20YY | Less:<br>Received<br>in the<br>current<br>year | Add /<br>Less:<br>Other | Add<br>Current<br>year<br>prepay-<br>ments | Amount as<br>at 31<br>March<br>20ZZ |
|---------------------------|---------------------------------|------------------------------------------------|-------------------------|--------------------------------------------|-------------------------------------|
| <b>Name of entity</b>     | <b>R'000</b>                    | <b>R'000</b>                                   | <b>R'000</b>            | <b>R'000</b>                               | <b>R'000</b>                        |
| Goods and services        | -                               | -                                              | -                       | -                                          | -                                   |
| Interest and rent on land | -                               | -                                              | -                       | -                                          | -                                   |
| Transfers and subsidies   | -                               | -                                              | -                       | -                                          | -                                   |
| Capital assets            | -                               | -                                              | -                       | -                                          | -                                   |
| Other                     | -                               | -                                              | -                       | -                                          | -                                   |
| <b>Total</b>              | -                               | -                                              | -                       | -                                          | -                                   |

*Include discussion here where deemed relevant.*

**2022/23**

|                           | Amount as<br>at 1 April<br>20XX | Less:<br>Received<br>in the<br>current<br>year | Add /<br>Less:<br>Other | Add<br>Current<br>year<br>prepay-<br>ments | Amount as<br>at 31<br>March<br>20YY |
|---------------------------|---------------------------------|------------------------------------------------|-------------------------|--------------------------------------------|-------------------------------------|
| <b>Name of entity</b>     | <b>R'000</b>                    | <b>R'000</b>                                   | <b>R'000</b>            | <b>R'000</b>                               | <b>R'000</b>                        |
| Goods and services        |                                 |                                                |                         |                                            |                                     |
| Interest and rent on land | -                               | -                                              | -                       | -                                          | -                                   |
| Transfers and subsidies   | -                               | -                                              | -                       | -                                          | -                                   |
| Capital assets            | -                               | -                                              | -                       | -                                          | -                                   |
| Other                     | -                               | -                                              | -                       | -                                          | -                                   |
| <b>Total</b>              | -                               | -                                              | -                       | -                                          | -                                   |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**4.3. Prior period error**

*[Accounting policies, Estimates and Errors par .30]*

| Nature of prior period error                               | Note | 2022/23<br>R'000 |
|------------------------------------------------------------|------|------------------|
| Relating to 20WW/XX <i>[affecting the opening balance]</i> |      | -                |
| Relating to 20XX/YY                                        |      | -                |
| <b>Total prior period errors</b>                           |      | -                |

*Include discussion here where deemed relevant.*

**4.4. Aid assistance expenditure per economic classification**

|                                         | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|-----------------------------------------|------|------------------|------------------|
| Current                                 |      | -                | -                |
| Capital                                 | 10   | -                | -                |
| Transfers and subsidies                 |      | -                | -                |
| <b>Total aid assistance expenditure</b> |      | -                | -                |

*Include discussion here where deemed relevant.*

**4.5. Donations received in kind (not included in the main note)**

*[Treasury Regulations 21.2.4]*

|                                        | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|----------------------------------------|------|------------------|------------------|
| <i>List in-kind donations received</i> |      |                  |                  |
|                                        |      | -                | -                |
| <b>Total</b>                           |      | -                | -                |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**5. Compensation of employees**

**5.1. Analysis of balance**

*[Expenditure par .14(a)]*

|                                  | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|----------------------------------|-------------|--------------------------------|--------------------------------|
| Basic salary                     |             | 97 477                         | 86 612                         |
| Performance award                |             | 462                            | -                              |
| Service based                    |             | 207                            | 320                            |
| Compensative/circumstantial      |             | 502                            | 1 164                          |
| Periodic payments                |             | -                              | -                              |
| Other non-pensionable allowances |             | 23 338                         | 21 241                         |
| <b>Total</b>                     |             | <b>121 986</b>                 | <b>109 337</b>                 |

*Include discussion here where deemed relevant.*

**5.2. Social contributions**

*[Expenditure par .14(b)]*

|                                                                               | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|-------------------------------------------------------------------------------|-------------|--------------------------------|--------------------------------|
| <b>Employer contributions</b>                                                 |             |                                |                                |
| Pension                                                                       |             | 12 193                         | 10 631                         |
| Medical                                                                       |             | 7 732                          | 6 412                          |
| UIF                                                                           |             | -                              | -                              |
| Bargaining council                                                            |             | 34                             | 28                             |
| Official unions and associations                                              |             | -                              | -                              |
| Insurance                                                                     |             | 250                            | 230                            |
| <b>Total</b>                                                                  |             | <b>20 209</b>                  | <b>17 301</b>                  |
| <br><b>Total compensation of employees</b><br><i>[Expenditure par .14(c)]</i> |             | <br><b>142 195</b>             | <br><b>126 638</b>             |
| <br>Average number of employees<br><i>[Expenditure par .14(d)]</i>            |             | <br><b>299</b>                 | <br><b>257</b>                 |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**6. Goods and services**

*[Expenditure par .15(a) and (d)]*

|                                                           | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|-----------------------------------------------------------|-------------|--------------------------------|--------------------------------|
| Administrative fees                                       |             | 382                            | 298                            |
| Advertising                                               |             | 428                            | 559                            |
| Minor assets                                              | 6.1         | 91                             | 241                            |
| Bursaries (employees)                                     |             | 88                             | 165                            |
| Catering                                                  |             | 877                            | 507                            |
| Communication                                             |             | 204                            | 406                            |
| Computer services                                         | 6.2         | 5 426                          | 4 271                          |
| Consultants: Business and advisory services               | 6.9         | 8 183                          | 3 232                          |
| Infrastructure and planning services                      |             | -                              | -                              |
| Laboratory services                                       |             | -                              | -                              |
| Scientific and technological services                     |             | -                              | -                              |
| Legal services                                            |             | 1 867                          | 810                            |
| Contractors                                               |             | 5 479                          | 4 850                          |
| Agency and support / outsourced services                  |             | -                              | -                              |
| Entertainment                                             |             | -                              | -                              |
| Audit cost - external                                     | 6.3         | 13 176                         | 11 964                         |
| Fleet services                                            |             | 2 970                          | 1 619                          |
| Inventories                                               | 6.4         | -                              | -                              |
| Consumables                                               | 6.5         | 3 939                          | 3 228                          |
| Housing                                                   |             | -                              | -                              |
| Operating leases                                          |             | 8 271                          | 9 831                          |
| Property payments                                         | 6.6         | -                              | -                              |
| Rental and hiring                                         |             | -                              | -                              |
| Transport provided as part of the departmental activities |             | -                              | -                              |
| Travel and subsistence                                    | 6.7         | 16 055                         | 11 677                         |
| Venues and facilities                                     |             | 619                            | 326                            |
| Training and development                                  |             | 924                            | 255                            |
| Other operating expenditure                               | 6.8         | 205                            | 206                            |
| <b>Total</b>                                              |             | <b>69 184</b>                  | <b>54 445</b>                  |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**6.1. Minor assets**

*[Expenditure par .15(b)]*

|                                                          | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|----------------------------------------------------------|-------------|--------------------------------|--------------------------------|
| <b>Tangible capital assets</b>                           |             | 91                             | 241                            |
| Buildings and other fixed structures                     |             | -                              | -                              |
| Machinery and equipment                                  |             | 91                             | 241                            |
| Heritage assets                                          |             | -                              | -                              |
| Specialised military assets                              |             | -                              | -                              |
| Land and subsoil assets                                  |             | -                              | -                              |
| Biological assets                                        |             | -                              | -                              |
| <b>Intangible capital assets</b>                         |             | -                              | -                              |
| Software                                                 |             | -                              | -                              |
| Mastheads and publishing titles                          |             | -                              | -                              |
| Patents, licences, copyright, brand names and trademarks |             | -                              | -                              |
| Recipes, formulae, prototypes, designs, models           |             | -                              | -                              |
| Services and operating rights                            |             | -                              | -                              |
| <b>Total</b>                                             | <b>6</b>    | <b>91</b>                      | <b>241</b>                     |

*Include discussion here where deemed relevant.*

**6.2. Computer services**

*[Expenditure par .15(c)]*

|                                     | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|-------------------------------------|-------------|--------------------------------|--------------------------------|
| SITA computer services              |             | 4 394                          | 2 926                          |
| External computer service providers |             | 1 032                          | 1 345                          |
| <b>Total</b>                        | <b>6</b>    | <b>5 246</b>                   | <b>4 271</b>                   |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**6.3. Audit cost - external**  
*[Expenditure par .15(e)]*

|                      | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|----------------------|-------------|--------------------------------|--------------------------------|
| Regularity audits    |             | 13 176                         | 11 964                         |
| Performance audits   |             | -                              | -                              |
| Investigations       |             | -                              | -                              |
| Environmental audits |             | -                              | -                              |
| Computer audits      |             | -                              | -                              |
| <b>Total</b>         | <b>6</b>    | <b>13 176</b>                  | <b>11 964</b>                  |

*Include discussion here where deemed relevant.*

**6.4. Inventories**  
*[Expenditure par .15(f)]*

|                                         | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|-----------------------------------------|-------------|--------------------------------|--------------------------------|
| Clothing material and accessories       |             | -                              | -                              |
| Farming supplies                        |             | -                              | -                              |
| Food and food supplies                  |             | -                              | -                              |
| Fuel, oil and gas                       |             | -                              | -                              |
| Learning, teaching and support material |             | -                              | -                              |
| Materials and supplies                  |             | -                              | -                              |
| Medical supplies                        |             | -                              | -                              |
| Medicine                                |             | -                              | -                              |
| Medsas inventory interface              |             | -                              | -                              |
| Other supplies                          | 6.4.1       | -                              | -                              |
| <b>Total</b>                            | <b>6</b>    | <b>-</b>                       | <b>-</b>                       |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**6.4.1. Other supplies**

|                                  | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|----------------------------------|-------------|--------------------------------|--------------------------------|
| Ammunition and security supplies |             | -                              | -                              |
| Assets for distribution          |             | -                              | -                              |
| Machinery and equipment          |             | -                              | -                              |
| School furniture                 |             | -                              | -                              |
| Sports and recreation            |             | -                              | -                              |
| Library material                 |             | -                              | -                              |
| Other assets for distribution    |             | -                              | -                              |
| Other                            |             | -                              | -                              |
| <b>Total</b>                     | <b>6.4</b>  | <b>-</b>                       | <b>-</b>                       |

*Include discussion here where deemed relevant.*

**6.5. Consumables**

*[Expenditure par .15(f)]*

|                                          | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|------------------------------------------|-------------|--------------------------------|--------------------------------|
| Consumable supplies                      |             | 1 158                          | 726                            |
| Uniform and clothing                     |             | -                              | 331                            |
| Household supplies                       |             | 1 059                          | 52                             |
| Building material and supplies           |             | 33                             | 294                            |
| Communication accessories                |             | -                              | -                              |
| IT consumables                           |             | 66                             | 49                             |
| Other consumables                        |             | -                              | -                              |
| Stationery, printing and office supplies |             | 2 781                          | 2 502                          |
| <b>Total</b>                             | <b>6</b>    | <b>3 939</b>                   | <b>3 228</b>                   |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
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**6.6. Property payments**

*[Expenditure par .15(g)]*

|                                  | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|----------------------------------|-------------|--------------------------------|--------------------------------|
| Municipal services               |             | -                              | -                              |
| Property management fees         |             | -                              | -                              |
| Property maintenance and repairs |             | -                              | -                              |
| Other                            |             | -                              | -                              |
| <b>Total</b>                     | <b>6</b>    | <b>-</b>                       | <b>-</b>                       |

*Include discussion here where deemed relevant.*

**6.7. Travel and subsistence**

*[Expenditure par .15(h)]*

|              | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|--------------|-------------|--------------------------------|--------------------------------|
| Local        |             | 16 054                         | 11 677                         |
| Foreign      |             | -                              | -                              |
| <b>Total</b> | <b>6</b>    | <b>16 504</b>                  | <b>11 677</b>                  |

*Include discussion here where deemed relevant.*

**6.8. Other operating expenditure**

*[Expenditure par .15(h)]*

|                                                       | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|-------------------------------------------------------|-------------|--------------------------------|--------------------------------|
| Professional bodies, membership and subscription fees |             | -                              | 12                             |
| Resettlement costs                                    |             | 59                             | -                              |
| Other                                                 |             | 147                            | 194                            |
| <b>Total</b>                                          | <b>6</b>    | <b>206</b>                     | <b>206</b>                     |

*Include discussion here where deemed relevant.*

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

*[Treasury Regulations 20.2.4]*

|                                           | Note | 2022/23      | 2021/22  |
|-------------------------------------------|------|--------------|----------|
| Name of Commission / Committee of Inquiry | 6    | R'000        | R'000    |
|                                           |      | 8 112        | -        |
|                                           |      | -            | -        |
|                                           |      | -            | -        |
| <b>Total</b>                              |      | <b>8 112</b> | <b>-</b> |

*Include discussion here where deemed relevant.*

**7. Interest and rent on land**

*[Expenditure par .16]*

|               | Note | 2022/23  | 2021/22   |
|---------------|------|----------|-----------|
|               |      | R'000    | R'000     |
| Interest paid |      | -        | 32        |
| Rent on land  |      | -        | -         |
| <b>Total</b>  |      | <b>-</b> | <b>32</b> |

*Include discussion here where deemed relevant.*

**8. Payments for financial assets**

*[Expenditure par .17]*

|                                          | Note | 2022/23 | 2021/22 |
|------------------------------------------|------|---------|---------|
|                                          |      | R'000   | R'000   |
| Material losses through criminal conduct |      | -       | -       |
| Theft                                    | 8.4  | -       | -       |
| Other material losses                    | 8.1  | -       | -       |
| Purchase of equity                       |      | -       | -       |
| Extension of loans for policy purposes   |      | -       | -       |
| Other material losses written off        | 8.2  | -       | -       |
| Debts written off                        | 8.3  | -       | -       |

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|                  |     |          |          |
|------------------|-----|----------|----------|
| Forex losses     | 8.5 | -        | -        |
| Debt take overs  |     | -        | -        |
| Losses on GFECRA |     | -        | -        |
| <b>Total</b>     |     | <u>-</u> | <u>-</u> |

*Include discussion here where deemed relevant.*

**8.1. Other material losses**

| Nature of other material losses                        | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|--------------------------------------------------------|------|------------------|------------------|
| <i>Group major categories, but list material items</i> |      | -                | -                |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
| <b>Total</b>                                           | 8    | <u>-</u>         | <u>-</u>         |

*Include discussion here where deemed relevant.*

*Information on any criminal or disciplinary steps taken as a result of such losses is included in the annual report under PFMA Compliance Report.*

**[PFMA S40(3)(b)(ii)]**

**8.2. Other material losses written off**

| Nature of losses                                       | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|--------------------------------------------------------|------|------------------|------------------|
| <i>Group major categories, but list material items</i> |      | -                | -                |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
| <b>Total</b>                                           | 8    | <u>-</u>         | <u>-</u>         |

*Include discussion here where deemed relevant.*

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**8.3. Debts written off**

| Nature of debts written off                            | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|--------------------------------------------------------|------|------------------|------------------|
| <i>Group major categories, but list material items</i> |      |                  |                  |
| Irregular expenditure written off                      |      | -                | -                |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
| <b>Total</b>                                           |      | -                | -                |
| Recoverable revenue written off                        |      | -                | -                |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
| <b>Total</b>                                           |      | -                | -                |
| Other debt written off                                 |      | -                | -                |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
| <b>Total</b>                                           |      | -                | -                |
| <b>Total debt written off</b>                          | 8    | -                | -                |

*Include discussion here where deemed relevant.*

**8.4. Details of theft**

| Nature of theft                                        | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|--------------------------------------------------------|------|------------------|------------------|
| <i>Group major categories, but list material items</i> |      |                  |                  |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
| <b>Total</b>                                           | 8    | -                | -                |

*Include discussion here where deemed relevant.*

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**8.5. Forex losses**

| Nature of losses                                       | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|--------------------------------------------------------|------|------------------|------------------|
| <i>Group major categories, but list material items</i> |      | -                | -                |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
|                                                        |      | -                | -                |
| <b>Total</b>                                           | 8    | <u>-</u>         | <u>-</u>         |

*Include discussion here where deemed relevant.*

**9. Transfers and subsidies**

*[Expenditure par .18]*

|                                                     | Note     | 2022/23<br>R'000        | 2021/22<br>R'000        |
|-----------------------------------------------------|----------|-------------------------|-------------------------|
| Provinces and municipalities                        | 46,47    | -                       | -                       |
| Departmental agencies and accounts                  | Annex 1B | -                       | -                       |
| Higher education institutions                       | Annex 1C | -                       | -                       |
| Foreign governments and international organisations | Annex 1E | -                       | -                       |
| Public corporations and private enterprises         | Annex 1D | 42 867                  | 40 904                  |
| Non-profit institutions                             | Annex 1F | -                       | -                       |
| Households                                          | Annex 1G | 1 704 728               | 1 373 670               |
| <b>Total</b>                                        |          | <u><b>1 747 595</b></u> | <u><b>1 414 574</b></u> |

*Include discussion here where deemed relevant.*

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**9.1. Donations made in kind (not included in the main note)**

*[Expenditure par .18A]*

|                                    | <i>Note</i>     | <b>2022/23</b><br><b>R'000</b> | <b>2021/23</b><br><b>R'000</b> |
|------------------------------------|-----------------|--------------------------------|--------------------------------|
| <i>List in-kind donations made</i> | <i>Annex 1J</i> |                                |                                |
| <b>Total</b>                       |                 |                                |                                |

*Include discussion here where deemed relevant.*

**10. Expenditure for capital assets**

*[Expenditure par .19(a)]*

|                                                          | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|----------------------------------------------------------|-------------|--------------------------------|--------------------------------|
| <b>Tangible capital assets</b>                           |             | <b>2 261</b>                   | <b>7 669</b>                   |
| Buildings and other fixed structures                     | 39          | -                              | -                              |
| Machinery and equipment                                  | 37          | 2 261                          | 7 669                          |
| Heritage assets                                          | 37,39       | -                              | -                              |
| Specialised military assets                              | 37          | -                              | -                              |
| Land and subsoil assets                                  | 39          | -                              | -                              |
| Biological assets                                        | 37          | -                              | -                              |
| <b>Intangible capital assets</b>                         |             | -                              | -                              |
| Software                                                 | 38          | -                              | -                              |
| Mastheads and publishing titles                          | 38          | -                              | -                              |
| Patents, licences, copyright, brand names and trademarks | 38          | -                              | -                              |
| Recipes, formulae, prototypes, designs, models           | 38          | -                              | -                              |
| Services and operating rights                            | 38          | -                              | -                              |
| <b>Total</b>                                             |             | <b>2 261</b>                   | <b>7 669</b>                   |

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

Compensation of employees

Goods and services

**Total**

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*Include discussion here where deemed relevant.*

**10.1. Analysis of funds utilised to acquire capital assets - Current year**  
*[Expenditure par .19(b)]*

| Name of entity                                           | 2022/23     |                |       |
|----------------------------------------------------------|-------------|----------------|-------|
|                                                          | Voted funds | Aid assistance | Total |
|                                                          | R'000       | R'000          | R'000 |
| <b>Tangible capital assets</b>                           | 2 261       | -              | 2 261 |
| Buildings and other fixed structures                     | -           | -              | -     |
| Machinery and equipment                                  | 2 261       | -              | 2 261 |
| Heritage assets                                          | -           | -              | -     |
| Specialised military assets                              | -           | -              | -     |
| Land and subsoil assets                                  | -           | -              | -     |
| Biological assets                                        | -           | -              | -     |
| <b>Intangible capital assets</b>                         | -           | -              | -     |
| Software                                                 | -           | -              | -     |
| Mastheads and publishing titles                          | -           | -              | -     |
| Patents, licences, copyright, brand names and trademarks | -           | -              | -     |
| Recipes, formulae, prototypes, designs, models           | -           | -              | -     |
| Services and operating rights                            | -           | -              | -     |
| <b>Total</b>                                             | 2 261       | -              | 2 261 |

*Include discussion here where deemed relevant.*

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**10.2. Analysis of funds utilised to acquire capital assets - Prior year**

*[Expenditure par .19(b)]*

| Name of entity                                           | 2021/22      |                |              |
|----------------------------------------------------------|--------------|----------------|--------------|
|                                                          | Voted funds  | Aid assistance | Total        |
|                                                          | R'000        | R'000          | R'000        |
| <b>Tangible capital assets</b>                           | <b>7 669</b> | <b>-</b>       | <b>7 669</b> |
| Buildings and other fixed structures                     | -            | -              | -            |
| Machinery and equipment                                  | 7 669        | -              | 7 669        |
| Heritage assets                                          | -            | -              | -            |
| Specialised military assets                              | -            | -              | -            |
| Land and subsoil assets                                  | -            | -              | -            |
| Biological assets                                        | -            | -              | -            |
| <b>Intangible capital assets</b>                         | <b>-</b>     | <b>-</b>       | <b>-</b>     |
| Software                                                 | -            | -              | -            |
| Mastheads and publishing titles                          | -            | -              | -            |
| Patents, licences, copyright, brand names and trademarks | -            | -              | -            |
| Recipes, formulae, prototypes, designs, models           | -            | -              | -            |
| Services and operating rights                            | -            | -              | -            |
| <b>Total</b>                                             | <b>7 669</b> | <b>-</b>       | <b>7 669</b> |

*Include discussion here where deemed relevant.*

**10.3. Finance lease expenditure included in Expenditure for capital assets**

*[Expenditure par .19(c); Leases par .16]*

|                                      | Note | 2022/23  | 2021/22  |
|--------------------------------------|------|----------|----------|
|                                      |      | R'000    | R'000    |
| <b>Tangible capital assets</b>       |      | -        | -        |
| Buildings and other fixed structures |      | -        | -        |
| Machinery and equipment              |      | -        | -        |
| Heritage assets                      |      | -        | -        |
| Specialised military assets          |      | -        | -        |
| Land and subsoil assets              |      | -        | -        |
| Biological assets                    |      | -        | -        |
| <b>Total</b>                         |      | <b>-</b> | <b>-</b> |

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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*Include discussion here where deemed relevant.*

**11. Cash and cash equivalents**

*[General Departmental Assets and Liabilities par .32]*

|                                        | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|----------------------------------------|-------------|--------------------------------|--------------------------------|
| Consolidated Paymaster General Account |             | 17 765                         | 54 565                         |
| Cash receipts                          |             | -                              | -                              |
| Disbursements                          |             | -                              | -                              |
| Cash on hand                           |             | -                              | -                              |
| Investments (Domestic)                 |             | -                              | -                              |
| Investments (Foreign)                  |             | -                              | -                              |
| <b>Total</b>                           |             | <b>17 765</b>                  | <b>54 565</b>                  |

*Indicate the amount of significant cash and cash equivalent balances held by the department that are not available for use.*

*[Cash Flow Statements par .35]*

*Indicate any amounts of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments, indicating any restrictions on the use of these facilities; and the amount and nature of restricted cash balances.*

*[Cash Flow Statements par .37]*

**12. Other financial assets**

*[General Departmental Assets and Liabilities par .33]*

|                                                        | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|--------------------------------------------------------|-------------|--------------------------------|--------------------------------|
| <b>Current</b>                                         |             |                                |                                |
| <b>Local</b>                                           |             | -                              | -                              |
| <i>Group major categories, but list material items</i> |             |                                |                                |
| <b>Total</b>                                           |             | -                              | -                              |
| <b>Foreign</b>                                         |             |                                |                                |

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*Group major categories, but list material items*

|                                             |   |   |
|---------------------------------------------|---|---|
| <b>Total</b>                                | - | - |
|                                             | - | - |
| <b>Total Current other financial assets</b> | - | - |

*Include discussion here where deemed relevant.*

|                                                        | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|--------------------------------------------------------|-------------|--------------------------------|--------------------------------|
| <b>Non-current</b>                                     |             |                                |                                |
| <b>Local</b>                                           |             |                                |                                |
| <i>Group major categories, but list material items</i> |             | -                              | -                              |
| <b>Total</b>                                           |             | -                              | -                              |
| <b>Foreign</b>                                         |             |                                |                                |
| <i>Group major categories, but list material items</i> |             | -                              | -                              |
| <b>Total</b>                                           |             | -                              | -                              |
| <b>Total Non-current other financial assets</b>        |             | -                              | -                              |

