



THE PRESIDENCY

ANNUAL REPORT

2015 / 2016



THE PRESIDENCY  
REPUBLIC OF SOUTH AFRICA



***“Imbokodo”***

The Women’s Memorial at the Union Building in Pretoria  
which commemorates the 1956 Women’s March to the Union Building.  
August 2016 marked the 60<sup>th</sup> Anniversary of the march.

## VOTE NO. 1



**THE PRESIDENCY  
REPUBLIC OF SOUTH AFRICA**

### SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTIVE AUTHORITY

To the President of the Republic of South Africa, His Excellency President Jacob Zuma,  
I have the honour of submitting to you, in terms of Section 40 of the Public Finance Management Act (PFMA),  
1999 (Act 1 of 1999), the Annual Report of The Presidency for the period 1 April 2014 to 31 March 2016.

A handwritten signature in black ink, appearing to read 'Lakela Kaunda'.

Ms Lakela Kaunda  
Chief Operations Officer (COO)





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The Honourable Jeffrey Radebe, MP  
Minister in The Presidency for Planning, Monitoring and Evaluation

## FOREWORD BY THE MINISTER

### THE ECONOMY AN APEX PRIORITY

The Annual Report of The Presidency for the 2015/16 financial year reflects the activities undertaken by the institution in furthering the country's mission of building a truly united, non-racial, non-sexist and prosperous South Africa.

The 2015/16 financial year was especially significant for government because it was the first full year in which the National Development Plan (NDP) was implemented. The Annual Report reflects the efforts of The Presidency at leading and coordinating government's actions in implementing the NDP. The work of implementing the NDP was made difficult by a difficult global and domestic environment. The anaemic growth in the global economy has unavoidably impacted on the country's growth prospects and plans. As a direct consequence, the domestic economy has struggled to stay on track since 2009.

Government has had to implement the NDP and all plans under this difficult economic climate, but through collaboration with other social partners and our people, we have managed to stay on course. Given the difficult climate, the economy remained an apex priority for government.

To respond to the difficult climate, as government, we responded by aggressively curtailing unnecessary government spending and redirecting state revenue towards radical socio-economic policy areas with higher growth potential, without jeopardising the resources for essential services and delivering these. Essentially, government has focused on: fiscal prudence and efficient government; GDP growth; the creation of sustainable public and private sector jobs; increasing public and private sector investment, including foreign investment, boosting exports; intervening to stimulate growth in agricultural, manufacturing and mining production – especially economic activities upstream and downstream to these industries; and, lastly, refining the regulatory environment to make it more

efficient and to remove uncertainties that deter decisions to invest or expand operations.

In order to reignite economic growth and create jobs, President Jacob Zuma announced the 9-Point Plan for Economic Growth and Job Creation in February 2015.

#### The nine point plan consists of the following priority areas;

- a. Revitalisation of the agriculture and agro-processing value-chain;
- b. Advancing beneficiation (adding value to our mineral wealth);
- c. More effective implementation of a higher impact IPAP;
- d. Unlocking the potential of SMME, co-ops, township and rural enterprise;
- e. Resolving the energy challenge;
- f. Stabilising the labour market;
- g. Scaling-up private-sector investment;
- h. Growing the Ocean Economy;
  - i. Cross-cutting Areas to Reform, Boost and Diversify the Economy;
  - i. Science, technology and innovation
  - ii. Water and sanitation
  - iii. Transport infrastructure
  - iv. Broadband rollout
  - v. State owned companies.

Work has continued during the financial year to implement the plan, and progress has been made. We welcomed new investments in the economy which has demonstrated confidence and contributed to job creation. Examples of new investments and expansions were announced by major companies such as Ford, Nestle, Toyota, Volkswagen, Volvo, and the Beijing Automobile International Corporation and Samsung Electronics.

President Zuma has also emphasised that the challenge of growing the economy and creating jobs can only be met if all



## PART A: GENERAL INFORMATION

stakeholders in our society work together. Consequently the President, accompanied by Deputy President Cyril Ramaphosa, convened key meetings with leading captains of industry, organised business and organised labour. These meetings, including a landmark meeting that was held in Cape Town on 9 February just before the State of the Nation Address. The meeting demonstrated unprecedented cooperation between government, business and labour in order to avert the sovereign credit downgrade and revive the economy. This was followed by a roadshow led by the Minister of Finance accompanied by business and labour leaders, to promote the country in the United States and United Kingdom, as part of staving off a downgrade. This demonstrated patriotism and unity among all sectors to protect growth and jobs and the wellbeing of our people.