*Include discussion here where deemed relevant.*

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**for the year ended 31 March 2023**

**13. Prepayments and advances**

*[General Departmental Assets and Liabilities par .34]*

|                              | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|------------------------------|------|------------------|------------------|
| Staff advances               |      | -                | -                |
| Travel and subsistence       |      | -                | -                |
| Prepayments (Not expensed)   | 13.2 | -                | -                |
| Advances paid (Not expensed) | 13.1 | -                | -                |
| SOCPEN advances              |      | -                | -                |
| <b>Total</b>                 |      | <b>-</b>         | <b>-</b>         |

|                                                   |  |          |          |
|---------------------------------------------------|--|----------|----------|
| <b>Analysis of Total Prepayments and advances</b> |  |          |          |
| Current Prepayments and advances                  |  | -        | -        |
| Non current Prepayments and advances              |  | -        | -        |
| <b>Total</b>                                      |  | <b>-</b> | <b>-</b> |

*Include discussion here where deemed relevant.*

**13.1. Advances paid (Not expensed)**

|                        |      | 2022/23                            |                                                    |                         |                                    |                                     |
|------------------------|------|------------------------------------|----------------------------------------------------|-------------------------|------------------------------------|-------------------------------------|
|                        |      | Amount<br>as at 1<br>April<br>2022 | Less:<br>Amounts<br>expensed<br>in current<br>year | Add /<br>Less:<br>Other | Add<br>Current<br>year<br>advances | Amount<br>as at 31<br>March<br>20ZZ |
|                        | Note | R'000                              | R'000                                              | R'000                   | R'000                              | R'000                               |
| National departments   |      | -                                  |                                                    |                         |                                    |                                     |
| Provincial departments |      | -                                  | -                                                  | -                       | -                                  | -                                   |
| Public entities        |      | -                                  | -                                                  | -                       | -                                  | -                                   |
| Other entities         |      | -                                  | -                                                  | -                       | -                                  | -                                   |
| <b>Total</b>           | 13   | -                                  | -                                                  | -                       | -                                  | -                                   |

*Include discussion here where deemed relevant.*

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**2022/21**

|             |                        | <b>Amount<br/>as at 1<br/>April<br/>2021</b> | <b>Less:<br/>Amounts<br/>expensed<br/>in current<br/>year</b> | <b>Add /<br/>Less:<br/>Other</b> | <b>Add<br/>Current<br/>year<br/>advances</b> | <b>Amount<br/>as at 31<br/>March<br/>2022</b> |
|-------------|------------------------|----------------------------------------------|---------------------------------------------------------------|----------------------------------|----------------------------------------------|-----------------------------------------------|
| <i>Note</i> |                        | <b>R'000</b>                                 | <b>R'000</b>                                                  | <b>R'000</b>                     | <b>R'000</b>                                 | <b>R'000</b>                                  |
|             | National departments   | -                                            | -                                                             | -                                | -                                            | -                                             |
|             | Provincial departments | -                                            | -                                                             | -                                | -                                            | -                                             |
|             | Public entities        | -                                            | -                                                             | -                                | -                                            | -                                             |
|             | Other entities         | -                                            | -                                                             | -                                | -                                            | -                                             |
|             | <b>Total</b>           | -                                            | -                                                             | -                                | -                                            | -                                             |
|             | <i>13</i>              | -                                            | -                                                             | -                                | -                                            | -                                             |

*Include discussion here where deemed relevant.*

**13.2. Prepayments (Not expensed)**

**2022/23**

|             |                           | <b>Amount<br/>as at 1<br/>April 2022</b> | <b>Less:<br/>Amounts<br/>expensed<br/>in current<br/>year</b> | <b>Add /<br/>Less:<br/>Other</b> | <b>Add<br/>Current<br/>year<br/>prepay-<br/>ments</b> | <b>Amount<br/>as at 31<br/>March<br/>2023</b> |
|-------------|---------------------------|------------------------------------------|---------------------------------------------------------------|----------------------------------|-------------------------------------------------------|-----------------------------------------------|
| <i>Note</i> |                           | <b>R'000</b>                             | <b>R'000</b>                                                  | <b>R'000</b>                     | <b>R'000</b>                                          | <b>R'000</b>                                  |
|             | Goods and services        | -                                        | -                                                             | -                                | -                                                     | -                                             |
|             | Interest and rent on land | -                                        | -                                                             | -                                | -                                                     | -                                             |
|             | Transfers and subsidies   | -                                        | -                                                             | -                                | -                                                     | -                                             |
|             | Capital assets            | -                                        | -                                                             | -                                | -                                                     | -                                             |
|             | Other                     | -                                        | -                                                             | -                                | -                                                     | -                                             |
|             | <b>Total</b>              | -                                        | -                                                             | -                                | -                                                     | -                                             |
|             | <i>13</i>                 | -                                        | -                                                             | -                                | -                                                     | -                                             |

*Include discussion here where deemed relevant.*

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**for the year ended 31 March 2023**

**2021/22**

|                           |      | Amount<br>as at 1<br>April 2021 | Less:<br>Amounts<br>expensed<br>in current<br>year | Add /<br>Less:<br>Other | Add<br>Current<br>year<br>prepay-<br>ments | Amount<br>as at 31<br>March<br>2022 |
|---------------------------|------|---------------------------------|----------------------------------------------------|-------------------------|--------------------------------------------|-------------------------------------|
|                           | Note | R'000                           | R'000                                              | R'000                   | R'000                                      | R'000                               |
| Goods and services        |      | -                               | -                                                  | -                       | -                                          | -                                   |
| Interest and rent on land |      | -                               | -                                                  | -                       | -                                          | -                                   |
| Transfers and subsidies   |      | -                               | -                                                  | -                       | -                                          | -                                   |
| Capital assets            |      | -                               | -                                                  | -                       | -                                          | -                                   |
| Other                     |      | -                               | -                                                  | -                       | -                                          | -                                   |
| <b>Total</b>              | 13   | -                               | -                                                  | -                       | -                                          | -                                   |

*Include discussion here where deemed relevant.*

**13.3. Prepayments (Expensed)** ("prepayments expensed" not permitted from 1 April 2023)

**2022/23**

|                           |  | Amount<br>as at 1<br>April<br>2022 | Less:<br>Received<br>in the<br>current<br>year | Add /<br>Less:<br>Other | Add<br>Current<br>year<br>prepay-<br>ments | Amount<br>as at 31<br>March<br>2023 |
|---------------------------|--|------------------------------------|------------------------------------------------|-------------------------|--------------------------------------------|-------------------------------------|
|                           |  | R'000                              | R'000                                          | R'000                   | R'000                                      | R'000                               |
| Goods and services        |  | -                                  | -                                              | -                       | -                                          | -                                   |
| Interest and rent on land |  | -                                  | -                                              | -                       | -                                          | -                                   |
| Transfers and subsidies   |  | -                                  | -                                              | -                       | -                                          | -                                   |
| Capital assets            |  | -                                  | -                                              | -                       | -                                          | -                                   |
| Other                     |  | -                                  | -                                              | -                       | -                                          | -                                   |
| <b>Total</b>              |  | -                                  | -                                              | -                       | -                                          | -                                   |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
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**2021/22**

|                           | Amount<br>as at 1<br>April<br>2021 | Less:<br>Received<br>in the<br>current<br>year | Add /<br>Less:<br>Other | Add<br>Current<br>year<br>prepay-<br>ments | Amount<br>as at 31<br>March<br>2022 |
|---------------------------|------------------------------------|------------------------------------------------|-------------------------|--------------------------------------------|-------------------------------------|
|                           | R'000                              | R'000                                          | R'000                   | R'000                                      | R'000                               |
| Goods and services        | -                                  | -                                              | -                       | -                                          | -                                   |
| Interest and rent on land | -                                  | -                                              | -                       | -                                          | -                                   |
| Transfers and subsidies   | -                                  | -                                              | -                       | -                                          | -                                   |
| Capital assets            | -                                  | -                                              | -                       | -                                          | -                                   |
| Other                     | -                                  | -                                              | -                       | -                                          | -                                   |
| <b>Total</b>              | -                                  | -                                              | -                       | -                                          | -                                   |

*I-include discussion here where deemed relevant.*

**13.4. Advances paid (Expensed)** ("advances expensed" not permitted from 1 April 2023)

**2022/23**

|                        | Amount<br>as at 1<br>April<br>2022 | Less:<br>Received<br>in the<br>Less:<br>Received<br>in the<br>current<br>year | Add /<br>Less:<br>Other | Add<br>Current<br>Add:<br>Add:current<br>year<br>advances | Amount<br>as at 31<br>March<br>2023 |
|------------------------|------------------------------------|-------------------------------------------------------------------------------|-------------------------|-----------------------------------------------------------|-------------------------------------|
|                        | R'000                              | R'000                                                                         | R'000                   | R'000                                                     | R'000                               |
| National departments   | -                                  | -                                                                             | -                       | -                                                         | -                                   |
| Provincial departments |                                    |                                                                               |                         |                                                           |                                     |
| Public entities        | -                                  |                                                                               | -50 182                 | 55 563                                                    | 5 381                               |
| Other entities         |                                    |                                                                               |                         |                                                           |                                     |
| <b>Total</b>           | -                                  | -                                                                             | -50 182                 | 55 563                                                    | 5 381                               |

*An amount of R55.563 million was paid as an advance to HDA, and R51.182 million was spent during the year while interest of R1 million was earned on funds transferred*

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**2021/22**

|                        | <b>Amount<br/>as at 1<br/>April 2021</b> | <b>Less:<br/>Received<br/>in the<br/>current<br/>year</b> | <b>Add /<br/>Less:<br/>Other</b> | <b>Add<br/>Current<br/>year<br/>advances</b> | <b>Amount<br/>as at 31<br/>March<br/>2022</b> |
|------------------------|------------------------------------------|-----------------------------------------------------------|----------------------------------|----------------------------------------------|-----------------------------------------------|
|                        | <b>R'000</b>                             | <b>R'000</b>                                              | <b>R'000</b>                     | <b>R'000</b>                                 | <b>R'000</b>                                  |
| National departments   | -                                        | -                                                         | -                                | -                                            | -                                             |
| Provincial departments | -                                        | -                                                         | -                                | -                                            | -                                             |
| Public entities        | -                                        | -                                                         | -                                | -                                            | -                                             |
| Other entities         | -                                        | -                                                         | -                                | -                                            | -                                             |
| <b>Total</b>           | -                                        | -                                                         | -                                | -                                            | -                                             |

*R67 614 000 previously included as unspent funds has been reversed as per reconciliation performed.*

**14. Receivables**

*[General Departmental Assets and Liabilities par .35]*

|                         |             | <b>2022/23</b> |                    |              | <b>2021/22</b> |                    |              |
|-------------------------|-------------|----------------|--------------------|--------------|----------------|--------------------|--------------|
|                         | <i>Note</i> | <b>Current</b> | <b>Non-current</b> | <b>Total</b> | <b>Current</b> | <b>Non-current</b> | <b>Total</b> |
|                         |             | <b>R'000</b>   | <b>R'000</b>       | <b>R'000</b> | <b>R'000</b>   | <b>R'000</b>       | <b>R'000</b> |
| Claims recoverable      | 14.1        | 6              | -                  | 6            | 932            | -                  | 932          |
| Trade receivables       | 14.2        | -              | -                  | -            | -              | -                  | -            |
| Recoverable expenditure | 14.3        | -              | -                  | -            | -              | -                  | -            |
| Staff debt              | 14.4        | 82             | -                  | 82           | 5              | -                  | 5            |
| Other receivables       | 14.5        | -              | -                  | -            | -              | -                  | -            |
| <b>Total</b>            |             | <b>88</b>      | <b>-</b>           | <b>88</b>    | <b>937</b>     | <b>-</b>           | <b>937</b>   |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
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**14.1. Claims recoverable**

|                                        | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|----------------------------------------|-------------|--------------------------------|--------------------------------|
| National departments                   |             | -                              | -                              |
| Provincial departments                 |             | 6                              | 932                            |
| Foreign governments                    |             | -                              | -                              |
| Public entities                        |             | -                              | -                              |
| Private enterprises                    |             | -                              | -                              |
| Higher education institutions          |             | -                              | -                              |
| Households and non-profit institutions |             | -                              | -                              |
| Local governments                      |             | -                              | -                              |
| <b>Total</b>                           | <b>14</b>   | <b>6</b>                       | <b>932</b>                     |

*Include discussion here where deemed relevant.*

**14.2. Trade receivables**

|                                                        | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|--------------------------------------------------------|-------------|--------------------------------|--------------------------------|
| <i>Group major categories, but list material items</i> |             | -                              | -                              |
|                                                        |             | -                              | -                              |
|                                                        |             | -                              | -                              |
|                                                        |             | -                              | -                              |
| <b>Total</b>                                           | <b>14</b>   | <b>-</b>                       | <b>-</b>                       |

*Include discussion here where deemed relevant.*

**14.3. Recoverable expenditure**

|                                                        | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|--------------------------------------------------------|-------------|--------------------------------|--------------------------------|
| <i>Group major categories, but list material items</i> |             | -                              | -                              |
|                                                        |             | -                              | -                              |
|                                                        |             | -                              | -                              |
|                                                        |             | -                              | -                              |
| <b>Total</b>                                           | <b>14</b>   | <b>-</b>                       | <b>-</b>                       |

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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*Include discussion here where deemed relevant.*

**14.4. Staff debt**

|                                                        | <i>Note</i> | <b>2022/23<br/>R'000</b> | <b>2021/22<br/>R'000</b> |
|--------------------------------------------------------|-------------|--------------------------|--------------------------|
| <i>Group major categories, but list material items</i> |             | 82                       | 5                        |
|                                                        |             | -                        | -                        |
|                                                        |             | -                        | -                        |
|                                                        |             | -                        | -                        |
| <b>Total</b>                                           | 14          | <b>82</b>                | <b>5</b>                 |

*Include discussion here where deemed relevant.*

**14.5. Other receivables**

|                                                        | <i>Note</i> | <b>2022/23<br/>R'000</b> | <b>2021/22<br/>R'000</b> |
|--------------------------------------------------------|-------------|--------------------------|--------------------------|
| <i>Group major categories, but list material items</i> |             |                          |                          |
| Statutory Appropriation receivables                    |             |                          |                          |
| Unauthorised expenditure                               |             | -                        | -                        |
| Irregular expenditure                                  |             | -                        | -                        |
| Fruitless and wasteful expenditure                     |             | -                        | -                        |
| <b>Total</b>                                           | 14          | <b>-</b>                 | <b>-</b>                 |

*Include discussion here where deemed relevant.*

**14.6. Impairment of receivables**

|                                       | <i>Note</i> | <b>2022/23<br/>R'000</b> | <b>2021/22<br/>R'000</b> |
|---------------------------------------|-------------|--------------------------|--------------------------|
| Estimate of impairment of receivables |             | -                        | -                        |
| <b>Total</b>                          |             | <b>-</b>                 | <b>-</b>                 |

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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*Include discussion here where deemed relevant.*

**15. Investments**

*[General Departmental Assets and Liabilities par .36]*

|                                      |                 | <b>2022/23</b> | <b>2021/22</b> |
|--------------------------------------|-----------------|----------------|----------------|
| <b>Non-current</b>                   | <i>Note</i>     | <b>R'000</b>   | <b>R'000</b>   |
| <b>Shares and other equity</b>       |                 |                |                |
| <i>List investments at cost</i>      |                 | -              | -              |
| <b>Total</b>                         |                 | -              | -              |
| -                                    |                 |                |                |
| <b>Securities other than shares</b>  | <i>Annex 2A</i> |                |                |
| <i>List investments at cost</i>      |                 |                |                |
| <b>Total</b>                         |                 | -              | -              |
|                                      |                 | -              | -              |
| <b>Total non-current investments</b> |                 | -              | -              |

|                                            |             | <b>2022/23</b> | <b>2021/22</b> |
|--------------------------------------------|-------------|----------------|----------------|
| <b>Analysis of non-current investments</b> | <i>Note</i> | <b>R'000</b>   | <b>R'000</b>   |
| Opening balance                            |             | -              | -              |
| Additions in cash                          |             | -              | -              |
| Disposals for cash                         |             | -              | -              |
| Non-cash movements                         |             | -              | -              |
| <b>Closing balance</b>                     |             | -              | -              |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
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**for the year ended 31 March 2023**

**15.1. Impairment of investments**

*[General Departmental Assets and Liabilities par .22]*

|                                       | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|---------------------------------------|-------------|--------------------------------|--------------------------------|
| Estimate of impairment of investments |             | -                              | -                              |
| <b>Total</b>                          |             | -                              | -                              |

*Include discussion here where deemed relevant.*

**16. Loans**

*[General Departmental Assets and Liabilities par .37]*

|                               | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|-------------------------------|-------------|--------------------------------|--------------------------------|
| Public corporations           |             | -                              | -                              |
| Higher education institutions |             | -                              | -                              |
| Foreign governments           |             | -                              | -                              |
| Private enterprises           |             | -                              | -                              |
| Non-profit institutions       |             | -                              | -                              |
| Staff loans                   |             | -                              | -                              |
| <b>Total</b>                  |             | -                              | -                              |

|                            | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|----------------------------|-------------|--------------------------------|--------------------------------|
| <b>Analysis of balance</b> |             |                                |                                |
| Opening balance            |             | -                              | -                              |
| New issues                 |             | -                              | -                              |
| Repayments                 |             | -                              | -                              |
| Write-offs                 |             | -                              | -                              |
| <b>Closing balance</b>     |             | -                              | -                              |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
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**16.1. Impairment of loans**

*[General Departmental Assets and Liabilities par .22]*

|                                 |      | 2022/23  | 2021/22  |
|---------------------------------|------|----------|----------|
|                                 | Note | R'000    | R'000    |
| Estimate of impairment of loans |      | -        | -        |
| <b>Total</b>                    |      | <b>-</b> | <b>-</b> |

*Include discussion here where deemed relevant.*

**17. Voted funds to be surrendered to the Revenue Fund**

*[General Departmental Assets and Liabilities par .42]*

|                                                                   |      | 2022/23       | 2021/22       |
|-------------------------------------------------------------------|------|---------------|---------------|
|                                                                   | Note | R'000         | R'000         |
| Opening balance                                                   |      | 54 897        | 75 077        |
| Prior period error                                                | 17.2 | -             | -             |
| As restated                                                       |      | 54 897        | 75 077        |
| Transferred from statement of financial performance (as restated) |      | 17 427        | 289 751       |
| Add: Unauthorised expenditure for the current year                |      | -             | -             |
| Voted funds not requested/not received                            | 1.1  | -             | -234 854      |
| Transferred to retained revenue to defray excess expenditure      | 17.1 | -             | -             |
| <i>(Parliament/Legislatures)</i>                                  |      |               |               |
| Conditional grants surrendered by the provincial department       | 17.3 | -             | -             |
| Paid during the year                                              |      | -54 897       | -75 077       |
| <b>Closing balance</b>                                            |      | <b>17 427</b> | <b>54 897</b> |

*Include discussion here where deemed relevant.*

**17.1. Voted funds / (Excess expenditure) transferred to retained funds (Parliament / Legislatures ONLY)**

|                                                                 |      | 2022/23  | 2021/22  |
|-----------------------------------------------------------------|------|----------|----------|
|                                                                 | Note | R'000    | R'000    |
| Opening balance                                                 |      |          |          |
| Transfer from statement of financial performance                |      |          |          |
| Transfer from Departmental Revenue to defray excess expenditure | 18   | -        | -        |
| <b>Total</b>                                                    | 17   | <b>-</b> | <b>-</b> |

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*Include discussion here where deemed relevant.*

**17.2. Prior period error**

*[Accounting policies, Estimates and Errors par .30]*

| Nature of prior period error                               | Note | 2021/22<br>R'000 |
|------------------------------------------------------------|------|------------------|
| Relating to 2020/21 <i>[affecting the opening balance]</i> |      |                  |
| Relating to 2021/22                                        |      |                  |
| <b>Total prior period errors</b>                           |      |                  |

*Include discussion here where deemed relevant.*

**17.3. Reconciliation on unspent conditional grants**

|                                                                    | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|--------------------------------------------------------------------|------|------------------|------------------|
| Total conditional grants received                                  | 1.2  | 1 709 670        | 1 640 342        |
| Total conditional grants spent                                     |      | -1 703 105       | -1 372 087       |
| Unspent conditional grants to be surrendered                       |      | 6 565            | 268 255          |
| Less: Paid to the Provincial Revenue Fund by Provincial department |      |                  | -268 255         |
| Approved for rollover                                              |      |                  | -47 666          |
| Not approved for rollover                                          |      |                  | -220 589         |
| Add: Received from provincial revenue fund by national department  | 17   |                  | -                |
| <b>Due by the Provincial Revenue Fund</b>                          |      | <b>6 565</b>     | <b>-</b>         |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
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**18. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund**

*[General Departmental Assets and Liabilities par .43]*

|                                                                                      | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|--------------------------------------------------------------------------------------|-------------|--------------------------------|--------------------------------|
| Opening balance                                                                      |             | 12                             | 637                            |
| Prior period error                                                                   | 18.1        | -                              | -                              |
| As restated                                                                          |             | 12                             | 637                            |
| Transferred from statement of financial performance (as restated)                    |             | 7 411                          | 908                            |
| Own revenue included in appropriation                                                |             | 100                            | 100                            |
| Transfer from aid assistance                                                         | 4           | -                              | -                              |
| Transferred to voted funds to defray excess expenditure<br>(Parliament/Legislatures) | 17.1        | -                              | -                              |
| Paid during the year                                                                 |             | -7 207                         | -1 633                         |
| <b>Closing balance</b>                                                               |             | <b>316</b>                     | <b>12</b>                      |

*Include discussion here where deemed relevant.*

**18.1. Prior period error**

*[Accounting policies, Estimates and Errors par .30]*

| <b>Nature of prior period error</b>                        | <i>Note</i> | <b>2021/22</b><br><b>R'000</b>                                          |
|------------------------------------------------------------|-------------|-------------------------------------------------------------------------|
| Relating to 20WW/XX <i>[affecting the opening balance]</i> |             | <div style="border: 1px solid black; height: 40px; width: 100%;"></div> |
| Relating to 2021/22                                        |             | <div style="border: 1px solid black; height: 40px; width: 100%;"></div> |
| <b>Total prior period errors</b>                           |             | <div style="border: 1px solid black; height: 40px; width: 100%;"></div> |

*Include discussion here where deemed relevant.*

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**19. Bank overdraft**

*[General Departmental Assets and Liabilities par .38]*

|                                           | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|-------------------------------------------|-------------|--------------------------------|--------------------------------|
| Consolidated Paymaster General account    |             |                                |                                |
| Fund requisition account                  |             |                                |                                |
| Overdraft with commercial banks (Local)   |             |                                |                                |
| Overdraft with commercial banks (Foreign) |             |                                |                                |
| <b>Total</b>                              |             |                                |                                |

*Include discussion here where deemed relevant.*

**20. Payables - current**

*[General Departmental Assets and Liabilities par .39]*

|                                 | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|---------------------------------|-------------|--------------------------------|--------------------------------|
| Amounts owing to other entities |             | -                              | -                              |
| Advances received               | 20.1        | -                              | -                              |
| Clearing accounts               | 20.2        | 105                            | 57                             |
| Other payables                  | 20.3        | 5                              | 520                            |
| <b>Total</b>                    |             | <b>110</b>                     | <b>577</b>                     |

*Include discussion here where deemed relevant.*

**20.1. Advances received**

|                        | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|------------------------|-------------|--------------------------------|--------------------------------|
| National departments   |             |                                |                                |
| Provincial departments |             |                                |                                |
| Public entities        |             |                                |                                |
| Other institutions     |             |                                |                                |
| <b>Total</b>           | 20          |                                |                                |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
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**20.2. Clearing accounts**

| Description                                               | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|-----------------------------------------------------------|------|------------------|------------------|
| <i>Identify major categories, but list material items</i> |      |                  |                  |
| Bargaining council                                        |      |                  | 1                |
| Salary income tax                                         |      | 92               | 54               |
| Salary pension fund                                       |      | 13               | 2                |
| <b>Total</b>                                              | 20   | <b>105</b>       | <b>57</b>        |

*Include discussion here where deemed relevant.*

**20.3. Other payables**

| Description                                               | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|-----------------------------------------------------------|------|------------------|------------------|
| <i>Identify major categories, but list material items</i> |      |                  |                  |
| SAL: GEHS Refund control account                          |      | 5                | -                |
| Salaries- COGTA                                           |      | -                | 365              |
| COSATMA LOGSHHETS AND DPWR RENTAL                         |      | -                | 155              |
| <b>Total</b>                                              | 20   | <b>5</b>         | <b>520</b>       |

*Include discussion here where deemed relevant.*

**21. Payables - non-current**

*[General Departmental Assets and Liabilities par .40]*

| Description                     | Note | 2022/23             |                       |                           |       | 2021/22 |
|---------------------------------|------|---------------------|-----------------------|---------------------------|-------|---------|
|                                 |      | One to two<br>years | Two to<br>three years | Older than<br>three years | Total | Total   |
|                                 |      | R'000               | R'000                 | R'000                     | R'000 | R'000   |
| Amounts owing to other entities |      | -                   | -                     | -                         | -     | -       |
| Advances received               | 21.1 | -                   | -                     | -                         | -     | -       |
| Other payables                  | 21.2 | -                   | -                     | -                         | -     | -       |
| <b>Total</b>                    |      | -                   | -                     | -                         | -     | -       |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**21.1. Advances received**

|                        | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|------------------------|-------------|--------------------------------|--------------------------------|
| National departments   |             | -                              | -                              |
| Provincial departments |             | -                              | -                              |
| Public entities        |             | -                              | -                              |
| Other institutions     |             | -                              | -                              |
| <b>Total</b>           | <b>21</b>   | <b>-</b>                       | <b>-</b>                       |

*Include discussion here where deemed relevant.*

**21.2. Other payables**

| <b>Description</b>                                        | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|-----------------------------------------------------------|-------------|--------------------------------|--------------------------------|
| <i>Identify major categories, but list material items</i> |             | -                              | -                              |
|                                                           |             | -                              | -                              |
|                                                           |             | -                              | -                              |
|                                                           |             | -                              | -                              |
| <b>Total</b>                                              | <b>21</b>   | <b>-</b>                       | <b>-</b>                       |

*Include discussion here where deemed relevant.*

**22. Net cash flow available from operating activities**

**[Cash Flow Statements par .19]**

|                                                                  | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|------------------------------------------------------------------|-------------|--------------------------------|--------------------------------|
| Net surplus/(deficit) as per Statement of Financial Performance  |             | 24 838                         | 290 659                        |
| Add back non-cash/cash movements not deemed operating activities |             | -59 361                        | -385 983                       |
| (Increase)/decrease in receivables                               |             | 849                            | 3 737                          |
| (Increase)/decrease in prepayments and advances                  |             | -                              | -                              |
| (Increase)/decrease in other current assets                      |             | -                              | -                              |
| Increase/(decrease) in payables - current                        |             | -467                           | -85 925                        |
| Proceeds from sale of capital assets                             |             | -                              | -                              |
| Proceeds from sale of investments                                |             | -                              | -                              |
| (Increase)/decrease in other financial assets                    |             | -                              | -                              |

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|                                        |                |                |
|----------------------------------------|----------------|----------------|
| Expenditure on capital assets          | 2 261          | 7 667          |
| Surrenders to RDP Fund/Donors          | -62 104        | -76 710        |
| Voted funds not requested/not received | -              | 234 854        |
| Own revenue included in appropriation  | 100            | 100            |
| Other non-cash items                   | -              | -              |
| <b>Net cash flow generating</b>        | <b>-34 523</b> | <b>-95 324</b> |

*Include discussion here where deemed relevant.*

**23. Reconciliation of cash and cash equivalents for cash flow purposes**

*[Cash Flow Statements par .33]*

|                                        | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|----------------------------------------|-------------|--------------------------------|--------------------------------|
| Consolidated Paymaster General account |             |                                |                                |
| Fund requisition account               |             | 17 765                         | 54 565                         |
| Cash receipts                          |             | -                              | -                              |
| Disbursements                          |             | -                              | -                              |
| Cash on hand                           |             | -                              | -                              |
| Cash with commercial banks (Local)     |             | -                              | -                              |
| Cash with commercial banks (Foreign)   |             | -                              | -                              |
| <b>Total</b>                           |             | <b>17 765</b>                  | <b>54 565</b>                  |

*Include discussion here where deemed relevant.*

**24. Contingent liabilities and contingent assets**

**24.1. Contingent liabilities**

*[Provisions and Contingents par .49 and .52]*

| <b>Liable to</b>                       | <b>Nature</b> | <i>Note</i>     | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|----------------------------------------|---------------|-----------------|--------------------------------|--------------------------------|
| Motor vehicle guarantees               | Employees     | <i>Annex 3A</i> | -                              | -                              |
| Housing loan guarantees                | Employees     | <i>Annex 3A</i> | -                              | -                              |
| Other guarantees                       |               | <i>Annex 3A</i> | -                              | -                              |
| Claims against the department          |               | <i>Annex 3B</i> | 123 584                        | 170 208                        |
| Intergovernmental payables             |               | <i>Annex 5</i>  | -                              | -                              |
| Environmental rehabilitation liability |               | <i>Annex 3B</i> | -                              | -                              |
| Other                                  |               | <i>Annex 3B</i> | -                              | -                              |
| <b>Total</b>                           |               |                 | <b>123 584</b>                 | <b>170 208</b>                 |

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*Provide brief description on the uncertainties relating to the amount or timing of any outflow.*

**[Provisions and Contingents par .52(b)]**

*Provide a brief discussion on the possibility of any reimbursement.*

**[Provisions and Contingents par .52(c)]**

*Where the disclosure requirements of the Standards are not done due to impracticalities and or the sensitivity of the information, disclose this fact with reasons.*

**[Provisions and Contingents par .54 and .67]**

**24.2. Contingent assets**

**[Provisions and Contingents par .55 and .58]**

| Nature of contingent asset       | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|----------------------------------|------|------------------|------------------|
| Payment of an overstated invoice |      | 2 791            | -                |
|                                  |      | -                | -                |
| <b>Total</b>                     |      | <b>2 791</b>     | <b>-</b>         |

*Where the disclosure requirements of the Standards are not done due to impracticalities and or the sensitivity of the information, disclose this fact with reasons.*

**[Provisions and Contingents par .61 and .67]**

**25. Capital commitments**

**[Provisions and Contingents par .64, .65 and .66]**

|                                      | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|--------------------------------------|------|------------------|------------------|
| Buildings and other fixed structures |      | -                | -                |
| Heritage assets                      |      | -                | -                |
| Machinery and equipment              |      | -                | -                |
| Specialised military assets          |      | -                | -                |
| Land and subsoil assets              |      | -                | -                |
| Biological assets                    |      | -                | -                |
| Intangible assets                    |      | -                | -                |
| <b>Total</b>                         |      | <b>-</b>         | <b>-</b>         |

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*Include discussion here where deemed relevant.*

*Where the disclosure requirements of the Standards are not done due to impracticalities and or the sensitivity of the information, disclose this fact with reasons.*

**[Provisions and Contingents par .67]**

**26. Accruals and payables not recognised**

*[General Departmental Assets and Liabilities par .46]*

**26.1. Accruals**

| Listed by economic classification | Note | 2022/23       |           |               | 2021/22       |
|-----------------------------------|------|---------------|-----------|---------------|---------------|
|                                   |      | 30 Days       | 30+ Days  | Total         | Total         |
|                                   |      | R'000         | R'000     | R'000         | R'000         |
| Goods and services                |      | 3 740         | 83        | 3 823         | 3 086         |
| Interest and rent on land         |      | -             | -         | -             | -             |
| Transfers and subsidies           |      | 25 034        | -         | 25 034        | 7 196         |
| Capital assets                    |      | -             | -         | -             | -             |
| --Other                           |      | -             | -         | -             | -             |
| <b>Total</b>                      |      | <b>28 774</b> | <b>83</b> | <b>28 857</b> | <b>10 282</b> |

| Listed by programme level                             | Note | 2022/23       | 2021/22       |
|-------------------------------------------------------|------|---------------|---------------|
|                                                       |      | R'000         | R'000         |
| Programme 1 – Corporate                               |      | 3 564         | 2 901         |
| Programme 2 – Housing Needs, Planning and development |      | 35            | 51            |
| Programme 2 – Housing Development                     |      | 25 258        | 7 330         |
| <b>Total</b>                                          |      | <b>28 857</b> | <b>10 282</b> |

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**26.2. Payables not recognised**

| <b>Listed by economic classification</b> | <i>Note</i> | <b>2022/23</b> |                 |               | <b>2021/22</b> |
|------------------------------------------|-------------|----------------|-----------------|---------------|----------------|
|                                          |             | <b>30 Days</b> | <b>30+ Days</b> | <b>Total</b>  | <b>Total</b>   |
|                                          |             | <b>R'000</b>   | <b>R'000</b>    | <b>R'000</b>  | <b>R'000</b>   |
| Goods and services                       |             | 790            | -               | 790           | 265            |
| Interest and rent on land                |             | -              | -               | -             | -              |
| Transfers and subsidies                  |             | -              | 89 216          | 89 216        | 78 440         |
| Capital assets                           |             | -              | -               | -             | -              |
| Other                                    |             | -              | -               | -             | -              |
| <b>Total</b>                             |             | <b>790</b>     | <b>89 216</b>   | <b>90 006</b> | <b>78 705</b>  |

| <b>Listed by programme level</b>                      | <i>Note</i> | <b>2022/23</b> | <b>2021/22</b> |
|-------------------------------------------------------|-------------|----------------|----------------|
|                                                       |             | <b>R'000</b>   | <b>R'000</b>   |
| Programme 1 – Corporate                               |             | 738            | 179            |
| Programme 2 – Housing Needs, Planning and development |             | 4              | 15             |
| Programme 2 – Housing Development                     |             | 89 264         | 78 511         |
| <b>Total</b>                                          |             | <b>90 006</b>  | <b>78 705</b>  |

| <b>Included in the above totals are the following:</b> | <i>Note</i>    | <b>2022/23</b> | <b>2021/22</b> |
|--------------------------------------------------------|----------------|----------------|----------------|
|                                                        |                | <b>R'000</b>   | <b>R'000</b>   |
| Confirmed balances with other departments              | <i>Annex 5</i> | -              | 254            |
| Confirmed balances with other government entities      | <i>Annex 5</i> | -              | -              |
| <b>Total</b>                                           |                | <b>-</b>       | <b>254</b>     |

*Include discussion here where deemed relevant.*

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**27. Employee benefits**

*[Provisions and Contingents par .48 and*

*General Departmental Assets and Liabilities par .47]]*

|                    | <i>Note</i> | <b>2022/23</b> | <b>2021/22</b> |
|--------------------|-------------|----------------|----------------|
|                    |             | <b>R'000</b>   | <b>R'000</b>   |
| Leave entitlement  |             | 10 060         | 9 093          |
| Service bonus      |             | 4 028          | 3 701          |
| Performance awards |             | -              | -              |
| Capped leave       |             | 7 105          | 7 714          |
| Other              |             | 120            | 196            |
| <b>Total</b>       |             | <b>21 313</b>  | <b>20 704</b>  |

*At this stage the department is not able to reliably measure the long term portion of the long service awards.*

*Included in leave entitlement is a negative leave amount to -R15,324.25*

**28. Lease commitments**

**28.1. Operating leases**

*[Leases par .22(a) and (b)]*

|                                              | 2022/23                              |       |                                               |                               |               |
|----------------------------------------------|--------------------------------------|-------|-----------------------------------------------|-------------------------------|---------------|
|                                              | Specialised<br>military<br>equipment | Land  | Buildings<br>and other<br>fixed<br>structures | Machinery<br>and<br>equipment | Total         |
|                                              | R'000                                | R'000 | R'000                                         | R'000                         | R'000         |
| Not later than 1 year                        | -                                    | -     | 9 057                                         | 1 185                         | 10 242        |
| Later than 1 year and not later than 5 years | -                                    | -     | -                                             | 296                           | 296           |
| Later than 5 years                           | -                                    | -     | -                                             | -                             | -             |
| <b>Total lease commitments</b>               | -                                    | -     | <b>9 057</b>                                  | <b>1 481</b>                  | <b>10 538</b> |

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| 2021/22                                      |                                      |       |                                               |                               |               |
|----------------------------------------------|--------------------------------------|-------|-----------------------------------------------|-------------------------------|---------------|
|                                              | Specialised<br>military<br>equipment | Land  | Buildings<br>and other<br>fixed<br>structures | Machinery<br>and<br>equipment | Total         |
|                                              | R'000                                | R'000 | R'000                                         | R'000                         | R'000         |
| Not later than 1 year                        | -                                    | -     | 8 232                                         | 1 004                         | 9 236         |
| Later than 1 year and not later than 5 years | -                                    | -     | -                                             | 893                           | 893           |
| Later than 5 years                           | -                                    | -     | -                                             | -                             | -             |
| <b>Total lease commitments</b>               | -                                    | -     | <b>8 232</b>                                  | <b>1 897</b>                  | <b>10 129</b> |

*The lease commitment is for machinery only, the terms of contracts are different. For buildings there is no valid lease for the department.*

*Provide a general discussion on any assets that are sub-leased (if any), indicating the nature of the asset and the lessee (occupant/user of the asset).*

**[Leases paragraph .22(c)]**

|                                    |             | 2022/23<br>R'000 | 2021/22<br>R'000 |
|------------------------------------|-------------|------------------|------------------|
| <b>[Leases paragraph .27(d)]</b>   | <i>Note</i> |                  |                  |
| Rental earned on sub-leased assets | 3           | -                | -                |
| <b>Total</b>                       |             | <b>-</b>         | <b>-</b>         |

*Provide an indication as to whether a reduction in the lease payments was granted in lieu of actual cash from the sale of the asset in a sale and leaseback arrangement.*

**[Leases paragraph .32]**

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**28.2. Finance leases \*\***

*[Leases par .22(a) and (b)]*

| 2022/23                                         |                                      |       |                                               |                               |       |
|-------------------------------------------------|--------------------------------------|-------|-----------------------------------------------|-------------------------------|-------|
|                                                 | Specialised<br>military<br>equipment | Land  | Buildings<br>and other<br>fixed<br>structures | Machinery<br>and<br>equipment | Total |
|                                                 | R'000                                | R'000 | R'000                                         | R'000                         | R'000 |
| Not later than 1 year                           | -                                    | -     | -                                             | -                             | -     |
| Later than 1 year and not later than 5<br>years | -                                    | -     | -                                             | -                             | -     |
| Later than 5 years                              |                                      |       |                                               |                               |       |
| <b>Total lease commitments</b>                  | -                                    | -     | -                                             | -                             | -     |

| 2021/22                                         |                                      |       |                                               |                               |       |
|-------------------------------------------------|--------------------------------------|-------|-----------------------------------------------|-------------------------------|-------|
|                                                 | Specialised<br>military<br>equipment | Land  | Buildings<br>and other<br>fixed<br>structures | Machinery<br>and<br>equipment | Total |
|                                                 | R'000                                | R'000 | R'000                                         | R'000                         | R'000 |
| Not later than 1 year                           | -                                    | -     | -                                             | -                             | -     |
| Later than 1 year and not later than 5<br>years | -                                    | -     | -                                             | -                             | -     |
| Later than 5 years                              | -                                    | -     | -                                             | -                             | -     |
| <b>Total lease commitments</b>                  | -                                    | -     | -                                             | -                             | -     |

\*\* This note excludes leases relating to public private partnerships as they are separately disclosed in the note on *Public Private Partnerships*.

*Provide a general description of the material leasing arrangements.*

*[Leases paragraph .22(c) and .34]*

*Provide a general discussion on any assets that are sub-leased (if any), indicating the nature of the asset and the lessee (occupant/user of the asset).*

*[Leases paragraph .22(c)]*

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|                                    |             | <b>2022/23</b> | <b>2021/22</b> |
|------------------------------------|-------------|----------------|----------------|
| <i>[Leases paragraph .27(d)]</i>   | <i>Note</i> | <b>R'000</b>   | <b>R'000</b>   |
| Rental earned on sub-leased assets | 3           | -              | -              |
| <b>Total</b>                       |             | -              | -              |

*Provide a description of renewal or purchase options as well as escalation clauses (if any) per lease agreement.*

*[Leases paragraph .22(d)]*

*Describe any restrictions imposed by on the department through any lease agreement (such as restrictions relating to enhancements, repairs & maintenance, sub-leasing and disposal)*

*[Leases paragraph .22(e)]*

*Provide an indication as to whether a reduction in the lease payments was granted in lieu of actual cash from the sale of the asset in a sale and leaseback arrangement.*

*[Leases paragraph .32]*

**28.3. Operating lease future revenue**

*[Leases par .27(a) and (b)]*

|                                                 | <b>2022/23</b>                                |              |                                                         |                                        |              |
|-------------------------------------------------|-----------------------------------------------|--------------|---------------------------------------------------------|----------------------------------------|--------------|
|                                                 | <b>Specialised<br/>military<br/>equipment</b> | <b>Land</b>  | <b>Buildings<br/>and other<br/>fixed<br/>structures</b> | <b>Machinery<br/>and<br/>equipment</b> | <b>Total</b> |
|                                                 | <b>R'000</b>                                  | <b>R'000</b> | <b>R'000</b>                                            | <b>R'000</b>                           | <b>R'000</b> |
| Not later than 1 year                           | -                                             | -            | -                                                       | -                                      | -            |
| Later than 1 year and not later than 5 years    | -                                             | -            | -                                                       | -                                      | -            |
| Later than 5 years                              | -                                             | -            | -                                                       | -                                      | -            |
| <b>Total operating lease revenue receivable</b> | -                                             | -            | -                                                       | -                                      | -            |

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|                                                 | 2021/22                              |       |                                               |                               |       |
|-------------------------------------------------|--------------------------------------|-------|-----------------------------------------------|-------------------------------|-------|
|                                                 | Specialised<br>military<br>equipment | Land  | Buildings<br>and other<br>fixed<br>structures | Machinery<br>and<br>equipment | Total |
|                                                 | R'000                                | R'000 | R'000                                         | R'000                         | R'000 |
| Not later than 1 year                           | -                                    | -     | -                                             | -                             | -     |
| Later than 1 year and not later than 5 years    | -                                    | -     | -                                             | -                             | -     |
| Later than 5 years                              | -                                    | -     | -                                             | -                             | -     |
| <b>Total operating lease revenue receivable</b> | -                                    | -     | -                                             | -                             | -     |

*Provide a of the leasing arrangement including renewal or purchase options as well as escalation clauses (if any).*

*[Leases paragraph .27(c)]*

**29. Accrued departmental revenue**

*[General Departmental Assets and Liabilities par .44]*

|                                                       | <i>Note</i> | 2022/23<br>R'000 | 2021/22<br>R'000 |
|-------------------------------------------------------|-------------|------------------|------------------|
| Tax revenue                                           |             | -                | -                |
| Sales of goods and services other than capital assets |             | -                | -                |
| Fines, penalties and forfeits                         |             | -                | -                |
| Interest, dividends and rent on land                  |             | -                | -                |
| Sales of capital assets                               |             | -                | -                |
| Transactions in financial assets and liabilities      |             | -                | -                |
| Transfers received                                    |             | -                | -                |
| Other                                                 |             | -                | -                |
| <b>Total</b>                                          |             | -                | -                |

*Include discussion here where deemed relevant.*

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**29.1. Analysis of accrued departmental revenue**

|                                                       | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|-------------------------------------------------------|-------------|--------------------------------|--------------------------------|
| Opening balance                                       |             | -                              | -                              |
| Less: amounts received                                |             | -                              | -                              |
| Less: services received in lieu of cash               |             | -                              | -                              |
| Add: amounts recorded                                 |             | -                              | -                              |
| Less: amounts written off/reversed as irrecoverable   |             | -                              | -                              |
| Less: amounts transferred to receivables for recovery |             | -                              | -                              |
| Other ( <i>Specify</i> )                              |             | -                              | -                              |
| <b>Closing balance</b>                                |             | <b>-</b>                       | <b>-</b>                       |

*Include discussion here where deemed relevant.*

**29.2. Accrued departmental revenue written off**

| <b>Nature of losses</b> | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|-------------------------|-------------|--------------------------------|--------------------------------|
|                         |             |                                |                                |
| <b>Total</b>            |             | <b>-</b>                       | <b>-</b>                       |

*Include discussion here where deemed relevant.*

**29.3. Impairment of accrued departmental revenue**

*[General Departmental Assets and Liabilities par .45]*

|                                                        | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|--------------------------------------------------------|-------------|--------------------------------|--------------------------------|
| Estimate of impairment of accrued departmental revenue |             | -                              | -                              |
| <b>Total</b>                                           |             | <b>-</b>                       | <b>-</b>                       |

*Include discussion here where deemed relevant.*

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**30. Unauthorised, Irregular and Fruitless and wasteful expenditure**

*[Treasury Regulation 9.1.5]*

|                                                   | <i>Note</i> | <b>2022/23</b>   | <b>2021/22</b> |
|---------------------------------------------------|-------------|------------------|----------------|
|                                                   |             | <b>R'000</b>     | <b>R'000</b>   |
| Unauthorised expenditure - current year           |             | -                | -              |
| Irregular expenditure - current year              |             | 1 428 542        | 980 739        |
| Fruitless and wasteful expenditure - current year |             | -                | 32             |
| <b>Total</b>                                      |             | <b>1 428 542</b> | <b>980 771</b> |

*Information on any criminal or disciplinary steps taken as a result of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure is included in the annual report under the PFMA Compliance Report.*

**31. Related party transactions**

*[Related Party Disclosures par .18(a) to (g)]*

|                                                       | <i>Note</i> | <b>2022/23</b> | <b>2021/22</b> |
|-------------------------------------------------------|-------------|----------------|----------------|
| <b>Revenue received</b>                               |             | <b>R'000</b>   | <b>R'000</b>   |
| Tax revenue                                           |             | -              | -              |
| Sales of goods and services other than capital assets |             | -              | -              |
| Fines, penalties and forfeits                         |             | -              | -              |
| Interest, dividends and rent on land                  |             | -              | -              |
| Sales of capital assets                               |             | -              | -              |
| Transactions in financial assets and liabilities      |             | -              | -              |
| Transfers received                                    |             | -              | -              |
| <b>Total</b>                                          |             | <b>-</b>       | <b>-</b>       |

|                                | <i>Note</i> | <b>2022/23</b> | <b>2021/22</b> |
|--------------------------------|-------------|----------------|----------------|
| <b>Payments made</b>           |             | <b>R'000</b>   | <b>R'000</b>   |
| Compensation of employees      |             | -              | -              |
| Goods and services             |             | -              | -              |
| Interest and rent on land      |             | -              | -              |
| Expenditure for capital assets |             | -              | -              |
| Payments for financial assets  |             | -              | -              |
| Transfers and subsidies        |             | -              | -              |
| <b>Total</b>                   |             | <b>-</b>       | <b>-</b>       |

**2022/23**

**2021/22**

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| <b>Year end balances arising from revenue/payments</b>                     | <i>Note</i> | <b>R'000</b>             | <b>R'000</b>             |
|----------------------------------------------------------------------------|-------------|--------------------------|--------------------------|
| Receivables from related parties                                           |             | -                        | -                        |
| Payables to related parties                                                |             | -                        | -                        |
| <b>Total</b>                                                               |             | -                        | -                        |
|                                                                            |             |                          |                          |
|                                                                            | <i>Note</i> | <b>2022/23<br/>R'000</b> | <b>2021/22<br/>R'000</b> |
| <b>Loans to/from related parties</b>                                       |             |                          |                          |
| Non-interest bearing loans to/(from)                                       |             | -                        | -                        |
| Interest bearing loans to/(from)                                           |             | -                        | -                        |
| <b>Total</b>                                                               |             | -                        | -                        |
|                                                                            |             |                          |                          |
| <b>Other</b>                                                               | <i>Note</i> | <b>2022/23<br/>R'000</b> | <b>2021/22<br/>R'000</b> |
| Guarantees issued/received                                                 |             | -                        | -                        |
| List other contingent liabilities between the department and related party |             | -                        | -                        |
| <b>Total</b>                                                               |             | -                        | -                        |
|                                                                            |             |                          |                          |
|                                                                            | <i>Note</i> | <b>2022/23<br/>R'000</b> | <b>2021/22<br/>R'000</b> |
| <b>In-kind goods and services provided/received</b>                        |             |                          |                          |
| List in goods and services between the department and related party        |             | -                        | -                        |
| <b>Total</b>                                                               |             | -                        | -                        |

MEC Coghsta, HOD, Chief Directors, Director HRM, Director SCM, Director Legal Services and their close family members, North West Housing Corporation, a schedule 3C entity of the Department, all provincial departments, trading entities, schedules 3C and 3D public entities as well as the provincial legislature. Monies paid to NWHC are disclosed under transfers and subsidies. The Department of Public works and Cogta are providing the Department with office accommodation at no cost. Department of Cogta is under the leadership of the same MEC as the Department of Human Settlements. There were no related party transactions between the Department and its related parties. All transactions were at arms length.