Deputy President Ramaphosa on the other hand continued the mission of leading government, business and labour in the dialogue towards a national minimum wage for the country, as part of fighting poverty, unemployment and inequality. The Deputy President also continued the important work of implementing the Presidential Review Commission on State Owned Enterprises, and to support SOEs in distress such as Eskom, the SA Post Office and South African Airways.

The Presidency continued to promote positive working relations between the three arms of the state. The President convened a landmark meeting with the judiciary last year following disagreements on some areas of work. The important meeting, in which the Deputy President led the government delegation and the Chief Justice the Judiciary, and chaired by the President, demonstrated the ability of our country to solve problems through dialogue. It also demonstrated the resilience of our democratic institutions and systems.

The President later hosted another meeting in Cape Town with the leadership of Parliament (the Speaker and Chairperson of the National Council of Provinces) and the Chief Justice to discuss working relations and other issues affecting the three arms.

The tough economic environment has not prevented government from pushing ahead with the agenda of transforming the economy. On 9 August 2015 President Zuma launched the Women in the Economy Report which was written by the Department of Women under the able guidance of the Minister in The Presidency for Women, Ms Susan Shabangu. Following that report, the President instructed all Ministers in the Economic Cluster of Cabinet to set specific targets in departmental plans pertaining to the economic inclusion of women.

During the year under review, President Zuma also received and released the report of the Farlam Commission of Inquiry into the tragic events that took place in Marikana in the year 2012. Implementation of the Commission's recommendations is underway. At the end of December 2015 the President received the report of the Seriti Commission of Inquiry into the strategic procurement of arms which was later released to the public, with findings of no wrong-doing by government in the arms procurement process.

The third quarter of the financial year had seen demonstrations against increases in university fees by students, which included a march to the Union Buildings. The President met the leadership of universities as well as student leaders to discuss the matter and later announced a zero increase in fees for 2016/2017. Subsequently, President Zuma appointed the Heher Commission of Inquiry to investigate the funding of higher education and training.

The work of the Presidential Remuneration Review Commission, looking into the working conditions of public servants is also continuing. The President appointed Justice Kenneth Mthiyane to replace former Chief Justice Ngcobo as chairperson of the Commission.

Social cohesion and building national unity remained key priorities this financial year. Work continued in earnest to plan for the 40<sup>th</sup> anniversary of the June 16 uprising and the 60<sup>th</sup> anniversary of the Women's March to the Union Buildings, to be celebrated in June and August 2016.

The Presidency 2015/16 Annual Report provides readers with a narrative of work done in the past financial year, under difficult economic and social conditions in the country. The President and the Deputy President continued to lead government and the country well in meeting the challenges of fighting poverty and building a better life for all.

We thank all stakeholders for supporting The Presidency during the past financial year.

I take this opportunity to thank the Director-General in The Presidency, Dr Cassius Reginald Lubisi, the Chief Operations Officer Ms Lakela Kaunda and all staff of The Presidency for their contribution in taking The Presidency and the country forward.

Adv. Jeff Radebe  
Minister in The Presidency



R Cassius Lubisi, PhD

Director-General in The Presidency and Secretary of the Cabinet

## FOREWORD BY THE DIRECTOR-GENERAL

### TAKING FORWARD THE FIGHT AGAINST POVERTY, INEQUALITY AND UNEMPLOYMENT

The 2015/16 financial year has been an extremely busy year for the fifth administration, led by President Jacob Zuma.

The first year of the administration was dedicated to translating the National Development Plan into an implementable five-year programme for government; in the second year, the focus has been on implementation of the programme. The President outlined the priorities of the financial year under review in the February 2015 State of the Nation Address (SONA) the revitalisation of the economy.

The 9-Point Plan to ignite growth and create jobs was announced. The nine critical elements of the plan include the following: resolving the energy challenge, which had caused load-shedding at the time and which had become a constraint to economic growth; revitalising agriculture and the agro-processing value chain; mineral beneficiation; encouraging private sector investment; moderating workplace conflict; unlocking the potential of SMMEs, cooperatives, rural enterprises and the township economy; effectively implementing the Industrial Policy Action Plan (IPAP); reform of state owned companies; and the implementation of Operation Phakisa.