Include discussion here where deemed relevant.

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**32. Key management personnel**

*[Related Party Disclosures par .21]*

|                                                          | <b>2022/23</b> | <b>2021/22</b> |
|----------------------------------------------------------|----------------|----------------|
|                                                          | <b>R'000</b>   | <b>R'000</b>   |
| Political office bearers ( <i>provide detail below</i> ) | -              | -              |
| Officials:                                               |                |                |
| Level 12-14                                              | 7 464          | 7 059          |
| Level 15                                                 | 1 774          | 1 613          |
| Family members of key management personnel               | -              | -              |
| <b>Total</b>                                             | <b>9 238</b>   | <b>8 672</b>   |

|                                                           | <b>2022/23</b> | <b>2021/22</b> |
|-----------------------------------------------------------|----------------|----------------|
|                                                           | <b>R'000</b>   | <b>R'000</b>   |
| <b>Key management personnel (Parliament/Legislatures)</b> |                |                |
| Speaker to Parliament/Legislature                         | -              | -              |
| Deputy Speaker                                            | -              | -              |
| Secretary to Parliament/Legislature                       | -              | -              |
| Deputy Secretary                                          | -              | -              |
| Chief Financial Officer                                   | -              | -              |
| Legal advisor                                             | -              | -              |
| Other                                                     | -              | -              |
| <b>Total</b>                                              | <b>-</b>       | <b>-</b>       |

*The MEC holds same portfolio in two departments and her remuneration is paid out of Department of cooperative governance and traditional affairs (Cogta). Acting HOD for the periods 1 April 2022-31 March 2023 has been paid an amount of R1 355 064.55*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**33. Public private partnership**

*[Financial Statement Presentation par .47(a) to (f)]*

|                                               | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|-----------------------------------------------|------|------------------|------------------|
| <b>Concession fee received</b>                |      | -                | -                |
| Base fee received                             |      | -                | -                |
| Variable fee received                         |      | -                | -                |
| Other fees received ( <i>Specify</i> )        |      | -                | -                |
| <b>Unitary fee paid</b>                       |      | -                | -                |
| Fixed component                               |      | -                | -                |
| Indexed component                             |      | -                | -                |
| <b>Analysis of indexed component</b>          |      | -                | -                |
| Compensation of employees                     |      | -                | -                |
| Goods and services (excluding lease payments) |      | -                | -                |
| Operating leases                              |      | -                | -                |
| Interest                                      |      | -                | -                |
| <b>Capital / (Liabilities)</b>                |      | -                | -                |
| Tangible rights                               |      | -                | -                |
| Intangible rights                             |      | -                | -                |
| Property                                      |      | -                | -                |
| Plant and equipment                           |      | -                | -                |
| Loans                                         |      | -                | -                |
| <b>Other</b>                                  |      | -                | -                |
| Prepayments and advances                      |      | -                | -                |
| Pre-production obligations                    |      | -                | -                |
| Other obligations                             |      | -                | -                |

Any guarantees issued by the department are disclosed in the Note on Contingent liabilities.

*Provide a summary of the significant terms of the agreement, along with the parties to the agreement, and the date of commencement thereof*

***[Financial Statement Presentation par .47(c)]***

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

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

*[General Departmental Assets and Liabilities par .45]*

|                       | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|-----------------------|-------------|--------------------------------|--------------------------------|
| <i>Please specify</i> |             | -                              | -                              |
| <b>Total</b>          |             | -                              | -                              |

*Include discussion here where deemed relevant.*

**35. Provisions**

*[Provisions and contingents par .45]*

|                       | <i>Note</i> | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|-----------------------|-------------|--------------------------------|--------------------------------|
| <i>Please specify</i> |             | -                              | -                              |
| <b>Total</b>          |             | -                              | -                              |

*Include discussion here where deemed relevant.*

**35.1. Reconciliation of movement in provisions - Current year**

|                                                           | <b>2022/23</b>         |                        |                    |                             |
|-----------------------------------------------------------|------------------------|------------------------|--------------------|-----------------------------|
|                                                           | <b>Provision<br/>1</b> | <b>Provision<br/>2</b> | <b>Provision 3</b> | <b>Total<br/>provisions</b> |
|                                                           | <b>R'000</b>           | <b>R'000</b>           | <b>R'000</b>       | <b>R'000</b>                |
| Opening balance                                           | -                      | -                      | -                  | -                           |
| Increase in provision                                     | -                      | -                      | -                  | -                           |
| Settlement of provision                                   | -                      | -                      | -                  | -                           |
| Unused amount reversed                                    | -                      | -                      | -                  | -                           |
| Reimbursement expected from third party                   | -                      | -                      | -                  | -                           |
| Change in provision due to change in estimation of inputs | -                      | -                      | -                  | -                           |
| <b>Closing balance</b>                                    | -                      | -                      | -                  | -                           |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

*Include discussion here where deemed relevant.*

**Reconciliation of movement in provisions - Prior year**

|                                                           | <b>2021/22</b>         |                        |                        |                             |
|-----------------------------------------------------------|------------------------|------------------------|------------------------|-----------------------------|
|                                                           | <b>Provision<br/>1</b> | <b>Provision<br/>2</b> | <b>Provision<br/>3</b> | <b>Total<br/>provisions</b> |
|                                                           | <b>R'000</b>           | <b>R'000</b>           | <b>R'000</b>           | <b>R'000</b>                |
| Opening balance                                           | -                      | -                      | -                      | -                           |
| Increase in provision                                     | -                      | -                      | -                      | -                           |
| Settlement of provision                                   | -                      | -                      | -                      | -                           |
| Unused amount reversed                                    | -                      | -                      | -                      | -                           |
| Reimbursement expected from third party                   | -                      | -                      | -                      | -                           |
| Change in provision due to change in estimation of inputs | -                      | -                      | -                      | -                           |
| <b>Closing balance</b>                                    | <b>-</b>               | <b>-</b>               | <b>-</b>               | <b>-</b>                    |

*Include discussion here where deemed relevant.*

*Provide a brief description of the nature of each obligation and the expected timing of any resulting outflows of economic benefits or service potential.*

**[Provisions and Contingents par .46(a)]**

*Provide a description of the uncertainties/estimates applied for each provision. Where necessary, provide information on the major assumptions made concerning future events.*

**[Provisions and Contingents par .46(b)]**

*Where the disclosure requirements of the Standards are not done due to the sensitivity of the information, disclose this fact with reasons.*

**[Provisions and Contingents par .67]**

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**36. Non-adjusting events after reporting date**

*[Events After the Reporting Date par .17]*

|                                                                                                                                               |      | 2022/23 |
|-----------------------------------------------------------------------------------------------------------------------------------------------|------|---------|
| Nature of the event                                                                                                                           | Note | R'000   |
| <i>Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made</i> |      |         |
| Total                                                                                                                                         |      | -       |

*Include discussion here where deemed relevant.*

**37. Movable Tangible Capital Assets**

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

*[Capital Assets par .96]*

|                                              | 2022/23         |                   |              |           |                 |
|----------------------------------------------|-----------------|-------------------|--------------|-----------|-----------------|
|                                              | Opening balance | Value adjustments | Additions    | Disposals | Closing balance |
|                                              | R'000           | R'000             | R'000        | R'000     | R'000           |
| <b>HERITAGE ASSETS</b>                       | -               | -                 | -            | -         | -               |
| Heritage assets                              | -               | -                 | -            | -         | -               |
| <b>MACHINERY AND EQUIPMENT</b>               | <b>14 417</b>   | -                 | <b>2 765</b> | -         | <b>17 182</b>   |
| Transport assets                             | 4 229           | -                 | -            | -         | 4 229           |
| Computer equipment                           | 7 084           | -                 | 2 239        | -         | 9 323           |
| Furniture and office equipment               | 1 852           | -                 | 206          | -         | 2 058           |
| Other machinery and equipment                | 1 252           | -                 | 320          | -         | 1 572           |
| <b>SPECIALISED MILITARY ASSETS</b>           | -               | -                 | -            | -         | -               |
| Specialised military assets                  | -               | -                 | -            | -         | -               |
| <b>BIOLOGICAL ASSETS</b>                     | -               | -                 | -            | -         | -               |
| Biological assets                            | -               | -                 | -            | -         | -               |
| <b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b> | <b>14 417</b>   | -                 | <b>2 765</b> | -         | <b>17 182</b>   |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

*Include discussion here where deemed relevant.*

**Movable Tangible Capital Assets under investigation**  
*[Capital Assets par .102]*

|                                                                                                                                | <b>Number</b> | <b>Value</b><br><b>R'000</b> |
|--------------------------------------------------------------------------------------------------------------------------------|---------------|------------------------------|
| <b>Included in the above total of the movable tangible capital assets per the asset register that are under investigation:</b> | <i>Note</i>   |                              |
| Heritage assets                                                                                                                | -             | -                            |
| Machinery and equipment                                                                                                        | -             | -                            |
| Specialised military assets                                                                                                    | -             | -                            |
| Biological assets                                                                                                              | -             | -                            |
| <b>Total</b>                                                                                                                   | <b>-</b>      | <b>-</b>                     |

*Provide reasons why assets are under investigation and actions being taken to resolve the matters.*

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

*[Capital Assets par .96(b)]*

|                                    | <b>2021/22</b>             |                               |                  |                  |                            |
|------------------------------------|----------------------------|-------------------------------|------------------|------------------|----------------------------|
|                                    | <b>Opening<br/>balance</b> | <b>Prior period<br/>error</b> | <b>Additions</b> | <b>Disposals</b> | <b>Closing<br/>balance</b> |
|                                    | <b>R'000</b>               | <b>R'000</b>                  | <b>R'000</b>     | <b>R'000</b>     | <b>R'000</b>               |
| <b>HERITAGE ASSETS</b>             | -                          | -                             | -                | -                | -                          |
| Heritage assets                    | -                          | -                             | -                | -                | -                          |
| <b>MACHINERY AND EQUIPMENT</b>     | <b>6 748</b>               | <b>-</b>                      | <b>7 669</b>     | <b>-</b>         | <b>14 417</b>              |
| Transport assets                   | -                          | -                             | 4 229            | -                | 4 229                      |
| Computer equipment                 | 4 824                      | -                             | 2 260            | -                | 7 084                      |
| Furniture and office equipment     | 1 109                      | -                             | 743              | -                | 1 852                      |
| Other machinery and equipment      | 815                        | -                             | 437              | -                | 1 252                      |
| <b>SPECIALISED MILITARY ASSETS</b> |                            |                               |                  |                  |                            |
| Specialised military assets        |                            |                               |                  |                  |                            |
| <b>BIOLOGICAL ASSETS</b>           |                            |                               |                  |                  |                            |
| Biological assets                  |                            |                               |                  |                  |                            |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**TOTAL MOVABLE TANGIBLE  
CAPITAL ASSETS**

|  |  |  |  |  |
|--|--|--|--|--|
|  |  |  |  |  |
|--|--|--|--|--|

*Include discussion here where deemed relevant.*

**37.1.1. Prior period error**

*[Accounting Policies, Estimates and Errors par .30]*

| Nature of prior period error                               | Note | 2021/22<br>R'000 |
|------------------------------------------------------------|------|------------------|
| Relating to 2021/22 <i>[affecting the opening balance]</i> |      | -                |
|                                                            |      | -                |
|                                                            |      | -                |
| Relating to 20XX/YY                                        |      | -                |
|                                                            |      | -                |
| <b>Total prior period errors</b>                           |      | <b>-</b>         |

*Include discussion here where deemed relevant.*

**37.2. Minor assets**

*[Capital Assets par .97]*

**MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31  
MARCH 20ZZ**

|                           | 2021/22                           |                      |                    |                               |                      |
|---------------------------|-----------------------------------|----------------------|--------------------|-------------------------------|----------------------|
|                           | Specialised<br>military<br>assets | Intangible<br>assets | Heritage<br>assets | Machinery<br>and<br>equipment | Biological<br>assets |
|                           | R'000                             | R'000                | R'000              | R'000                         | R'000                |
| Opening balance           | -                                 | -                    | -                  | 2 333                         | -                    |
| Value adjustments         |                                   |                      |                    |                               | -                    |
| Additions                 |                                   |                      |                    | 286                           |                      |
| Disposals                 | -                                 | -                    | -                  | -                             | -                    |
| <b>Total Minor assets</b> | <b>-</b>                          | <b>-</b>             | <b>-</b>           | <b>2 619</b>                  | <b>-</b>             |

| Specialised | Intangible | Heritage | Machinery | Biological | Total |
|-------------|------------|----------|-----------|------------|-------|
|-------------|------------|----------|-----------|------------|-------|

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

|                                     | <b>military<br/>assets</b> | <b>assets</b> | <b>assets</b> | <b>and<br/>equipment</b> | <b>assets</b> |              |
|-------------------------------------|----------------------------|---------------|---------------|--------------------------|---------------|--------------|
| Number of R1 minor assets           | -                          | -             | -             | 3                        | -             | 3            |
| Number of minor assets at cost      | -                          | -             | -             | 1 164                    | -             | 1 164        |
| <b>Total number of minor assets</b> | -                          | -             | -             | <b>1 167</b>             | -             | <b>1 167</b> |

*Include discussion here where deemed relevant.*

**Minor capital assets under investigation**  
**[Capital Assets par .102]**

|                                                                                                                     | <b>Number</b> | <b>Value</b> |
|---------------------------------------------------------------------------------------------------------------------|---------------|--------------|
|                                                                                                                     | <i>Note</i>   | <b>R'000</b> |
| <b>Included in the above total of the minor capital assets per the asset register that are under investigation:</b> | -             | -            |
| Specialised military assets                                                                                         | -             | -            |
| Intangible assets                                                                                                   | -             | -            |
| Heritage assets                                                                                                     | -             | -            |
| Machinery and equipment                                                                                             | -             | -            |
| Biological assets                                                                                                   | -             | -            |

*Provide reasons why assets are under investigation and actions being taken to resolve the matters.*

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

**2021/22**

|                           | <b>Specialised<br/>military<br/>assets</b> | <b>Intangible<br/>assets</b> | <b>Heritage<br/>assets</b> | <b>Machinery<br/>and<br/>equipment</b> | <b>Biological<br/>assets</b> | <b>Total</b> |
|---------------------------|--------------------------------------------|------------------------------|----------------------------|----------------------------------------|------------------------------|--------------|
|                           | <b>R'000</b>                               | <b>R'000</b>                 | <b>R'000</b>               | <b>R'000</b>                           | <b>R'000</b>                 | <b>R'000</b> |
| Opening balance           | -                                          | -                            | -                          | 2 092                                  | -                            | 2 092        |
| Prior period error        | -                                          | -                            | -                          | -                                      | -                            | -            |
| Additions                 | -                                          | -                            | -                          | 241                                    | -                            | 241          |
| Disposals                 | -                                          | -                            | -                          | -                                      | -                            | -            |
| <b>Total Minor assets</b> | -                                          | -                            | -                          | <b>2 333</b>                           | -                            | <b>2 333</b> |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

|                                         | Specialised<br>military<br>assets | Intangible<br>assets | Heritage<br>assets | Machinery<br>and<br>equipment | Biological<br>assets | Total        |
|-----------------------------------------|-----------------------------------|----------------------|--------------------|-------------------------------|----------------------|--------------|
| Number of R1 minor<br>assets            | -                                 | -                    | -                  | 3                             | -                    | 3            |
| Number of minor assets<br>at cost       | -                                 | -                    | -                  | 1 126                         | -                    | 1 126        |
| <b>Total number of minor<br/>assets</b> | <b>-</b>                          | <b>-</b>             | <b>-</b>           | <b>1 129</b>                  | <b>-</b>             | <b>1 129</b> |

*Include discussion here where deemed relevant.*

**37.2.1. Prior period error**

*[Accounting Policies, Estimates and Errors par .30]*

| Nature of prior period error                               | Note | 2021/22<br>R'000 |
|------------------------------------------------------------|------|------------------|
| Relating to 20WW/XX <i>[affecting the opening balance]</i> |      | -                |
|                                                            |      | -                |
| Relating to 20XX/YY                                        |      | -                |
|                                                            |      | -                |
| <b>Total prior period errors</b>                           |      | <b>-</b>         |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**37.3. Movable tangible capital assets written off**

*[Capital Assets par .98]*

**MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2023**

|                                             | 2022/23                           |                      |                    |                               |                      |
|---------------------------------------------|-----------------------------------|----------------------|--------------------|-------------------------------|----------------------|
|                                             | Specialised<br>military<br>assets | Intangible<br>assets | Heritage<br>assets | Machinery<br>and<br>equipment | Biological<br>assets |
|                                             | R'000                             | R'000                | R'000              | R'000                         | R'000                |
| Assets written off                          |                                   |                      |                    |                               |                      |
| <b>Total movable assets<br/>written off</b> | -                                 | -                    | -                  | -                             | -                    |

**MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2022**

|                                             | 2021/22                           |                      |                    |                               |                      |
|---------------------------------------------|-----------------------------------|----------------------|--------------------|-------------------------------|----------------------|
|                                             | Specialised<br>military<br>assets | Intangible<br>assets | Heritage<br>assets | Machinery<br>and<br>equipment | Biological<br>assets |
|                                             | R'000                             | R'000                | R'000              | R'000                         | R'000                |
| Assets written off                          |                                   |                      |                    |                               |                      |
| <b>Total movable assets<br/>written off</b> | -                                 | -                    | -                  | -                             | -                    |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**37.4. Movable tangible capital assets: Capital Work-in-progress**

*[Capital Assets par .103]*

**CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023**

| <b>2022/23</b>              |                                                 |                             |                                                                                         |                                                  |
|-----------------------------|-------------------------------------------------|-----------------------------|-----------------------------------------------------------------------------------------|--------------------------------------------------|
|                             | <b>Opening<br/>balance<br/>1 April<br/>2022</b> | <b>Current<br/>Year WIP</b> | <b>Ready for<br/>use<br/>(Assets to<br/>the AR) /<br/>Contracts<br/>terminate<br/>d</b> | <b>Closing<br/>balance<br/>31 March<br/>2023</b> |
| <i>Note</i>                 | <b>R'000</b>                                    | <b>R'000</b>                | <b>R'000</b>                                                                            | <b>R'000</b>                                     |
| Heritage assets             | -                                               | -                           | -                                                                                       | -                                                |
| Machinery and equipment     | -                                               | -                           | -                                                                                       | -                                                |
| Specialised military assets | -                                               | -                           | -                                                                                       | -                                                |
| Biological assets           | -                                               | -                           | -                                                                                       | -                                                |
| <b>Total</b>                | -                                               | -                           | -                                                                                       | -                                                |

*Include discussion here where deemed relevant.*

**Payables not recognised relating to Capital WIP**

*[Capital Assets par .103(c)]*

|                                                                                                                                           | <b>2022/23</b> | <b>2021/22</b> |
|-------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| <i>Note</i>                                                                                                                               | <b>R'000</b>   | <b>R'000</b>   |
| <i>Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress</i> | -              | -              |
| <b>Total</b>                                                                                                                              | -              | -              |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023**

| 2022/23                     |                                       |                          |                     |                                                                     |                                        |
|-----------------------------|---------------------------------------|--------------------------|---------------------|---------------------------------------------------------------------|----------------------------------------|
|                             | Opening<br>balance<br>1 April<br>2022 | Prior<br>period<br>error | Current<br>Year WIP | Ready for<br>use (Assets<br>to the AR) /<br>Contracts<br>terminated | Closing<br>balance<br>31 March<br>2023 |
| <i>Note</i>                 | R'000                                 | R'000                    | R'000               | R'000                                                               | R'000                                  |
| Heritage assets             |                                       |                          |                     |                                                                     |                                        |
| Machinery and equipment     | -                                     | -                        | -                   | -                                                                   | -                                      |
| Specialised military assets | -                                     | -                        | -                   | -                                                                   | -                                      |
| Biological assets           | -                                     | -                        | -                   | -                                                                   | -                                      |
| <b>Total</b>                | -                                     | -                        | -                   | -                                                                   | -                                      |

*Annex 7*

*Include discussion here where deemed relevant.*

**38. Intangible Capital Assets**

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023**

*[Capital Assets par .99]*

| 2022/23                                                          |                    |           |           |                    |
|------------------------------------------------------------------|--------------------|-----------|-----------|--------------------|
|                                                                  | Opening<br>balance | Additions | Disposals | Closing<br>balance |
|                                                                  | R'000              | R'000     | R'000     | R'000              |
| <b>SOFTWARE</b>                                                  | -                  | -         | -         | -                  |
| <b>MASTHEADS AND PUBLISHING TITLES</b>                           | -                  | -         | -         | -                  |
| <b>PATENTS, LICENCES, COPYRIGHT,<br/>BRAND NAMES, TRADEMARKS</b> | -                  | -         | -         | -                  |
| <b>RECIPES, FORMULAE, PROTOTYPES,<br/>DESIGNS, MODELS</b>        | -                  | -         | -         | -                  |
| <b>SERVICES AND OPERATING RIGHTS</b>                             | -                  | -         | -         | -                  |
| <b>TOTAL INTANGIBLE CAPITAL ASSETS</b>                           | -                  | -         | -         | -                  |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

*Include discussion here where deemed relevant.*

**Intangible Capital Assets under investigation**  
**[Capital Assets par .102]**

|                                                                                                                          | Number | Value<br>R'000 |
|--------------------------------------------------------------------------------------------------------------------------|--------|----------------|
| <i>Note</i>                                                                                                              |        |                |
| <b>Included in the above total of the intangible capital assets per the asset register that are under investigation:</b> |        |                |
| Software                                                                                                                 | -      | -              |
| Mastheads and publishing titles                                                                                          | -      | -              |
| Patents, licences, copyright, brand names, trademarks                                                                    | -      | -              |
| Recipes, formulae, prototypes, designs, models                                                                           | -      | -              |
| Services and operating rights                                                                                            | -      | -              |

*Provide reasons why assets are under investigation and actions being taken to resolve the matters.*

**38.1. MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023**

**[Capital Assets par .99(b)]**

|                                                                  | 2022/23            |                       |           |           |                    |
|------------------------------------------------------------------|--------------------|-----------------------|-----------|-----------|--------------------|
|                                                                  | Opening<br>balance | Prior period<br>error | Additions | Disposals | Closing<br>balance |
|                                                                  | R'000              | R'000                 | R'000     | R'000     | R'000              |
| <b>SOFTWARE</b>                                                  | -                  | -                     | -         | -         | -                  |
| <b>MASTHEADS AND PUBLISHING<br/>TITLES</b>                       | -                  | -                     | -         | -         | -                  |
| <b>PATENTS, LICENCES, COPYRIGHT,<br/>BRAND NAMES, TRADEMARKS</b> | -                  | -                     | -         | -         | -                  |
| <b>RECIPES, FORMULAE,<br/>PROTOTYPES, DESIGNS, MODELS</b>        | -                  | -                     | -         | -         | -                  |
| <b>SERVICES AND OPERATING<br/>RIGHTS</b>                         | -                  | -                     | -         | -         | -                  |
| <b>TOTAL INTANGIBLE CAPITAL<br/>ASSETS</b>                       | -                  | -                     | -         | -         | -                  |

**(HUMAN SETTLEMENTS)**  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**38.1.1. Prior period error**

*[Accounting Policies, Estimates and Errors par .30]*

| Nature of prior period error                               | Note | 2021/22<br>R'000 |
|------------------------------------------------------------|------|------------------|
| Relating to 20WW/XX <i>[affecting the opening balance]</i> |      | -                |
|                                                            |      | -                |
|                                                            |      | -                |
| Relating to 20XX/YY                                        |      | -                |
|                                                            |      | -                |
|                                                            |      | -                |
| <b>Total prior period errors</b>                           |      | -                |

*Include discussion here where deemed relevant.*

**38.2. Intangible capital assets: Capital Work-in-progress**

*[Capital Assets par .103]*

**CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023**

|                   |         | Opening<br>balance<br>1 April<br>2022 | Current<br>Year WIP | Ready for<br>use<br>(Assets to<br>the AR) /<br>Contracts<br>terminated | Closing<br>balance<br>31 March<br>2023 |
|-------------------|---------|---------------------------------------|---------------------|------------------------------------------------------------------------|----------------------------------------|
|                   | Note    | R'000                                 | R'000               | R'000                                                                  | R'000                                  |
| Intangible assets | Annex 7 | -                                     | -                   | -                                                                      | -                                      |
| <b>Total</b>      |         | -                                     | -                   | -                                                                      | -                                      |

*Include discussion here where deemed relevant.*

**Payables not recognised relating to Capital WIP**

*[Capital Assets par .103(c)]*

|                                                                                                                                    | Note | 2022/2<br>R'000 | 2021/22<br>R'000 |
|------------------------------------------------------------------------------------------------------------------------------------|------|-----------------|------------------|
| Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress |      | -               | -                |
| <b>Total</b>                                                                                                                       |      | -               | -                |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

*Include discussion here where deemed relevant.*

**CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2022**

|                   | Opening<br>balance<br>1 April 2021 | Prior<br>period<br>error | Current<br>Year<br>WIP | Ready for<br>use (Assets<br>to the AR) /<br>Contracts<br>terminated | Closing<br>balance<br>31 March<br>2022 |
|-------------------|------------------------------------|--------------------------|------------------------|---------------------------------------------------------------------|----------------------------------------|
| <i>Note</i>       | R'000                              | R'000                    | R'000                  | R'000                                                               | R'000                                  |
| Intangible assets | -                                  | -                        | -                      | -                                                                   | -                                      |
| <b>Total</b>      | -                                  | -                        | -                      | -                                                                   | -                                      |

*Include discussion here where deemed relevant.*

**39. Immovable Tangible Capital Assets**

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

*[Capital Assets par .100(a) and (b)]*

|                                                | <b>2022/23</b>     |           |           |                    |
|------------------------------------------------|--------------------|-----------|-----------|--------------------|
|                                                | Opening<br>balance | Additions | Disposals | Closing<br>balance |
|                                                | R'000              | R'000     | R'000     | R'000              |
| <b>BUILDINGS AND OTHER FIXED STRUCTURES</b>    | -                  | -         | -         | -                  |
| Dwellings                                      | -                  | -         | -         | -                  |
| Non-residential buildings                      | -                  | -         | -         | -                  |
| Other fixed structures                         | -                  | -         | -         | -                  |
| <b>HERITAGE ASSETS</b>                         |                    |           |           |                    |
| Heritage assets                                | -                  | -         | -         | -                  |
| <b>LAND AND SUBSOIL ASSETS</b>                 | -                  | -         | -         | -                  |
| Land                                           | -                  | -         | -         | -                  |
| Mineral and similar non-regenerative resources | -                  | -         | -         | -                  |

**(HUMAN SETTLEMENTS)**  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS**

|   |   |   |   |
|---|---|---|---|
| - | - | - | - |
|---|---|---|---|

*Include discussion here where deemed relevant.*

**Immovable Tangible Capital Assets under investigation**  
**[Capital Assets par .102]**

|                                                                                                                                  | Number | Value<br>R'000 |
|----------------------------------------------------------------------------------------------------------------------------------|--------|----------------|
| <i>Note</i>                                                                                                                      |        |                |
| <b>Included in the above total of the immovable tangible capital assets per the asset register that are under investigation:</b> | -      | -              |
| Buildings and other fixed structures                                                                                             | -      | -              |
| Heritage assets                                                                                                                  | -      | -              |
| Land and subsoil assets                                                                                                          | -      | -              |
| <b>Total</b>                                                                                                                     | -      | -              |

*Provide reasons why assets are under investigation and actions being taken to resolve the matters.*

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

**[Capital Assets par .100(b)]**

|                                                | 2021/22            |                       |           |           |                    |
|------------------------------------------------|--------------------|-----------------------|-----------|-----------|--------------------|
|                                                | Opening<br>balance | Prior period<br>error | Additions | Disposals | Closing<br>balance |
|                                                | R'000              | R'000                 | R'000     | R'000     | R'000              |
| <b>BUILDINGS AND OTHER FIXED STRUCTURES</b>    | -                  | -                     | -         | -         | -                  |
| Dwellings                                      | -                  | -                     | -         | -         | -                  |
| Non-residential buildings                      | -                  | -                     | -         | -         | -                  |
| Other fixed structures                         | -                  | -                     | -         | -         | -                  |
| <b>HERITAGE ASSETS</b>                         | -                  | -                     | -         | -         | -                  |
| Heritage assets                                | -                  | -                     | -         | -         | -                  |
| <b>LAND AND SUBSOIL ASSETS</b>                 | -                  | -                     | -         | -         | -                  |
| Land                                           | -                  | -                     | -         | -         | -                  |
| Mineral and similar non-regenerative resources | -                  | -                     | -         | -         | -                  |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**TOTAL IMMOVABLE TANGIBLE  
CAPITAL ASSETS**

|   |   |   |   |   |
|---|---|---|---|---|
| - | - | - | - | - |
|---|---|---|---|---|

*Include discussion here where deemed relevant.*

**39.1.1. Prior period error**

*[Accounting Policies, Estimates and Errors par .30]*

| Nature of prior period error                               | Note | 2021/22<br>R'000 |
|------------------------------------------------------------|------|------------------|
| Relating to 20WW/XX <i>[affecting the opening balance]</i> |      | -                |
|                                                            |      | -                |
|                                                            |      | -                |
| Relating to 20XX/YY                                        |      | -                |
|                                                            |      | -                |
| <b>Total prior period errors</b>                           |      | -                |

*Include discussion here where deemed relevant.*

**39.2. Immovable tangible capital assets: Capital Work-in-progress.**

*[Capital Assets par .103]*

**CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023**

|                                      | 2022/23                               |                     |                                                                        |                                        |
|--------------------------------------|---------------------------------------|---------------------|------------------------------------------------------------------------|----------------------------------------|
|                                      | Opening<br>balance<br>1 April<br>2022 | Current<br>Year WIP | Ready for<br>use<br>(Assets to<br>the AR) /<br>Contracts<br>terminated | Closing<br>balance<br>31 March<br>2023 |
| Note<br>Annex 7                      | R'000                                 | R'000               | R'000                                                                  | R'000                                  |
| Heritage assets                      | -                                     | -                   | -                                                                      | -                                      |
| Buildings and other fixed structures | -                                     | -                   | -                                                                      | -                                      |
| Land and subsoil assets              | -                                     | -                   | -                                                                      | -                                      |
| <b>Total</b>                         | -                                     | -                   | -                                                                      | -                                      |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

*Include discussion here where deemed relevant.*

**Payables not recognised relating to Capital WIP**

*[Capital Assets par .103(c)]*

*Note*

**2022/23**

**R'000**

**2021/22**

**R'000**

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

-

-

**Total**

-

-

*Include discussion here where deemed relevant.*

**CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2022**

**2021/22**

|                                         | Opening<br>balance<br>1 April 2021 | Prior<br>period<br>error | Current<br>Year<br>WIP | Ready for<br>use (Assets<br>to the AR) /<br>Contracts<br>terminated | Closing<br>balance<br>31 March<br>2022 |
|-----------------------------------------|------------------------------------|--------------------------|------------------------|---------------------------------------------------------------------|----------------------------------------|
| <i>Note</i>                             | <b>R'000</b>                       | <b>R'000</b>             | <b>R'000</b>           | <b>R'000</b>                                                        | <b>R'000</b>                           |
| Heritage assets                         | -                                  | -                        | -                      | -                                                                   | -                                      |
| Buildings and other fixed<br>structures | -                                  | -                        | -                      | -                                                                   | -                                      |
| Land and subsoil assets                 | -                                  | -                        | -                      | -                                                                   | -                                      |
| <b>Total</b>                            | -                                  | -                        | -                      | -                                                                   | -                                      |

*Include discussion here where deemed relevant.*

**39.3. Immovable tangible capital assets written off**

*[Capital assets par .101]*

**IMMOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2023**

**2022/23**

| <b>Buildings<br/>and other<br/>fixed</b> | <b>Heritage<br/>assets</b> | <b>Land and<br/>subsoil<br/>assets</b> | <b>Total =</b> |
|------------------------------------------|----------------------------|----------------------------------------|----------------|
|------------------------------------------|----------------------------|----------------------------------------|----------------|

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

|                                                   | structures |       |       |       |
|---------------------------------------------------|------------|-------|-------|-------|
|                                                   | R'000      | R'000 | R'000 | R'000 |
| Assets written off                                | -          | -     | -     | -     |
| <b>Total Immovable capital assets written off</b> | -          | -     | -     | -     |

*Include discussion here where deemed relevant.*

**IMMOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2022**

|                                                   | 2021/22                              |                 |                         |       |
|---------------------------------------------------|--------------------------------------|-----------------|-------------------------|-------|
|                                                   | Buildings and other fixed structures | Heritage assets | Land and subsoil assets | Total |
|                                                   | R'000                                | R'000           | R'000                   | R'000 |
| Assets written off                                | -                                    | -               | -                       | -     |
| <b>Total immovable capital assets written off</b> | -                                    | -               | -                       | -     |

*Include discussion here where deemed relevant.*

**39.4. Immovable capital assets (additional information)**

*[Capital assets par .100(c)]*

|                                    | Note    | 2022/23 | 2021/22 |
|------------------------------------|---------|---------|---------|
|                                    |         | Area    | Area    |
| a) <b>Unsurveyed land</b>          | Annex 9 |         |         |
| b) <b>Properties deemed vested</b> | Annex 9 |         |         |
| <b>Land parcels</b>                |         |         |         |
| <b>Facilities</b>                  |         |         |         |
| Schools                            |         | -       | -       |
| Clinics                            |         | -       | -       |
| Hospitals                          |         | -       | -       |
| Office buildings                   |         | -       | -       |
| Dwellings                          |         | -       | -       |
| Storage facilities                 |         | -       | -       |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

|                                           |                        |                |   |   |
|-------------------------------------------|------------------------|----------------|---|---|
| Other                                     |                        |                | - | - |
| <b>c) Facilities on unsurveyed land</b>   | <b>Duration of use</b> | <i>Annex 9</i> |   |   |
| Schools                                   |                        |                | - | - |
| Clinics                                   |                        |                | - | - |
| Hospitals                                 |                        |                | - | - |
| Office buildings                          |                        |                | - | - |
| Dwellings                                 |                        |                | - | - |
| Storage facilities                        |                        |                | - | - |
| Other                                     |                        |                | - | - |
|                                           |                        |                | - | - |
| <b>d) Facilities on right to use land</b> | <b>Duration of use</b> | <i>Annex 9</i> |   |   |
| Schools                                   |                        |                |   |   |
| Clinics                                   |                        |                | - | - |
| Hospitals                                 |                        |                | - | - |
| Office buildings                          |                        |                | - | - |
| Dwellings                                 |                        |                | - | - |
| Storage facilities                        |                        |                | - | - |
| Other                                     |                        |                | - | - |
|                                           |                        |                | - | - |
| <b>e) Agreement of custodianship</b>      |                        | <i>Annex 9</i> |   |   |
| <b>Land parcels</b>                       |                        |                |   |   |
| <b>Facilities</b>                         |                        |                | - | - |
| Schools                                   |                        |                | - | - |
| Clinics                                   |                        |                | - | - |
| Hospitals                                 |                        |                | - | - |
| Office buildings                          |                        |                | - | - |
| Dwellings                                 |                        |                | - | - |
| Storage facilities                        |                        |                | - | - |
| Other                                     |                        |                | - | - |

*Include discussion here where deemed relevant.*

**(HUMAN SETTLEMENTS)**  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**40. Principal-agent arrangements**

**40.1. Department acting as the principal**

*[Accounting by Principals and Agents par .63(a) and .68(b)]*

|                                                                                                                                                            | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------------------|------------------|
| <i>Include a list of the entities acting as agents for the department, the fee paid as compensation to the agent and any other transactions undertaken</i> |      | -                | -                |
| <b>Total</b>                                                                                                                                               |      | -                | -                |

*For each of the individual principal-agent arrangements of the department, provide a description of the nature, circumstances, significant judgment applied, significant terms and conditions, any significant risks and benefits relating to the arrangements with the agents*

***[Accounting by Principals and Agents par .63]***

*In instances where the department has numerous principal-agent arrangements that are similar in nature, circumstances and terms, these can be grouped to provide a summary of the description of the nature, circumstances and terms relating to the similar arrangements.*

*For each of the individual principal-agent arrangements include a discussion of the resource or cost implications for the principal if the principal-agent arrangement is terminated.*

***[Accounting by Principals and Agents par .68(c)]***

*For each of the individual principal-agent arrangements include a discussion of the resources (including assets and liabilities) that are under the custodianship of the agent and whether or not those resources have been recognised or recorded by the agent.*

***[Accounting by Principals and Agents par .68(a)]***

**(HUMAN SETTLEMENTS)**  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**40.2. Department acting as the agent**

**40.2.1. Revenue received for agency activities**

*[Accounting by Principals and Agents par .64(b)]*

|                                                                                                                                  | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|----------------------------------------------------------------------------------------------------------------------------------|------|------------------|------------------|
| <i>Include a list of the entities for which the department acts as an agent and the amounts received for these agency duties</i> |      | -                | -                |
| <b>Total</b>                                                                                                                     |      | -                | -                |

*For each of the individual principal-agent arrangements of the department, provide a description of the nature, circumstances, significant judgment applied, significant terms and conditions, any significant risks and benefits relating to the arrangements with the agents*

***[Accounting by Principals and Agents par .63]***

*In instances where the department has numerous principal-agent arrangements that are similar in nature, circumstances and terms, these can be grouped to provide a summary of the description of the nature, circumstances and terms relating to the similar arrangements.*

**40.2.2. Reconciliation of funds and disbursements - Current year**

*[Accounting by Principals and Agents par .65(a) and (b)]*

|                                                    | 2022/23                 |                                          |
|----------------------------------------------------|-------------------------|------------------------------------------|
|                                                    | Total funds<br>received | Expenditure<br>incurred<br>against funds |
| Category of revenue or expenditure per arrangement | R'000                   | R'000                                    |
|                                                    | -                       | -                                        |
| <b>Total</b>                                       | -                       | -                                        |

**(HUMAN SETTLEMENTS)**  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**Reconciliation of funds and disbursements - Prior year**

| Category of revenue or expenditure per arrangement | 2021/22              |                                    |
|----------------------------------------------------|----------------------|------------------------------------|
|                                                    | Total funds received | Expenditure incurred against funds |
|                                                    | R'000                | R'000                              |
|                                                    | -                    | -                                  |
| <b>Total</b>                                       | -                    | -                                  |

*Provide a narrative description and explanation of assets held or liabilities incurred on behalf of the principal and shown in the department's own financial statements.*

*[Accounting by Principals and Agents par .64(a) and (c)]*

**40.2.3. Reconciliation of carrying amount of receivables and payables - current year**

*[Accounting by Principals and Agents par .66(a) and (b)]*

**Receivables**

| Name of principal entity | 2022/23                      |                                  |                                          |                                      |                               |
|--------------------------|------------------------------|----------------------------------|------------------------------------------|--------------------------------------|-------------------------------|
|                          | Opening balance 1 April 2022 | Revenue principal is entitled to | Less: Write offs / settlements / waivers | Cash received on behalf of principal | Closing balance 31 March 2023 |
|                          | R'000                        | R'000                            | R'000                                    | R'000                                | R'000                         |
|                          | -                            | -                                | -                                        | -                                    | -                             |
|                          | -                            | -                                | -                                        | -                                    | -                             |
|                          | -                            | -                                | -                                        | -                                    | -                             |
| <b>Total</b>             | -                            | -                                | -                                        | -                                    | -                             |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**Payables**

**2021/22**

|                          | Opening<br>balance<br>1 April 2021 | Expenses<br>incurred on<br>behalf of the<br>principal | Cash paid on<br>behalf of the<br>principal | Closing<br>balance<br>31 March<br>2022 |
|--------------------------|------------------------------------|-------------------------------------------------------|--------------------------------------------|----------------------------------------|
| Name of principal entity | R'000                              | R'000                                                 | R'000                                      | R'000                                  |
|                          | -                                  | -                                                     | -                                          | -                                      |
|                          | -                                  | -                                                     | -                                          | -                                      |
|                          | -                                  | -                                                     | -                                          | -                                      |
| <b>Total</b>             | -                                  | -                                                     | -                                          | -                                      |

*Include discussion here where deemed relevant.*

**Reconciliation of carrying amount of receivables and payables - prior year**

**Receivables**

**2022/23**

|                          | Opening<br>balance<br>1 April 2022 | Revenue<br>principal<br>is entitled<br>to | Less: Write<br>offs /<br>settlements<br>/ waivers | Cash<br>received on<br>behalf of<br>principal | Closing<br>balance<br>31 March<br>2023 |
|--------------------------|------------------------------------|-------------------------------------------|---------------------------------------------------|-----------------------------------------------|----------------------------------------|
| Name of principal entity | R'000                              | R'000                                     | R'000                                             | R'000                                         | R'000                                  |
|                          | -                                  | -                                         | -                                                 | -                                             | -                                      |
|                          | -                                  | -                                         | -                                                 | -                                             | -                                      |
|                          | -                                  | -                                         | -                                                 | -                                             | -                                      |
| <b>Total</b>             | -                                  | -                                         | -                                                 | -                                             | -                                      |

**Payables**

**2021/22**

|                          | Opening<br>balance<br>1 April 2021 | Expenses<br>incurred on<br>behalf of the<br>principal | Cash paid on<br>behalf of the<br>principal | Closing<br>balance<br>31 March<br>2022 |
|--------------------------|------------------------------------|-------------------------------------------------------|--------------------------------------------|----------------------------------------|
| Name of principal entity | R'000                              | R'000                                                 | R'000                                      | R'000                                  |
|                          | -                                  | -                                                     | -                                          | -                                      |
|                          | -                                  | -                                                     | -                                          | -                                      |
|                          | -                                  | -                                                     | -                                          | -                                      |
| <b>Total</b>             | -                                  | -                                                     | -                                          | -                                      |

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

*Include discussion here where deemed relevant.*

**41. Changes in accounting estimates**

*[Accounting Policies, Estimates and Errors par .21 and par .22]*

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

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

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

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

|   |   |   |
|---|---|---|
| - | - | - |
| - | - | - |
| - | - | - |
| - | - | - |
| - | - | - |

*Provide a description of the estimated impact on future periods.*

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

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

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

|   |   |   |
|---|---|---|
| - | - | - |
| - | - | - |
| - | - | - |
| - | - | - |
| - | - | - |

*Provide a description of the estimated impact on future periods.*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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|                                                                                      | Value<br>derived<br>using the<br>original<br>estimate | Value<br>derived<br>using the<br>amended<br>estimate | R-value<br>impact of<br>change in<br>estimate |
|--------------------------------------------------------------------------------------|-------------------------------------------------------|------------------------------------------------------|-----------------------------------------------|
|                                                                                      | R'000                                                 | R'000                                                | R'000                                         |
| <i>Accounting estimate change 3: Provide a description of the change in estimate</i> |                                                       |                                                      |                                               |
| Line item 1 affected by the change                                                   | -                                                     | -                                                    | -                                             |
| Line item 2 affected by the change                                                   | -                                                     | -                                                    | -                                             |
| Line item 3 affected by the change                                                   | -                                                     | -                                                    | -                                             |
| Line item 4 affected by the change                                                   | -                                                     | -                                                    | -                                             |
| Line item 5 affected by the change                                                   | -                                                     | -                                                    | -                                             |

*Provide a description of the estimated impact on future periods.*

**42. Prior period errors**

*[Accounting Policies, Estimates and Errors par .30]*

**42.1. Correction of prior period errors**

|                                                                                         | 2021/22                           |                          |          |
|-----------------------------------------------------------------------------------------|-----------------------------------|--------------------------|----------|
|                                                                                         | Amount<br>bef error<br>correction | Prior<br>period<br>error | Restated |
| Note                                                                                    | R'000                             | R'000                    | R'000    |
| <b>Revenue: (E.g. Annual Appropriation, Departmental revenue, Aid assistance, etc.)</b> |                                   |                          |          |
| Line item 1 affected by the change                                                      | -                                 | -                        | -        |
| Line item 2 affected by the change                                                      | -                                 | -                        | -        |
| Line item 3 affected by the change                                                      | -                                 | -                        | -        |

*Provide a description of the nature of the prior period error as well as why the correction was required.*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

| <i>Note</i>                                                                                                    | 2021/22                           |                          |          |
|----------------------------------------------------------------------------------------------------------------|-----------------------------------|--------------------------|----------|
|                                                                                                                | Amount<br>bef error<br>correction | Prior<br>period<br>error | Restated |
|                                                                                                                | R'000                             | R'000                    | R'000    |
| <b><i>Expenditure: (E.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)</i></b> |                                   |                          |          |
| Line item 1 affected by the change                                                                             | -                                 | -                        | -        |
| Line item 2 affected by the change                                                                             | -                                 | -                        | -        |
| Line item 3 affected by the change                                                                             | -                                 | -                        | -        |
| <b>Net effect</b>                                                                                              | -                                 | -                        | -        |

*Provide a description of the nature of the prior period error as well as why the correction was required.*

| <i>Note</i>                                                                                                                | 2021/22                           |                          |          |
|----------------------------------------------------------------------------------------------------------------------------|-----------------------------------|--------------------------|----------|
|                                                                                                                            | Amount<br>bef error<br>correction | Prior<br>period<br>error | Restated |
|                                                                                                                            | R'000                             | R'000                    | R'000    |
| <b><i>Assets: (E.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)</i></b> |                                   |                          |          |
| Line item 1 affected by the change                                                                                         | -                                 | -                        | -        |
| Line item 2 affected by the change                                                                                         | -                                 | -                        | -        |
| Line item 3 affected by the change                                                                                         | -                                 | -                        | -        |
| <b>Net effect</b>                                                                                                          | -                                 | -                        | -        |

*Provide a description of the nature of the prior period error as well as why the correction was required.*

**(HUMAN SETTLEMENTS)**  
**VOTE 14**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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|                                                                                                           |  | 2021/22                           |                          |          |
|-----------------------------------------------------------------------------------------------------------|--|-----------------------------------|--------------------------|----------|
|                                                                                                           |  | Amount<br>bef error<br>correction | Prior<br>period<br>error | Restated |
| Note                                                                                                      |  | R'000                             | R'000                    | R'000    |
| <b>Liabilities: (E.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)</b> |  |                                   |                          |          |
| Line item 1 affected by the change                                                                        |  | -                                 | -                        | -        |
| Line item 2 affected by the change                                                                        |  | -                                 | -                        | -        |
| Line item 3 affected by the change                                                                        |  | -                                 | -                        | -        |
| <b>Net effect</b>                                                                                         |  | -                                 | -                        | -        |

*Provide a description of the nature of the prior period error as well as why the correction was required.*

|                                                                                                                |    | 2021/22                           |                          |                |
|----------------------------------------------------------------------------------------------------------------|----|-----------------------------------|--------------------------|----------------|
|                                                                                                                |    | Amount<br>bef error<br>correction | Prior<br>period<br>error | Restated       |
| Note                                                                                                           |    | R'000                             | R'000                    | R'000          |
| <b>Other: (E.g. Unauthorised expenditure, Irregular expenditure, Fruitless and wasteful expenditure, etc.)</b> |    |                                   |                          |                |
| Prepayments and advances                                                                                       | 13 | 67 614                            | - 67 614                 | -              |
| Employee benefits                                                                                              | 27 | 320                               | - 124                    | 196            |
| Irregular Expenditure                                                                                          | 30 | 183 693                           | 797 046                  | 980 739        |
| <b>Net effect</b>                                                                                              |    | <b>251 627</b>                    | <b>729 308</b>           | <b>980 935</b> |

*Provide a description of the nature of the prior period error as well as why the correction was required.*

**(NAME OF NATIONAL/PROVINCIAL DEPARTMENT)**  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**43. Inventories** *(Effective from date to be determined by the Accountant-General)*

*[Inventories par .28]*

**43.1. Inventories for the year ended 31 March 2023**

|                                                                     |            | 2022/23                            |                                    |                                    |                                    |       |
|---------------------------------------------------------------------|------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|-------|
|                                                                     |            | Insert major category of inventory | Insert major category of inventory | Insert major category of inventory | Insert major category of inventory | Total |
|                                                                     | Note       | R'000                              | R'000                              | R'000                              | R'000                              | R'000 |
| Opening balance                                                     | Annexure 6 | -                                  | -                                  | -                                  | -                                  | -     |
| Add/(Less): Adjustments to prior year balances                      |            | -                                  | -                                  | -                                  | -                                  | -     |
| Add: Additions/Purchases - Cash                                     |            | -                                  | -                                  | -                                  | -                                  | -     |
| Add: Additions/Purchases - Non-cash                                 |            | -                                  | -                                  | -                                  | -                                  | -     |
| (Less): Disposals                                                   |            | -                                  | -                                  | -                                  | -                                  | -     |
| (Less): Issues                                                      |            | -                                  | -                                  | -                                  | -                                  | -     |
| Add/(Less): Received current, not paid (Paid current year, received |            | -                                  | -                                  | -                                  | -                                  | -     |
| Add/(Less): Adjustments                                             |            | -                                  | -                                  | -                                  | -                                  | -     |
| Closing balance                                                     |            | -                                  | -                                  | -                                  | -                                  | -     |

*Include discussion here where deemed relevant.*

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**for the year ended 31 March 2023**

**Inventories for the year ended 31 March 2022**

|                                                                        |                   | <b>2021/22</b>                                    |                                                   |                                                   |                                                   |              |
|------------------------------------------------------------------------|-------------------|---------------------------------------------------|---------------------------------------------------|---------------------------------------------------|---------------------------------------------------|--------------|
|                                                                        |                   | <b>Insert major<br/>category of<br/>inventory</b> | <b>Insert major<br/>category of<br/>inventory</b> | <b>Insert major<br/>category of<br/>inventory</b> | <b>Insert major<br/>category of<br/>inventory</b> | <b>Total</b> |
|                                                                        | <i>Note</i>       | <b>R'000</b>                                      | <b>R'000</b>                                      | <b>R'000</b>                                      | <b>R'000</b>                                      | <b>R'000</b> |
| Opening balance                                                        | <i>Annexure 6</i> | -                                                 | -                                                 | -                                                 | -                                                 | -            |
| Add/(Less): Adjustments to prior year<br>balances                      |                   | -                                                 | -                                                 | -                                                 | -                                                 | -            |
| Add: Additions/Purchases - Cash                                        |                   | -                                                 | -                                                 | -                                                 | -                                                 | -            |
| Add: Additions/Purchases - Non-cash                                    |                   | -                                                 | -                                                 | -                                                 | -                                                 | -            |
| (Less): Disposals                                                      |                   | -                                                 | -                                                 | -                                                 | -                                                 | -            |
| (Less): Issues                                                         |                   | -                                                 | -                                                 | -                                                 | -                                                 | -            |
| Add/(Less): Received current, not paid<br>(Paid current year, received |                   | -                                                 | -                                                 | -                                                 | -                                                 | -            |
| Add/(Less): Adjustments                                                |                   | -                                                 | -                                                 | -                                                 | -                                                 | -            |
| <b>Closing balance</b>                                                 |                   | -                                                 | -                                                 | -                                                 | -                                                 | -            |

*Include discussion here where deemed relevant.*

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**43.2. Land parcels held for human settlement**

|                                                | Note       | 2022/23<br>R'000 | 2021/22<br>R'000 |
|------------------------------------------------|------------|------------------|------------------|
| Opening balance                                | Annexure 6 | -                | -                |
| Add/(Less): Adjustments to prior year balances |            | -                | -                |
| Add: Additions/Purchases – Cash                |            | -                | -                |
| Add: Additions - Non-cash                      |            | -                | -                |
| (Less): Disposals                              |            | -                | -                |
| (Less): Issues                                 |            | -                | -                |
| Add/(Less): Received current, not paid         |            | -                | -                |
| (Paid current year, received prior year)       |            | -                | -                |
| Add/(Less): Adjustments                        |            | -                | -                |
| <b>Closing balance</b>                         |            | <b>-</b>         | <b>-</b>         |

*Include discussion here where deemed relevant.*

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**43.3. Inventories Work-in-progress**

**Work-in-progress for the year ended 31 March 2023**

|                     | 2022/23         |                           |                             |                 |
|---------------------|-----------------|---------------------------|-----------------------------|-----------------|
|                     | Opening balance | Additions during the year | (Ready for use / Suspended) | Closing balance |
|                     | R'000           | R'000                     | R'000                       | R'000           |
| Clearing            | -               | -                         | -                           | -               |
| Infrastructure      | -               | -                         | -                           | -               |
| Structure of houses | -               | -                         | -                           | -               |
| Adjustments         | -               | -                         | -                           | -               |
| <b>Total</b>        | -               | -                         | -                           | -               |

*Include discussion here where deemed relevant.*

**Accruals/Payables not recognised relating to Inventories WIP**

|                                         | Note       | 2022/23<br>R'000 | 2021/22<br>R'000 |
|-----------------------------------------|------------|------------------|------------------|
| Certificates/Invoices received not paid | Annexure 6 | -                | -                |
| Clearing                                |            | -                | -                |
| Infrastructure                          |            | -                | -                |
| Structure of houses                     |            | -                | -                |
| <b>Total</b>                            |            | -                | -                |

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**for the year ended 31 March 2023**

*Include discussion here where deemed relevant.*

**43.4. Houses ready for use**

|                                               | Quantity | 2022/23 | Quantity | 2021/22 |
|-----------------------------------------------|----------|---------|----------|---------|
|                                               |          | R'000   |          | R'000   |
| Opening balance                               | -        | -       | -        | -       |
| Add/(Less): Adjustment to prior year balances | -        | -       | -        | -       |
| Add: Ready for use in current year            | -        | -       | -        | -       |
| Less: Issued to beneficiaries                 | -        | -       | -        | -       |
| Add/(Less): Adjustments                       | -        | -       | -        | -       |
| <b>Closing balance</b>                        | -        | -       | -        | -       |

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**Transfer of functions and mergers**

**43.5. Transfer of functions**

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

*Transfer of functions par .39(a)]*

**43.5.1. Statement of Financial Position**

*Transfer of functions par .39(b), par .41(a),(b) and par .43]*

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

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**Non-Current Assets**

|                        |   |   |   |   |   |
|------------------------|---|---|---|---|---|
|                        | - | - | - | - | - |
| Investments            | - | - | - | - | - |
| Receivables            | - | - | - | - | - |
| Loans                  | - | - | - | - | - |
| Other financial assets | - | - | - | - | - |

**TOTAL ASSETS**

|   |   |   |   |   |
|---|---|---|---|---|
| - | - | - | - | - |
|---|---|---|---|---|

**LIABILITIES**

**Current liabilities**

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

**Non-Current liabilities**

|          |   |   |   |   |   |
|----------|---|---|---|---|---|
| Payables | - | - | - | - | - |
|----------|---|---|---|---|---|

**TOTAL LIABILITIES**

|   |   |   |   |   |
|---|---|---|---|---|
| - | - | - | - | - |
|---|---|---|---|---|

**NET ASSETS**

|   |   |   |   |   |
|---|---|---|---|---|
| - | - | - | - | - |
|---|---|---|---|---|

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**43.5.2. Notes**

*[Transfer of functions par .39(b), par .41(c) and par .43]*

|                                             | Balance before<br>transfer date | Functions<br>(transferred) /<br>received | Functions<br>(transferred) /<br>received | Functions<br>(transferred) /<br>received | Balance after<br>transfer date |
|---------------------------------------------|---------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|--------------------------------|
|                                             |                                 | Dept name<br>(Specify)                   | Dept name<br>(Specify)                   | Dept name<br>(Specify)                   |                                |
| <i>Note</i>                                 | R'000                           | R'000                                    | R'000                                    | R'000                                    | R'000                          |
| Contingent liabilities                      | -                               | -                                        | -                                        | -                                        | -                              |
| Contingent assets                           | -                               | -                                        | -                                        | -                                        | -                              |
| Accruals                                    | -                               | -                                        | -                                        | -                                        | -                              |
| Payables not recognised                     | -                               | -                                        | -                                        | -                                        | -                              |
| Employee benefits                           | -                               | -                                        | -                                        | -                                        | -                              |
| Lease commitments - Operating leases        | -                               | -                                        | -                                        | -                                        | -                              |
| Lease commitments - Finance leases          | -                               | -                                        | -                                        | -                                        | -                              |
| Lease commitments - Operating lease revenue | -                               | -                                        | -                                        | -                                        | -                              |
| Accrued departmental revenue                | -                               | -                                        | -                                        | -                                        | -                              |
| Impairment                                  | -                               | -                                        | -                                        | -                                        | -                              |
| Provisions                                  | -                               | -                                        | -                                        | -                                        | -                              |
| Movable tangible capital assets             | -                               | -                                        | -                                        | -                                        | -                              |
| Immovable tangible capital assets           | -                               | -                                        | -                                        | -                                        | -                              |
| Intangible capital assets                   | -                               | -                                        | -                                        | -                                        | -                              |

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*Include discussion here where deemed relevant.*

*Provide a reference to the proclamation or declaration giving effect to the transfer of functions*

***[Transfer of Functions par .39(c)]***

*Indicate whether there was an agreement drawn up, and provide a description of roles, responsibilities and accountability arrangements.*

***[Transfer of Functions par .39(d)]***

*Disclose the revenue and expenditure attributable to the transfer of functions subsequent to the transfer.*

***[Transfer of Functions par .41(d)]***

*Where the accounting for the transfer of functions is incomplete, include information as required by paragraph .40*

***[Transfer of Functions par .40]***

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**43.6. Mergers**

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

*Mergers par .35(a)]*

**43.6.1. Statement of Financial Position**

*Mergers par .35(a) and par .37(a)]*

|                            | Balance before<br>merger date | Balance before<br>merger date | Balance before<br>merger date | Balance before<br>merger date | Balance after<br>transfer date |
|----------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
|                            | Combining Dept<br>(Specify)   | Combining Dept<br>(Specify)   | Combining Dept<br>(Specify)   | Combining Dept<br>(Specify)   | Combined Dept<br>(Specify)     |
| <i>Note</i>                | R'000                         | R'000                         | R'000                         | R'000                         | R'000                          |
| <b>ASSETS</b>              |                               |                               |                               |                               |                                |
| <b>Current Assets</b>      | -                             | -                             | -                             | -                             | -                              |
| Cash and cash equivalents  | -                             | -                             | -                             | -                             | -                              |
| Other financial assets     | -                             | -                             | -                             | -                             | -                              |
| Prepayments and advances   | -                             | -                             | -                             | -                             | -                              |
| Receivables                | -                             | -                             | -                             | -                             | -                              |
| Loans                      | -                             | -                             | -                             | -                             | -                              |
| Aid assistance prepayments | -                             | -                             | -                             | -                             | -                              |
| Aid assistance receivable  | -                             | -                             | -                             | -                             | -                              |
| <b>Non-Current Assets</b>  | -                             | -                             | -                             | -                             | -                              |

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**for the year ended 31 March 2023**

|                                                                             |   |   |   |   |   |
|-----------------------------------------------------------------------------|---|---|---|---|---|
| Investments                                                                 | - | - | - | - | - |
| Receivables                                                                 | - | - | - | - | - |
| Loans                                                                       | - | - | - | - | - |
| Other financial assets                                                      | - | - | - | - | - |
| <b>TOTAL ASSETS</b>                                                         | - | - | - | - | - |
| <b>LIABILITIES</b>                                                          |   |   |   |   |   |
| <b>Current liabilities</b>                                                  | - | - | - | - | - |
| Voted funds to be surrendered to the Revenue Fund                           | - | - | - | - | - |
| Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund | - | - | - | - | - |
| Bank Overdraft                                                              | - | - | - | - | - |
| Payables                                                                    | - | - | - | - | - |
| Aid assistance repayable                                                    | - | - | - | - | - |
| Aid assistance unutilised                                                   | - | - | - | - | - |
| <b>Non-Current liabilities</b>                                              | - | - | - | - | - |
| Payables                                                                    | - | - | - | - | - |
| <b>TOTAL LIABILITIES</b>                                                    | - | - | - | - | - |
| <b>NET ASSETS</b>                                                           | - | - | - | - | - |

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**43.6.2. Notes**

*[Mergers par .37(b)]*

|                                             | Balance before<br>merger date | Balance before<br>merger date | Balance before<br>merger date | Balance before<br>merger date | Balance after<br>transfer date |
|---------------------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
|                                             | Combining Dept<br>(Specify)   | Combining Dept<br>(Specify)   | Combining Dept<br>(Specify)   | Combining Dept<br>(Specify)   | Combined Dept<br>(Specify)     |
| Note                                        | R'000                         | R'000                         | R'000                         | R'000                         | R'000                          |
| Contingent liabilities                      | -                             | -                             | -                             | -                             | -                              |
| Contingent assets                           | -                             | -                             | -                             | -                             | -                              |
| Accruals                                    | -                             | -                             | -                             | -                             | -                              |
| Payables not recognised                     | -                             | -                             | -                             | -                             | -                              |
| Employee benefits                           | -                             | -                             | -                             | -                             | -                              |
| Lease commitments - Operating leases        | -                             | -                             | -                             | -                             | -                              |
| Lease commitments - Finance leases          | -                             | -                             | -                             | -                             | -                              |
| Lease commitments - Operating lease revenue | -                             | -                             | -                             | -                             | -                              |
| Accrued departmental revenue                | -                             | -                             | -                             | -                             | -                              |
| Impairment                                  | -                             | -                             | -                             | -                             | -                              |
| Provisions                                  | -                             | -                             | -                             | -                             | -                              |
| Movable tangible capital assets             | -                             | -                             | -                             | -                             | -                              |
| Immovable tangible capital assets           | -                             | -                             | -                             | -                             | -                              |
| Intangible capital assets                   | -                             | -                             | -                             | -                             | -                              |

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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*Include discussion here where deemed relevant.*

*Provide a reference to the proclamation or declaration giving effect to the merger along with the merger date.*

**[Mergers par .35(b)]**

*Indicate whether there was an agreement drawn up, and provide a description of roles, responsibilities and accountability arrangements.*

**[Mergers par .35(c)]**

*Combining departments: For each asset transferred and liability derecognised/removed, the carrying amount of the assets transferred and the liabilities derecognised/removed.*

**[Mergers par .41]**

*Where the accounting for the merger is incomplete, include information as required by paragraph .39.*

**[Mergers par .39]**

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**44. Statement of conditional grants received**

| Name of grant                                   | 2022/23                                     |               |                  |                   |                  |                               |                            |                         |                                          | 2021/22                                     |                            |
|-------------------------------------------------|---------------------------------------------|---------------|------------------|-------------------|------------------|-------------------------------|----------------------------|-------------------------|------------------------------------------|---------------------------------------------|----------------------------|
|                                                 | GRANT ALLOCATION                            |               |                  |                   |                  | SPENT                         |                            |                         |                                          |                                             |                            |
|                                                 | Division of Revenue Act / Provincial grants | Roll overs    | DORA Adjustments | Other Adjustments | Total Available  | Amount received by department | Amount spent by department | Under- / (Overspending) | % of available funds spent by department | Division of Revenue Act / Provincial grants | Amount spent by department |
|                                                 | R'000                                       | R'000         | R'000            | R'000             | R'000            | R'000                         | R'000                      | R'000                   | R'000                                    | R'000                                       | R'000                      |
| Human Settlement Development Grant              | 1 276 712                                   | 31 174        | -                | -                 | 1 307 886        | 1 307 886                     | 1 304 741                  | 3 145                   | 100%                                     | 358 028                                     | 335 568                    |
| Informal Settlement Upgrading Partnership Grant | 379 324                                     | 22 460        | -                | -                 | 401 784          | 401 784                       | 398 364                    | 3 420                   | 99%                                      | 1 282 314                                   | 1 036 519                  |
| <b>TOTAL</b>                                    | <b>1 656 036</b>                            | <b>53 634</b> | <b>-</b>         | <b>-</b>          | <b>1 709 670</b> | <b>1 709 670</b>              | <b>1 703 105</b>           | <b>6 565</b>            |                                          | <b>1 640 342</b>                            | <b>1 372 087</b>           |

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

**45. Statement of conditional grants paid to the provinces**

| Name of Province / Grant | 2022/23                 |            |             |                 |                 |                |                                                           |                               |                            |               |                                          |                                             | 2021/22          |  |
|--------------------------|-------------------------|------------|-------------|-----------------|-----------------|----------------|-----------------------------------------------------------|-------------------------------|----------------------------|---------------|------------------------------------------|---------------------------------------------|------------------|--|
|                          | GRANT ALLOCATION        |            |             |                 | TRANSFER        |                |                                                           | SPENT                         |                            |               |                                          |                                             |                  |  |
|                          | Division of Revenue Act | Roll overs | Adjustments | Total Available | Actual transfer | Funds withheld | Reallocations by National Treasury or National department | Amount received by department | Amount spent by department | Unspent funds | % of available funds spent by department | Division of Revenue Act / Provincial grants | Actual transfers |  |
|                          | R'000                   | R'000      | R'000       | R'000           | R'000           | R'000          | %                                                         | R'000                         | R'000                      | R'000         | %                                        | R'000                                       | R'000            |  |
| Summary by province      | -                       | -          | -           | -               | -               | -              | -                                                         | -                             | -                          | -             | -                                        | -                                           | -                |  |
| Eastern Cape             | -                       | -          | -           | -               | -               | -              | -                                                         | -                             | -                          | -             | -                                        | -                                           | -                |  |
| Free State               | -                       | -          | -           | -               | -               | -              | -                                                         | -                             | -                          | -             | -                                        | -                                           | -                |  |
| Gauteng                  | -                       | -          | -           | -               |                 | -              | -                                                         | -                             | -                          | -             | -                                        | -                                           | -                |  |
| Kwazulu-Natal            | -                       | -          | -           | -               | -               | -              | -                                                         | -                             | -                          | -             | -                                        | -                                           | -                |  |
| Limpopo                  | -                       | -          |             | -               | -               | -              | -                                                         | -                             | -                          | -             | -                                        | -                                           | -                |  |
| Mpumalanga               | -                       | -          | -           | -               | -               | -              | -                                                         | -                             | -                          | -             | -                                        | -                                           | -                |  |
| Northern Cape            | -                       | -          | -           | -               | -               | -              | -                                                         | -                             | -                          | -             | -                                        | -                                           | -                |  |
| North West               | -                       | -          | -           | -               | -               | -              | -                                                         | -                             | -                          | -             | -                                        | -                                           | -                |  |

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|              |   |   |   |   |   |   |   |   |   |   |   |   |   |
|--------------|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Western Cape | - | - | - | - | - | - | - | - | - | - | - | - | - |
| <b>TOTAL</b> | - | - | - | - | - | - | - | - | - | - | - | - | - |

**Summary by grant**

|                        |   |   |   |   |   |   |   |   |   |   |   |   |   |
|------------------------|---|---|---|---|---|---|---|---|---|---|---|---|---|
| <b>TOTAL</b>           | - | - | - | - | - | - | - | - | - | - | - | - | - |
| <b>1. [Grant name]</b> | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Eastern Cape           | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Free State             | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gauteng                | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Kwazulu-Natal          | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Limpopo                | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mpumalanga             | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Northern Cape          | - | - | - | - | - | - | - | - | - | - | - | - | - |
| North West             | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Western Cape           | - | - | - | - | - | - | - | - | - | - | - | - | - |

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|                        |   |   |   |   |   |   |   |   |   |   |
|------------------------|---|---|---|---|---|---|---|---|---|---|
| <b>TOTAL</b>           | - | - | - | - | - | - | - | - | - | - |
| <b>2. [Grant name]</b> |   |   |   |   |   |   |   |   |   |   |
| Eastern Cape           | - | - | - | - | - | - | - | - | - | - |
| Free State             | - | - | - | - | - | - | - | - | - | - |
| Gauteng                | - | - | - | - | - | - | - | - | - | - |
| Kwazulu-Natal          | - | - | - | - | - | - | - | - | - | - |
| Limpopo                | - | - | - | - | - | - | - | - | - | - |
| Mpumalanga             | - | - | - | - | - | - | - | - | - | - |
| Northern Cape          | - | - | - | - | - | - | - | - | - | - |
| North West             | - | - | - | - | - | - | - | - | - | - |
| Western Cape           | - | - | - | - | - | - | - | - | - | - |
| <b>TOTAL</b>           | - | - | - | - | - | - | - | - | - | - |
| <b>3. [Grant name]</b> |   |   |   |   |   |   |   |   |   |   |
| Eastern Cape           | - | - | - | - | - | - | - | - | - | - |
| Free State             | - | - | - | - | - | - | - | - | - | - |

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|               |   |   |   |   |   |   |   |   |   |   |
|---------------|---|---|---|---|---|---|---|---|---|---|
| Gauteng       | - | - | - | - | - | - | - | - | - | - |
| Kwazulu-Natal | - | - | - | - | - | - | - | - | - | - |
| Limpopo       | - | - | - | - | - | - | - | - | - | - |
| Mpumalanga    | - | - | - | - | - | - | - | - | - | - |
| Northern Cape | - | - | - | - | - | - | - | - | - | - |
| North West    | - | - | - | - | - | - | - | - | - | - |
| Western Cape  | - | - | - | - | - | - | - | - | - | - |
| <b>TOTAL</b>  | - | - | - | - | - | - | - | - | - | - |

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

*Departments are required to include a summary of expenditure per conditional grant to aid in the identification of under- / over spending of such funds and to allow the department to provide an explanation for the variance*

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**46. Statement of conditional grants and other transfers paid to municipalities**

|                                                                                                                 | 2022/23                  |            |             |                 |                 |                |                                                          | 2021/22                  |                 |
|-----------------------------------------------------------------------------------------------------------------|--------------------------|------------|-------------|-----------------|-----------------|----------------|----------------------------------------------------------|--------------------------|-----------------|
|                                                                                                                 | GRANT ALLOCATION         |            |             |                 | TRANSFER        |                |                                                          |                          |                 |
|                                                                                                                 | DORA and other transfers | Roll overs | Adjustments | Total Available | Actual transfer | Funds withheld | Reallocations by National Treasury / National Department | DORA and other transfers | Actual transfer |
| Name of municipality                                                                                            | R'000                    | R'000      | R'000       | R'000           | R'000           | R'000          | R'000                                                    | R'000                    | R'000           |
| <b>The city of Matlosana Municipality (N12 catalytic project)</b>                                               |                          |            |             |                 |                 |                |                                                          |                          |                 |
| -Construction and laying of pipeline from development to relevant pump station and construction of Pump station | 70 000                   | -          | -           | 70 000          | -               | -              | -                                                        | 250 000                  | 250 000         |
| -Construction of Bus collector roads                                                                            | 30 000                   | -          | -           | 30 000          | -               | -              | -                                                        | -                        | -               |
| <b>TOTAL</b>                                                                                                    | <b>100 000</b>           | <b>-</b>   | <b>-</b>    | <b>100 000</b>  | <b>-</b>        | <b>-</b>       | <b>-</b>                                                 | <b>250 000</b>           | <b>250 000</b>  |

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

*The scope of the work is for the Design, Construction and Installation of Bulk services infrastructure at Matlosana N12 Catalytic Project.*

*Departments are required to include a summary of expenditure per conditional grant to aid in the identification of under- / over spending of such funds and to allow the department to provide an explanation for the variance*

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**47. 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.

**48. COVID 19 Response expenditure**

|                                | <i>Note</i>     | <b>2022/23</b><br><b>R'000</b> | <b>2021/22</b><br><b>R'000</b> |
|--------------------------------|-----------------|--------------------------------|--------------------------------|
| Compensation of employees      |                 | 21                             | 195                            |
| Goods and services             |                 | -                              | -                              |
| Transfers and subsidies        |                 | -                              | -                              |
| Expenditure for capital assets |                 | -                              | -                              |
| Other                          |                 | -                              | -                              |
| <b>Total</b>                   | <i>Annex 11</i> | <b>21</b>                      | <b>195</b>                     |

*Include discussion here where deemed relevant.*

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**ANNEXURE 1A**

**STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES**

| Name of Municipality | 2022/23                  |            |             |                 |                 |                |                                                            |                               |                            |               |                                          | 2021/22                  |                  |
|----------------------|--------------------------|------------|-------------|-----------------|-----------------|----------------|------------------------------------------------------------|-------------------------------|----------------------------|---------------|------------------------------------------|--------------------------|------------------|
|                      | GRANT ALLOCATION         |            |             |                 | TRANSFER        |                |                                                            | SPENT                         |                            |               |                                          |                          |                  |
|                      | DoRA and Other transfers | Roll overs | Adjustments | Total Available | Actual transfer | Funds withheld | Re-allocations by National Treasury or National department | Amount received by department | Amount spent by department | Unspent funds | % of available funds spent by department | DORA and other transfers | Actual transfers |
|                      | R'000                    | R'000      | R'000       | R'000           | R'000           | R'000          | %                                                          | R'000                         | R'000                      | R'000         | %                                        | R'000                    | R'000            |
|                      | -                        | -          | -           | -               | -               | -              | -                                                          | -                             | -                          | -             | -                                        | -                        | -                |
|                      | -                        | -          | -           | -               | -               | -              | -                                                          | -                             | -                          | -             | -                                        | -                        | -                |
|                      | -                        | -          | -           | -               | -               | -              | -                                                          | -                             | -                          | -             | -                                        | -                        | -                |
| TOTAL                | -                        | -          | -           | -               | -               | -              | -                                                          | -                             | -                          | -             | -                                        | -                        | -                |

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

Departments are required to include a summary of expenditure per conditional grant to aid in the identification of under- / over spending of such funds and to allow the department to provide an explanation for the variance

**ANNEXURE 1B**

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**STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

| Departmental Agency or Account | 2022/23             |            |             |                 |                 |                                  | 2021/22      |                 |
|--------------------------------|---------------------|------------|-------------|-----------------|-----------------|----------------------------------|--------------|-----------------|
|                                | TRANSFER ALLOCATION |            |             |                 | TRANSFER        |                                  |              |                 |
|                                | Adjusted Budget     | Roll overs | Adjustments | 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           |
|                                | -                   | -          | -           | -               | -               | -                                | -            | -               |
|                                | -                   | -          | -           | -               | -               | -                                | -            | -               |
|                                | -                   | -          | -           | -               | -               | -                                | -            | -               |
| <b>TOTAL</b>                   | -                   | -          | -           | -               | -               | -                                | -            | -               |

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**ANNEXURE 1C**  
**STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS**

| Higher Education Institution | 2022/23             |            |              |                 |                 |                        |                                  | 2021/22      |                 |
|------------------------------|---------------------|------------|--------------|-----------------|-----------------|------------------------|----------------------------------|--------------|-----------------|
|                              | TRANSFER ALLOCATION |            |              |                 | TRANSFER        |                        |                                  |              |                 |
|                              | Adjusted Budget     | Roll overs | Adjustment s | Total Available | Actual transfer | Amount not transferred | % of available funds transferred | Final Budget | Actual transfer |
|                              | R'000               | R'000      | R'000        | R'000           | R'000           | R'000                  | %                                | R'000        | R'000           |
|                              | -                   | -          | -            | -               | -               | -                      | -                                | -            | -               |
|                              | -                   | -          | -            | -               | -               | -                      | -                                | -            | -               |
|                              | -                   | -          | -            | -               | -               | -                      | -                                | -            | -               |
| <b>TOTAL</b>                 | -                   | -          | -            | -               | -               | -                      | -                                | -            | -               |

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**ANNEXURE 1D**

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

| Name of public corporation /<br>private enterprise | 2022/23            |            |                 |                    |                    |                                              |         |               | 2021/22         |                    |
|----------------------------------------------------|--------------------|------------|-----------------|--------------------|--------------------|----------------------------------------------|---------|---------------|-----------------|--------------------|
|                                                    | GRANT ALLOCATION   |            |                 |                    | EXPENDITURE        |                                              |         |               |                 |                    |
|                                                    | Adjusted<br>Budget | Roll overs | Adjustme<br>nts | Total<br>Available | Actual<br>transfer | % of<br>Available<br>funds<br>transfere<br>d | Capital | Current       | Final<br>Budget | Actual<br>transfer |
|                                                    | R'000              | R'000      | R'000           | R'000              | R'000              | %                                            | R'000   | R'000         | R'000           | R'000-             |
| <b>Public Corporations</b>                         |                    |            |                 |                    |                    |                                              |         |               |                 |                    |
| <b>Transfers</b>                                   | <b>42 867</b>      | -          | -               | <b>42 867</b>      | <b>42 867</b>      | <b>100,0%</b>                                | -       | <b>42 867</b> | <b>40 904</b>   | <b>40 904</b>      |
| North West Housing<br>Corporation                  | 42 867             | -          | -               | 42 867             | 42 867             | 100,0%                                       | -       | 42 867        | <b>40 904</b>   | <b>40 904</b>      |
|                                                    | -                  | -          | -               | -                  | -                  | -                                            | -       | -             | -               | -                  |
|                                                    | -                  | -          | -               | -                  | -                  | -                                            | -       | -             | -               | -                  |
| <b>Total</b>                                       | -                  | -          | -               | -                  | -                  | -                                            | -       | -             | -               | -                  |
| <b>Subsidies</b>                                   |                    |            |                 |                    |                    |                                              |         |               |                 |                    |
|                                                    | -                  | -          | -               | -                  | -                  | -                                            | -       | -             | -               | -                  |
|                                                    | -                  | -          | -               | -                  | -                  | -                                            | -       | -             | -               | -                  |
|                                                    | -                  | -          | -               | -                  | -                  | -                                            | -       | -             | -               | -                  |
| <b>Total</b>                                       | <b>42 867</b>      | -          | -               | <b>42 867</b>      | <b>42 867</b>      | <b>100,0%</b>                                | -       | <b>42 867</b> | <b>40 904</b>   | <b>40 904</b>      |

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|                            |               |          |          |               |               |               |          |               |               |               |   |
|----------------------------|---------------|----------|----------|---------------|---------------|---------------|----------|---------------|---------------|---------------|---|
|                            |               |          |          |               |               |               |          |               |               |               |   |
| <b>Private Enterprises</b> |               |          |          |               |               |               |          |               |               |               |   |
| <b>Transfers</b>           | -             | -        | -        | -             | -             | -             | -        | -             | -             | -             | - |
|                            | -             | -        | -        | -             | -             | -             | -        | -             | -             | -             | - |
|                            | -             | -        | -        | -             | -             | -             | -        | -             | -             | -             | - |
|                            | -             | -        | -        | -             | -             | -             | -        | -             | -             | -             | - |
| <b>Total</b>               | -             | -        | -        | -             | -             | -             | -        | -             | -             | -             | - |
| <b>Subsidies</b>           | -             | -        | -        | -             | -             | -             | -        | -             | -             | -             | - |
|                            | -             | -        | -        | -             | -             | -             | -        | -             | -             | -             | - |
|                            | -             | -        | -        | -             | -             | -             | -        | -             | -             | -             | - |
|                            | -             | -        | -        | -             | -             | -             | -        | -             | -             | -             | - |
| <b>Total</b>               | -             | -        | -        | -             | -             | -             | -        | -             | -             | -             | - |
| <b>TOTAL</b>               | <b>42 867</b> | <b>-</b> | <b>-</b> | <b>42 867</b> | <b>42 867</b> | <b>100,0%</b> | <b>-</b> | <b>42 867</b> | <b>40 904</b> | <b>40 904</b> |   |

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**ANNEXURE 1E**

**STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS**

| Foreign government /<br>International organisation | 2022/23             |            |             |                    |                 |                                        | 2021/22      |                    |
|----------------------------------------------------|---------------------|------------|-------------|--------------------|-----------------|----------------------------------------|--------------|--------------------|
|                                                    | TRANSFER ALLOCATION |            |             |                    | EXPENDITURE     |                                        |              |                    |
|                                                    | Adjusted<br>Budget  | Roll overs | Adjustments | Total<br>Available | Actual transfer | % of available<br>funds<br>transferred | Final Budget | Actual<br>transfer |
|                                                    | R'000               | R'000      | R'000       | R'000              | R'000           | %                                      | R'000        | R'000              |
| <b>Transfers</b>                                   | -                   | -          | -           | -                  | -               | -                                      | -            | -                  |
|                                                    | -                   | -          | -           | -                  | -               | -                                      | -            | -                  |
|                                                    | -                   | -          | -           | -                  | -               | -                                      | -            | -                  |
| <b>Total</b>                                       | -                   | -          | -           | -                  | -               | -                                      | -            | -                  |
| <b>Subsidies</b>                                   | -                   | -          | -           | -                  | -               | -                                      | -            | -                  |
|                                                    | -                   | -          | -           | -                  | -               | -                                      | -            | -                  |
|                                                    | -                   | -          | -           | -                  | -               | -                                      | -            | -                  |
| <b>Total</b>                                       | -                   | -          | -           | -                  | -               | -                                      | -            | -                  |
|                                                    | -                   | -          | -           | -                  | -               | -                                      | -            | -                  |
| <b>TOTAL</b>                                       | -                   | -          | -           | -                  | -               | -                                      | -            | -                  |

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**ANNEXURE 1F**  
**STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

|                                | 2022/23             |            |             |                 |                 |                                  | 2021/22      |                 |
|--------------------------------|---------------------|------------|-------------|-----------------|-----------------|----------------------------------|--------------|-----------------|
|                                | TRANSFER ALLOCATION |            |             |                 | EXPENDITURE     |                                  |              |                 |
|                                | Adjusted Budget     | Roll overs | Adjustments | 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           |
| <b>Non-profit institutions</b> |                     |            |             |                 |                 |                                  |              |                 |
| <b>Transfers</b>               | -                   | -          | -           | -               | -               | -                                | -            | -               |
|                                | -                   | -          | -           | -               | -               | -                                | -            | -               |
|                                | -                   | -          | -           | -               | -               | -                                | -            | -               |
| <b>Total</b>                   | -                   | -          | -           | -               | -               | -                                | -            | -               |
| <b>Subsidies</b>               | -                   | -          | -           | -               | -               | -                                | -            | -               |
|                                | -                   | -          | -           | -               | -               | -                                | -            | -               |
|                                | -                   | -          | -           | -               | -               | -                                | -            | -               |
| <b>Total</b>                   | -                   | -          | -           | -               | -               | -                                | -            | -               |
| <b>TOTAL</b>                   | -                   | -          | -           | -               | -               | -                                | -            | -               |

(NAME OF NATIONAL/PROVINCIAL DEPARTMENT)  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2023

**ANNEXURE 1G**  
**STATEMENT OF TRANSFERS TO HOUSEHOLDS**

| Household                                       | 2022/23             |               |             |                  |                  |                                  | 2021/22          |                  |
|-------------------------------------------------|---------------------|---------------|-------------|------------------|------------------|----------------------------------|------------------|------------------|
|                                                 | TRANSFER ALLOCATION |               |             |                  | EXPENDITURE      |                                  |                  |                  |
|                                                 | Adjusted Budget     | Roll overs    | Adjustments | 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            |
| <b>Transfers</b>                                |                     |               |             |                  |                  |                                  |                  |                  |
| Human Settlement Development Grants             | 1 276 712           | 31 174        | -           | 1 307 886        | 1 304 741        | 100%                             | 1 282 314        | 1 036 519        |
| Households other                                | 1 462               | -             | -           | 1 462            | 1 623            | 111%                             | 1 648            | 1 583            |
| Informal Settlement Upgrading Partnership Grant | 379 324             | 22 460        | -           | 401 784          | 398 364          | 99%                              | 358 028          | 335 568          |
| <b>Total</b>                                    | <b>1 657 498</b>    | <b>53 634</b> | <b>-</b>    | <b>1 711 132</b> | <b>1 704 728</b> |                                  | <b>1 641 990</b> | <b>1 373 670</b> |
| <b>Subsidies</b>                                | -                   | -             | -           | -                | -                | -                                | -                | -                |
|                                                 | -                   | -             | -           | -                | -                | -                                | -                | -                |
|                                                 | -                   | -             | -           | -                | -                | -                                | -                | -                |
| <b>Total</b>                                    | <b>-</b>            | <b>-</b>      | <b>-</b>    | <b>-</b>         | <b>-</b>         | <b>-</b>                         | <b>-</b>         | <b>-</b>         |
| <b>TOTAL</b>                                    | <b>1 657 498</b>    | <b>53 634</b> | <b>-</b>    | <b>1 711 132</b> | <b>1 704 728</b> |                                  | <b>1 641 990</b> | <b>1 373 670</b> |

**(NAME OF NATIONAL/PROVINCIAL DEPARTMENT)**  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**ANNEXURE 1H**  
**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

| Name of organisation | Nature of gift, donation or sponsorship | 2022/23 | 2021/22 |
|----------------------|-----------------------------------------|---------|---------|
|                      |                                         | R'000   | R'000   |
| Received in cash     |                                         | -       | -       |
|                      |                                         | -       | -       |
| Subtotal             |                                         | -       | -       |
| Received in kind     |                                         | -       | -       |
|                      |                                         | -       | -       |
| Subtotal             |                                         | -       | -       |
|                      |                                         | -       | -       |
| TOTAL                |                                         | -       | -       |

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

| Name of donor    | Purpose | Opening balance | Revenue | Expenditure | Paid back on / by 31 March | Closing balance |
|------------------|---------|-----------------|---------|-------------|----------------------------|-----------------|
|                  |         | R'000           | R'000   | R'000       | R'000                      | R'000           |
| Received in cash |         | -               | -       | -           | -                          | -               |
|                  |         |                 |         |             |                            |                 |
|                  |         |                 |         |             |                            |                 |
|                  |         |                 |         |             |                            |                 |
| Subtotal         |         | -               | -       | -           | -                          | -               |
| Received in kind |         | -               | -       | -           | -                          | -               |
|                  |         |                 |         |             |                            |                 |
|                  |         |                 |         |             |                            |                 |
|                  |         |                 |         |             |                            |                 |
| Subtotal         |         | -               | -       | -           | -                          | -               |
|                  |         |                 |         |             |                            |                 |
| TOTAL            |         | -               | -       | -           | -                          | -               |

**(NAME OF NATIONAL/PROVINCIAL DEPARTMENT)  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2023**

**ANNEXURE 1J  
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE**

| <b>Nature of gift, donation or sponsorship</b><br><i>(Group major categories but list material items including name of organisation)</i> | <b>2022/23</b> | <b>2021/22</b> |
|------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                                                          | <b>R'000</b>   | <b>R'000</b>   |
| <b>Made in kind</b>                                                                                                                      | -              | -              |
| <b>TOTAL</b>                                                                                                                             | -              | -              |

**(NAME OF NATIONAL/PROVINCIAL DEPARTMENT)**  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**ANNEXURE 1K**  
**STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT**

| Grant Type          | Apr<br>2022 | May<br>2022 | Jun<br>2022 | Jul 2022 | Aug<br>2022 | Sept<br>2022 | Oct 2022 | Nov<br>2022 | Dec<br>2022 | Jan<br>2023 | Feb<br>2023 | Mar<br>2023 | Total |
|---------------------|-------------|-------------|-------------|----------|-------------|--------------|----------|-------------|-------------|-------------|-------------|-------------|-------|
|                     | R'000       | R'000       | R'000       | R'000    | R'000       | R'000        | R'000    | R'000       | R'000       | R'000       | R'000       | R'000       | R'000 |
| Old age             | -           | -           | -           | -        | -           | -            | -        | -           | -           | -           | -           | -           | -     |
| War veterans        | -           | -           | -           | -        | -           | -            | -        | -           | -           | -           | -           | -           | -     |
| Disability          | -           | -           | -           | -        | -           | -            | -        | -           | -           | -           | -           | -           | -     |
| Grant in Aid        | -           | -           | -           | -        | -           | -            | -        | -           | -           | -           | -           | -           | -     |
| Foster care         | -           | -           | -           | -        | -           | -            | -        | -           | -           | -           | -           | -           | -     |
| Care dependency     | -           | -           | -           | -        | -           | -            | -        | -           | -           | -           | -           | -           | -     |
| Child Support Grant | -           | -           | -           | -        | -           | -            | -        | -           | -           | -           | -           | -           | -     |
| Other               | -           | -           | -           | -        | -           | -            | -        | -           | -           | -           | -           | -           | -     |
| <b>TOTAL</b>        | -           | -           | -           | -        | -           | -            | -        | -           | -           | -           | -           | -           | -     |

**(NAME OF NATIONAL/PROVINCIAL DEPARTMENT)**  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**ANNEXURE 1L**

**STATEMENT OF INDIRECT GRANTS BETWEEN NATIONAL DEPARTMENTS AND MUNICIPALITIES**

| Name of Grant | GRANT ALLOCATION           |            |             |                    | SPENT  |
|---------------|----------------------------|------------|-------------|--------------------|--------|
|               | Division of<br>Revenue Act | Roll overs | Adjustments | Total<br>Available | Amount |
|               | R'000                      | R'000      | R'000       | R'000              | R'000  |
|               | -                          | -          | -           | -                  | -      |
|               | -                          | -          | -           | -                  | -      |
|               | -                          | -          | -           | -                  | -      |
|               | -                          | -          | -           | -                  | -      |
|               | -                          | -          | -           | -                  | -      |
|               | -                          | -          | -           | -                  | -      |
| <b>TOTAL</b>  | -                          | -          | -           | -                  | -      |

(NAME OF NATIONAL/PROVINCIAL DEPARTMENT)  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2023*

**ANNEXURE 2A**

**STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES**

| Name of public entity               | State Entities' PFMA Schedule type (state year end if not 31 March) |   |   | Number of shares held |                | Cost of investments |         | Net asset value of investments |         | Profit/(Loss) for the year |         | Losses guaranteed |
|-------------------------------------|---------------------------------------------------------------------|---|---|-----------------------|----------------|---------------------|---------|--------------------------------|---------|----------------------------|---------|-------------------|
|                                     |                                                                     |   |   | R'000                 |                | R'000               |         | R'000                          |         | R'000                      |         |                   |
|                                     |                                                                     |   |   | % Held 2022/23        | % Held 2021/22 | 2022/23             | 2021/22 | 2022/23                        | 2021/22 | 2022/23                    | 2021/22 | 2022/23           |
| National / Provincial Public entity |                                                                     | - | - | -                     | -              | -                   | -       | -                              | -       | -                          | -       |                   |
| Subtotal                            |                                                                     | - | - | -                     | -              | -                   | -       | -                              | -       | -                          | -       |                   |
| Other                               |                                                                     | - | - | -                     | -              | -                   | -       | -                              | -       | -                          | -       |                   |
| Subtotal                            |                                                                     | - | - | -                     | -              | -                   | -       | -                              | -       | -                          | -       |                   |
| TOTAL                               |                                                                     | - | - | -                     | -              | -                   | -       | -                              | -       | -                          | -       |                   |

(NAME OF NATIONAL/PROVINCIAL DEPARTMENT)  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2023

**ANNEXURE 2B**

**STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (CONTINUED)**

| Name of entity          | Nature of business            | Cost of investments |         | Net Asset value of investments |         | Amounts owing to entities |         | Amounts owing by entities |         |
|-------------------------|-------------------------------|---------------------|---------|--------------------------------|---------|---------------------------|---------|---------------------------|---------|
|                         |                               | R'000               |         | R'000                          |         | R'000                     |         | R'000                     |         |
|                         |                               | 2022/23             | 2021/22 | 2022/23                        | 2021/22 | 2022/23                   | 2021/22 | 2022/23                   | 2021/22 |
| Controlled entities     |                               | -                   | -       | -                              | -       | -                         | -       | -                         | -       |
| Subtotal                |                               | -                   | -       | -                              | -       | -                         | -       | -                         | -       |
| Non-controlled entities |                               | -                   | -       | -                              | -       | -                         | -       | -                         | -       |
|                         | Associates                    | -                   | -       | -                              | -       | -                         | -       | -                         | -       |
|                         | Subtotal                      | -                   | -       | -                              | -       | -                         | -       | -                         | -       |
|                         | Joint Ventures                | -                   | -       | -                              | -       | -                         | -       | -                         | -       |
|                         | Subtotal                      | -                   | -       | -                              | -       | -                         | -       | -                         | -       |
|                         | Other non-controlled entities | -                   | -       | -                              | -       | -                         | -       | -                         | -       |
|                         | Subtotal                      | -                   | -       | -                              | -       | -                         | -       | -                         | -       |
| TOTAL                   |                               | -                   | -       | -                              | -       | -                         | -       | -                         | -       |

(NAME OF NATIONAL/PROVINCIAL DEPARTMENT)  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2023

**ANNEXURE 3A**

**STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2023 - LOCAL**

| Guarantor institution | Guarantee in respect of | Original guaranteed capital amount | Opening balance 1 April 2022 | Guarantees draw downs during the year | Guarantees repayments/ cancelled/ reduced during the year | Revaluation due to foreign currency movements | Closing balance 31 March 2022 | Revaluations due to inflation rate movements | Accrued guaranteed interest for year ended 31 March 2023 |
|-----------------------|-------------------------|------------------------------------|------------------------------|---------------------------------------|-----------------------------------------------------------|-----------------------------------------------|-------------------------------|----------------------------------------------|----------------------------------------------------------|
|                       |                         | R'000                              | R'000                        | R'000                                 | R'000                                                     | R'000                                         | R'000                         | R'000                                        | R'000                                                    |
|                       | <b>Motor vehicles</b>   | -                                  | -                            | -                                     | -                                                         | -                                             | -                             | -                                            | -                                                        |
|                       | Subtotal                | -                                  | -                            | -                                     | -                                                         | -                                             | -                             | -                                            | -                                                        |
|                       | <b>Housing</b>          | -                                  | -                            | -                                     | -                                                         | -                                             | -                             | -                                            | -                                                        |
|                       | Subtotal                | -                                  | -                            | -                                     | -                                                         | -                                             | -                             | -                                            | -                                                        |
|                       | <b>Other</b>            | -                                  | -                            | -                                     | -                                                         | -                                             | -                             | -                                            | -                                                        |
|                       | Subtotal                | -                                  | -                            | -                                     | -                                                         | -                                             | -                             | -                                            | -                                                        |
|                       | <b>TOTAL</b>            | -                                  | -                            | -                                     | -                                                         | -                                             | -                             | -                                            | -                                                        |

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2023*

**ANNEXURE 3A (Continued)**

**STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2023 - FOREIGN**

| Guarantor institution | Guarantee in respect of | Original guaranteed capital amount | Opening balance 1 April 2022 | Guarantees draw downs during the year | Guarantees repayments/ cancelled/ reduced during the year | Revaluation due to foreign currency movements | Closing balance 31 March 2022 | Revaluation due to inflation rate movements | Accrued guaranteed interest for year ended 31 March 2023 |
|-----------------------|-------------------------|------------------------------------|------------------------------|---------------------------------------|-----------------------------------------------------------|-----------------------------------------------|-------------------------------|---------------------------------------------|----------------------------------------------------------|
|                       |                         | R'000                              | R'000                        | R'000                                 | R'000                                                     | R'000                                         | R'000                         | R'000                                       | R'000                                                    |
|                       | <b>Motor vehicles</b>   | -                                  | -                            | -                                     | -                                                         | -                                             | -                             | -                                           | -                                                        |
|                       | Subtotal                | -                                  | -                            | -                                     | -                                                         | -                                             | -                             | -                                           | -                                                        |
|                       | <b>Housing</b>          | -                                  | -                            | -                                     | -                                                         | -                                             | -                             | -                                           | -                                                        |
|                       | Subtotal                | -                                  | -                            | -                                     | -                                                         | -                                             | -                             | -                                           | -                                                        |
|                       | <b>Other</b>            | -                                  | -                            | -                                     | -                                                         | -                                             | -                             | -                                           | -                                                        |
|                       | Subtotal                | -                                  | -                            | -                                     | -                                                         | -                                             | -                             | -                                           | -                                                        |
|                       | <b>TOTAL</b>            | -                                  | -                            | -                                     | -                                                         | -                                             | -                             | -                                           | -                                                        |

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**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<br>balance<br>1 April 2022 | Liabilities<br>incurred<br>during the<br>year | Liabilities paid<br>/ cancelled /<br>reduced<br>during the<br>year | Liabilities<br>recoverable<br>(Provide<br>details<br>hereunder) | Closing<br>balance 31<br>March 2023 |
|----------------------------------------------|------------------------------------|-----------------------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------------|-------------------------------------|
|                                              | R'000                              | R'000                                         | R'000                                                              | R'000                                                           | R'000                               |
| <b>Claims against the department</b>         |                                    |                                               |                                                                    |                                                                 |                                     |
| Claims for damages suffered                  | 106 902                            | -                                             | -                                                                  | -                                                               | 106 902                             |
| Combined summons for claiming parment        | 14 167                             | -                                             | -                                                                  | -                                                               | 14 167                              |
| Summons Claiming for work done               | 308                                | -                                             | -                                                                  | -                                                               | 308                                 |
| Summons requesting order on service rendered | -                                  | 2 140                                         | -                                                                  | -                                                               | 2 140                               |
| Summons Claiming for work done               | -                                  | 68                                            | -                                                                  | -                                                               | 68                                  |
| Kings and Associates                         | 48 831                             | -                                             | 48 831                                                             | -                                                               | -                                   |
| <b>Subtotal</b>                              | <b>170 208</b>                     | <b>2 208</b>                                  | <b>48 831</b>                                                      | <b>-</b>                                                        | <b>123 585</b>                      |

- - - - -

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

|                                |                |              |               |          |                |
|--------------------------------|----------------|--------------|---------------|----------|----------------|
| <b>Environmental liability</b> |                |              |               |          |                |
|                                | -              | -            | -             | -        | -              |
| Subtotal                       | -              | -            | -             | -        | -              |
| <b>Other</b>                   |                |              |               |          |                |
|                                | -              | -            | -             | -        | -              |
| Subtotal                       | -              | -            | -             | -        | -              |
| <b>TOTAL</b>                   |                |              |               |          |                |
|                                | <b>170 208</b> | <b>2 208</b> | <b>48 831</b> | <b>-</b> | <b>123 585</b> |

**ANNEXURE 3B (continued)**

| <b>Nature of liabilities recoverable</b> | <b>Details of liability and recoverability</b> | <b>Opening<br/>balance 1 April<br/>2022</b> | <b>Movement<br/>during the year</b> | <b>Closing<br/>balance 31<br/>March 2023</b> |
|------------------------------------------|------------------------------------------------|---------------------------------------------|-------------------------------------|----------------------------------------------|
|                                          |                                                | <b>R'000</b>                                | <b>R'000</b>                        | <b>R'000</b>                                 |
| Claims for damages suffered              | -                                              | 106 902                                     | -                                   | 106 902                                      |
| Combined summons for claiming payment    | -                                              | 14 167                                      | -                                   | 14 167                                       |
| Summons Claiming for work done           | -                                              | 308                                         | -                                   | 308                                          |
| King and Associates                      | -                                              | 48 831                                      | -                                   | 48 831                                       |
| <b>TOTAL</b>                             | -                                              | <b>170 208</b>                              | -                                   | <b>170 208</b>                               |

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**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*                   |        |
|----------------------------------|-------------------------------|------------|---------------------------------|------------|------------|------------|--------------------------------------------------------|--------|
|                                  |                               |            |                                 |            |            |            | Receipt date up to six (6) working days after year end | Amount |
|                                  | 31/03/2023                    | 31/03/2022 | 31/03/2023                      | 31/03/2022 | 31/03/2023 | 31/03/2022 |                                                        |        |
|                                  | R'000                         | R'000      | R'000                           | R'000      | R'000      | R'000      |                                                        | R'000  |
| <b>Department</b>                |                               |            |                                 |            |            |            |                                                        |        |
| Department of Public Works       | -                             | -          | 6                               | -          | 6          | -          | -                                                      | -      |
| Subtotal                         | -                             | -          | 6                               | -          | 6          | -          | -                                                      | -      |
| <b>Other Government Entities</b> | -                             | -          | -                               | -          | -          | -          | -                                                      | -      |
| Subtotal                         | -                             | -          | -                               | -          | -          | -          | -                                                      | -      |
| <b>TOTAL</b>                     | -                             | -          | 6                               | -          | 6          | -          | -                                                      | -      |

|                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------|
| Overpayment of rental income for the month of March 2023 collected on behalf of Department of Public Works and Roads |
|----------------------------------------------------------------------------------------------------------------------|

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2023**

**\* For the Cash in transit columns - Please note the following:**

- Provincial departments must only reflect receipts from departments within their province
- National departments must only reflect receipts from other national departments.

**ANNEXURE 5  
INTERGOVERNMENT PAYABLES**

| GOVERNMENT ENTITY  | Confirmed balance outstanding |            | Unconfirmed balance outstanding |            | Total      |            | Cash-in-transit at year end 2022/23*                   |        |
|--------------------|-------------------------------|------------|---------------------------------|------------|------------|------------|--------------------------------------------------------|--------|
|                    |                               |            |                                 |            |            |            | Payment date up to six (6) working days after year end |        |
|                    | 31/03/2023                    | 31/03/2022 | 31/03/2023                      | 31/03/2022 | 31/03/2023 | 31/03/2022 |                                                        | Amount |
|                    | R'000                         | R'000      | R'000                           | R'000      | R'000      | R'000      |                                                        | R'000  |
| <b>DEPARTMENTS</b> |                               |            |                                 |            |            |            |                                                        |        |
| Current            | -                             | -          | -                               | -          | -          | -          | -                                                      | -      |
| <b>Subtotal</b>    | -                             | -          | -                               | -          | -          | -          | -                                                      | -      |
| <b>Non-current</b> | -                             | -          | -                               | -          | -          | -          | -                                                      | -      |

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

|                                        |   |   |   |   |   |   |   |   |
|----------------------------------------|---|---|---|---|---|---|---|---|
| <b>Subtotal</b>                        | - | - | - | - | - | - | - | - |
| <b>Total Departments</b>               | - | - | - | - | - | - | - | - |
| <b>OTHER GOVERNMENT ENTITIES</b>       |   |   |   |   |   |   |   |   |
| <b>Current</b>                         |   |   |   |   |   |   |   |   |
| <b>Subtotal</b>                        | - | - | - | - | - | - | - | - |
| <b>Non-current</b>                     | - | - | - | - | - | - | - | - |
| <b>Subtotal</b>                        | - | - | - | - | - | - | - | - |
| <b>Total Other Government Entities</b> | - | - | - | - | - | - | - | - |
| <b>TOTAL INTERGOVERNMENT PAYABLES</b>  | - | - | - | - | - | - | - | - |

\* For the Cash in transit columns - Please note the following:

- Provincial departments must only reflect payments to departments within their province

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

- National departments must only reflect payments to other national departments

**ANNEXURE 6**  
**INVENTORIES**

|                                                                                  | Insert major<br>category of<br>inventory | Insert major<br>category of<br>inventory | Insert major<br>category of<br>inventory | Insert major<br>category of<br>inventory | Total |
|----------------------------------------------------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|-------|
| Inventories for the year ended 31 March 2023                                     | R'000                                    | R'000                                    | R'000                                    | R'000                                    | R'000 |
| Opening balance                                                                  | -                                        | -                                        | -                                        | -                                        | -     |
| Add/(Less): Adjustments to prior year balances                                   | -                                        | -                                        | -                                        | -                                        | -     |
| Add: Additions/Purchases - Cash                                                  | -                                        | -                                        | -                                        | -                                        | -     |
| Add: Additions - Non-cash                                                        | -                                        | -                                        | -                                        | -                                        | -     |
| (Less): Disposals                                                                | -                                        | -                                        | -                                        | -                                        | -     |
| (Less): Issues                                                                   | -                                        | -                                        | -                                        | -                                        | -     |
| Add/(Less): Received current, not paid; (Paid current year, received prior year) | -                                        | -                                        | -                                        | -                                        | -     |
| Add/(Less): Adjustments                                                          |                                          |                                          |                                          |                                          |       |
| <b>Closing balance</b>                                                           | -                                        | -                                        | -                                        | -                                        | -     |

*Include discussion here where deemed relevant.*

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

|                                                                                  | Insert major<br>category of<br>inventory | Insert major<br>category of<br>inventory | Insert major<br>category of<br>inventory | Insert major<br>category of<br>inventory | Total |
|----------------------------------------------------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|-------|
| Inventories for the year ended 31 March 2022                                     | R'000                                    | R'000                                    | R'000                                    | R'000                                    | R'000 |
| Opening balance                                                                  | -                                        | -                                        | -                                        | -                                        | -     |
| Add/(Less): Adjustments to prior year balances                                   | -                                        | -                                        | -                                        | -                                        | -     |
| Add: Additions/Purchases - Cash                                                  | -                                        | -                                        | -                                        | -                                        | -     |
| Add: Additions - Non-cash                                                        | -                                        | -                                        | -                                        | -                                        | -     |
| (Less): Disposals                                                                | -                                        | -                                        | -                                        | -                                        | -     |
| (Less): Issues                                                                   | -                                        | -                                        | -                                        | -                                        | -     |
| Add/(Less): Received current, not paid; (Paid current year, received prior year) | -                                        | -                                        | -                                        | -                                        | -     |
| Add/(Less): Adjustments                                                          |                                          |                                          |                                          |                                          |       |
| <b>Closing balance</b>                                                           | -                                        | -                                        | -                                        | -                                        | -     |

*Include discussion here where deemed relevant.*

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**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 20ZZ**

|                                                              | Opening<br>balance | Current year<br>CWIP | Ready for<br>use (Asset<br>Register) /<br>Contract<br>terminated | Closing<br>balance |
|--------------------------------------------------------------|--------------------|----------------------|------------------------------------------------------------------|--------------------|
|                                                              | R'000              | R'000                | R'000                                                            | R'000              |
| <b>HERITAGE ASSETS</b>                                       | -                  | -                    | -                                                                | -                  |
| Heritage assets                                              | -                  | -                    | -                                                                | -                  |
| <b>MACHINERY AND EQUIPMENT</b>                               | -                  | -                    | -                                                                | -                  |
| Transport assets                                             | -                  | -                    | -                                                                | -                  |
| Computer equipment                                           | -                  | -                    | -                                                                | -                  |
| Furniture and office equipment                               | -                  | -                    | -                                                                | -                  |
| Other machinery and equipment                                | -                  | -                    | -                                                                | -                  |
| <b>SPECIALISED MILITARY ASSETS</b>                           | -                  | -                    | -                                                                | -                  |
| Specialised military assets                                  | -                  | -                    | -                                                                | -                  |
| <b>BIOLOGICAL ASSETS</b>                                     | -                  | -                    | -                                                                | -                  |
| Biological assets                                            | -                  | -                    | -                                                                | -                  |
| <b>BUILDINGS AND OTHER FIXED STRUCTURES</b>                  | -                  | -                    | -                                                                | -                  |
| Dwellings                                                    | -                  | -                    | -                                                                | -                  |
| Non-residential buildings                                    | -                  | -                    | -                                                                | -                  |
| Other fixed structures                                       | -                  | -                    | -                                                                | -                  |
| <b>LAND AND SUBSOIL ASSETS</b>                               | -                  | -                    | -                                                                | -                  |
| Land                                                         | -                  | -                    | -                                                                | -                  |
| Mineral and similar non-regenerative resources               | -                  | -                    | -                                                                | -                  |
| <b>SOFTWARE</b>                                              | -                  | -                    | -                                                                | -                  |
| Software                                                     | -                  | -                    | -                                                                | -                  |
| <b>MASTHEADS AND PUBLISHING TITLES</b>                       | -                  | -                    | -                                                                | -                  |
| Mastheads and publishing titles                              | -                  | -                    | -                                                                | -                  |
| <b>PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS</b> | -                  | -                    | -                                                                | -                  |
| Patents, licences, copyright, brand names, trademarks        | -                  | -                    | -                                                                | -                  |

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2023**

**RECIPES, FORMULAE, PROTOTYPES, DESIGNS,  
MODELS**

Recipes, formulae, prototypes, designs, models

|   |   |   |   |
|---|---|---|---|
| - | - | - | - |
| - | - | - | - |

**SERVICES AND OPERATING RIGHTS**

Services and operating rights

|   |   |   |   |
|---|---|---|---|
| - | - | - | - |
|---|---|---|---|

**TOTAL**

|   |   |   |   |
|---|---|---|---|
| - | - | - | - |
|---|---|---|---|

*Include discussion here where deemed relevant.*

**Movement in capital work in progress for the year ended 31 March 2022**

|                                             | Opening<br>balance | Prior<br>period<br>error | Current<br>year CWIP | Ready for<br>use (Asset<br>Register) /<br>Contract<br>terminated | Closing<br>balance |
|---------------------------------------------|--------------------|--------------------------|----------------------|------------------------------------------------------------------|--------------------|
|                                             | R'000              | R'000                    | R'000                | R'000                                                            | R'000              |
| <b>HERITAGE ASSETS</b>                      |                    |                          |                      |                                                                  |                    |
| Heritage assets                             | -                  | -                        | -                    | -                                                                | -                  |
| <b>MACHINERY AND EQUIPMENT</b>              | -                  | -                        | -                    | -                                                                | -                  |
| Transport assets                            | -                  | -                        | -                    | -                                                                | -                  |
| Computer equipment                          | -                  | -                        | -                    | -                                                                | -                  |
| Furniture and office equipment              | -                  | -                        | -                    | -                                                                | -                  |
| Other machinery and equipment               | -                  | -                        | -                    | -                                                                | -                  |
| <b>SPECIALISED MILITARY ASSETS</b>          | -                  | -                        | -                    | -                                                                | -                  |
| Specialised military assets                 | -                  | -                        | -                    | -                                                                | -                  |
| <b>BIOLOGICAL ASSETS</b>                    | -                  | -                        | -                    | -                                                                | -                  |
| Biological assets                           | -                  | -                        | -                    | -                                                                | -                  |
| <b>BUILDINGS AND OTHER FIXED STRUCTURES</b> | -                  | -                        | -                    | -                                                                | -                  |
| Dwellings                                   | -                  | -                        | -                    | -                                                                | -                  |
| Non-residential buildings                   | -                  | -                        | -                    | -                                                                | -                  |
| Other fixed structures                      | -                  | -                        | -                    | -                                                                | -                  |
| <b>LAND AND SUBSOIL ASSETS</b>              | -                  | -                        | -                    | -                                                                | -                  |
| Land                                        | -                  | -                        | -                    | -                                                                | -                  |

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2023**

|                                                              |   |   |   |   |   |
|--------------------------------------------------------------|---|---|---|---|---|
| Mineral and similar non-regenerative resources               | - | - | - | - | - |
| <b>SOFTWARE</b>                                              | - | - | - | - | - |
| Software                                                     | - | - | - | - | - |
| <b>MASTHEADS AND PUBLISHING TITLES</b>                       | - | - | - | - | - |
| Mastheads and publishing titles                              | - | - | - | - | - |
| <b>PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS</b> | - | - | - | - | - |
| Patents, licences, copyright, brand names, trademarks        | - | - | - | - | - |
| <b>RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS</b>        | - | - | - | - | - |
| Recipes, formulae, prototypes, designs, models               | - | - | - | - | - |
| <b>SERVICES AND OPERATING RIGHTS</b>                         | - | - | - | - | - |
| Services and operating rights                                | - | - | - | - | - |
| <b>TOTAL</b>                                                 | - | - | - | - | - |

*Include discussion here where deemed relevant.*

**(NAME OF NATIONAL/PROVINCIAL DEPARTMENT)  
VOTE**

***ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2023***

**(NAME OF NATIONAL/PROVINCIAL DEPARTMENT)**  
**VOTE**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**ANNEXURE 8A**

**INTERENTITY ADVANCES PAID (Note 13)**

| ENTITY                 | Confirmed balance outstanding |            | Unconfirmed balance outstanding |            | TOTAL     |            |
|------------------------|-------------------------------|------------|---------------------------------|------------|-----------|------------|
|                        | 31/3/2023                     | 31/03/2022 | 31/3/2023                       | 31/03/2022 | 31/3/2023 | 31/03/2022 |
|                        | R'000                         | R'000      | R'000                           | R'000      | R'000     | R'000      |
| NATIONAL DEPARTMENTS   | -                             | -          | -                               | -          | -         | -          |
| Subtotal               | -                             | -          | -                               | -          | -         | -          |
| PROVINCIAL DEPARTMENTS | -                             | -          | -                               | -          | -         | -          |
| Subtotal               | -                             | -          | -                               | -          | -         | -          |
| PUBLIC ENTITIES        | -                             | -          | -                               | -          | -         | -          |
| Subtotal               | -                             | -          | -                               | -          | -         | -          |
| OTHER ENTITIES         | -                             | -          | -                               | -          | -         | -          |

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VOTE

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**Subtotal**

|   |   |   |   |   |   |
|---|---|---|---|---|---|
| - | - | - | - | - | - |
|---|---|---|---|---|---|

**TOTAL**

|   |   |   |   |   |   |
|---|---|---|---|---|---|
| - | - | - | - | - | - |
|---|---|---|---|---|---|

*Include discussion here where deemed relevant.*

**(NAME OF NATIONAL/PROVINCIAL DEPARTMENT)**  
**VOTE**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**ANNEXURE 8B**

**INTERENTITY ADVANCES RECEIVED (Note 20 AND Note 21)**

| ENTITY                        | Confirmed balance outstanding |            | Unconfirmed balance outstanding |            | TOTAL     |            |
|-------------------------------|-------------------------------|------------|---------------------------------|------------|-----------|------------|
|                               | 31/3/2023                     | 31/03/2022 | 31/3/2023                       | 31/03/2022 | 31/3/2023 | 31/03/2022 |
|                               | R'000                         | R'000      | R'000                           | R'000      | R'000     | R'000      |
| <b>NATIONAL DEPARTMENTS</b>   |                               |            |                                 |            |           |            |
| Current                       | -                             | -          | -                               | -          | -         | -          |
|                               |                               |            |                                 |            |           |            |
| <b>Subtotal</b>               | -                             | -          | -                               | -          | -         | -          |
| Non-current                   | -                             | -          | -                               | -          | -         | -          |
|                               |                               |            |                                 |            |           |            |
| <b>Subtotal</b>               | -                             | -          | -                               | -          | -         | -          |
| <b>PROVINCIAL DEPARTMENTS</b> |                               |            |                                 |            |           |            |
| Current                       | -                             | -          | -                               | -          | -         | -          |
|                               |                               |            |                                 |            |           |            |
| <b>Subtotal</b>               | -                             | -          | -                               | -          | -         | -          |
| Non-current                   | -                             | -          | -                               | -          | -         | -          |

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

|                        |   |   |   |   |   |   |
|------------------------|---|---|---|---|---|---|
| <b>Subtotal</b>        | - | - | - | - | - | - |
| <b>PUBLIC ENTITIES</b> |   |   |   |   |   |   |
| <b>Current</b>         | - | - | - | - | - | - |
| <b>Subtotal</b>        | - | - | - | - | - | - |
| <b>Non-current</b>     | - | - | - | - | - | - |
| <b>Subtotal</b>        | - | - | - | - | - | - |
| <b>OTHER ENTITIES</b>  |   |   |   |   |   |   |
| <b>Current</b>         | - | - | - | - | - | - |
| <b>Subtotal</b>        | - | - | - | - | - | - |
| <b>Non-current</b>     | - | - | - | - | - | - |
| <b>Subtotal</b>        | - | - | - | - | - | - |

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

TOTAL

Current

Non-current

|   |   |   |   |   |   |
|---|---|---|---|---|---|
| - | - | - | - | - | - |
|---|---|---|---|---|---|

*Include discussion here where deemed relevant.*

## **ANNEXURE 9**

### **ADDITIONAL INFORMATION ON IMMOVABLE ASSETS**

*Refer to the Chapter 11 on Capital Assets: Appendix A for further assistance on what to insert into this Annexure*

*The detail for note 39.4 may be included in this annexure.*

*In addition to the detail for note 41.4 the department should address the information regarding:*

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

## ANNEXURE 10

### DEPARTMENT OF HUMAN SETTLEMENTS HOUSING RELATED EXPENDITURE CLASSIFICATION

*[Human Settlements Departments: Transition Guide on Classification of Expenditure]*

|                                               | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|-----------------------------------------------|------|------------------|------------------|
| <b>Inventories</b>                            |      |                  |                  |
| <i>List the items for correct expenditure</i> |      | -                | -                |
| <b>Subtotal</b>                               |      | -                | -                |
| <b>Expenditure for capital assets</b>         |      |                  |                  |
| <i>List the items for correct expenditure</i> |      | -                | -                |
| <b>Subtotal</b>                               |      | -                | -                |
| <b>Transfers and subsidies</b>                |      |                  |                  |
| <i>List the items for correct expenditure</i> |      | -                | -                |
| <b>Subtotal</b>                               |      | -                | -                |
| <b>TOTAL</b>                                  |      | -                | -                |

### Capital commitments

*[Provisions and Contingents par .64, .65 and .66]*

|                                      | Note | 2022/23<br>R'000 | 2021/22<br>R'000 |
|--------------------------------------|------|------------------|------------------|
| Buildings and other fixed structures |      | -                | -                |
| Heritage assets                      |      | -                | -                |
| Machinery and equipment              |      | -                | -                |
| Specialised military assets          |      | -                | -                |
| Land and subsoil assets              |      | -                | -                |
| Biological assets                    |      | -                | -                |

|                   |          |          |
|-------------------|----------|----------|
| Intangible assets | -        | -        |
| <b>Total</b>      | <b>-</b> | <b>-</b> |

*Include discussion here where deemed relevant.*

**ANNEXURE 11**  
**COVID 19 RESPONSE EXPENDITURE**  
Per quarter and in total

| Expenditure per economic classification | 2022/23 |       |       |       |       | 2021/22 |
|-----------------------------------------|---------|-------|-------|-------|-------|---------|
|                                         | Q1      | Q2    | Q3    | Q4    | Total | Total   |
|                                         | R'000   | R'000 | R'000 | R'000 | R'000 | R'000   |
| Compensation of employees               | 21      | -     | -     | -     | 21    | 195     |
| Goods and services                      | -       | -     | -     | -     | -     | -       |
| List all applicable SCOA level 4 items  | -       | -     | -     | -     | -     | -       |
| Transfers and subsidies                 | -       | -     | -     | -     | -     | -       |
| List all applicable SCOA level 4 items  | -       | -     | -     | -     | -     | -       |
| Expenditure for capital assets          | -       | -     | -     | -     | -     | -       |
| List all applicable SCOA level 4 items  | -       | -     | -     | -     | -     | -       |
| Other expenditure not listed above      | -       | -     | -     | -     | -     | -       |
| List all applicable SCOA level 4 items  | -       | -     | -     | -     | -     | -       |

**TOTAL COVID 19 RESPONSE  
EXPENDITURE**

|           |          |          |          |           |            |
|-----------|----------|----------|----------|-----------|------------|
| <b>21</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>21</b> | <b>195</b> |
|-----------|----------|----------|----------|-----------|------------|

*Include discussion here where deemed relevant.*