A lot of effort has been put into implementing the 9-Point Plan. For instance, in addressing the challenge of energy insecurity, important measures were implemented to resolve governance problems at Eskom, including the appointment of the board, as well as the appointment of senior executives. The interventions have resulted in a complete turnaround at Eskom and a halt being put on load-shedding. Deputy President Cyril Ramaphosa leads the support to state owned companies.

President Zuma also mobilised various sectors in society to work together with government in revitalising the economy and in implementing the 9-Point Plan and the NDP. He convened meetings with captains of industry and other business leaders

to work on a collective programme to turn the economy around. The programme of cooperation with business included meetings of the Presidential Business Working Group and the National Mining Consultative Forum, which focuses on stabilising the mining sector. The President also convened the Presidential Youth Working Group, in order to discuss ways in which the agenda of youth empowerment can be advanced, with a special focus on addressing the huge challenge of youth unemployment.

A highlight of the cooperation process fostered between government and business was demonstrated in the first ever roadshow by business, government and labour leaders to the United Kingdom and the United States, in an unprecedented collective effort to avert the sovereign downgrade of South Africa. Many other initiatives were also undertaken by The Presidency during the year under review, including the Deputy President's efforts at facilitating negotiations at NEDLAC on the minimum wage and his leadership in turning around some State Owned Entities (SOEs).

South Africa's increasing engagement efforts in the international arena reflect the confidence and respect that the international community, and especially the African continent, has for South Africa. South Africa is a member of the G20 and BRICS; it is also involved in many missions that are meant to bring about peace, stability and development in the African continent.

Given the position of The Presidency as the apex of governance, it is expected that the office should assist in providing leadership on various matters in times of crisis. The Presidency was involved in three national issues:

Following the national higher education student protests against inadequate funding of students, the President established a Task Team, chaired by the Director-General in The Presidency, that looked into challenges and provided recommendations regarding higher education funding. The recommendations of the Task Team have since been tabled and processed



## PART A: GENERAL INFORMATION

by Cabinet. Given that the question of long-term funding of higher education is a serious and complicated matter, the President has since established a Commission of Enquiry into the funding of higher education, under the chairpersonship of Judge Jonathan Heher.

In the aftermath of the attacks on foreign nationals during 2015, government established an Inter-Ministerial Committee (IMC) that developed a Multi-Disciplinary Integrated National Action Plan to address the causes of conflict between local communities and foreign nationals. A Technical Task Team on Migration was established to support the IMC. The Technical Task Team monitored the implementation of the Multi-Disciplinary Integrated National Action Plan, which soon resulted in peace and stability returning to communities. The team continues to deal with longer-term issues.

As a result of the impact on the tourism industry of the implementation (during 2015) of new immigration regulations that were aimed at preventing child trafficking (among other things), government established an IMC, led by the Deputy President, to review the regulations. The Presidency, in turn, led a technical task team that supported the IMC. The work of the technical task team led to a review of the sections of the immigration regulations that had had a negative impact, without undoing the measures aimed at preventing criminal activities.

An important aspect of the work of The Presidency is the bestowal of national honours by the President, as part of his responsibility to foster national cohesion. The National Orders celebrate human achievement, human sacrifice and human endeavours that make our country a better place. They also recognise eminent persons from other countries who have contributed to the attainment of freedom and democracy. In the past year, The Presidency hosted two National Orders ceremonies, at which 32 persons were bestowed with National Orders.

The work of The Presidency has taken place under difficult economic conditions in the country, which has necessitated the implementation of cost-containment measures. The Office had to reduce expenditure while maintaining the essential work of coordinating government and delivering on government's mandate. The Presidency ensured that it was fully aligned to the government objective of doing more with less. Operations of all Presidency programmes were revised to conform to the allocated budget.

The impact of the reorganisation of government, which began in 2014, reached its end-point in The Presidency, when the Ministry for Planning, Monitoring and Evaluation, which had

resided in The Presidency, was transferred to the Department of Planning, Monitoring and Evaluation (DPME) during 2015/16. This concluded the creation of the planning, monitoring and evaluation portfolio. While the Department itself now falls outside of The Presidency and has its own budget vote in Parliament, the Minister in The Presidency for Planning, Monitoring and Evaluation remains Minister in The Presidency providing support to the President and Deputy President in the execution of the tasks.

I would be remiss if I did not thank Minister Jeff Radebe and the DPME for their support of the work of The Presidency, and especially the excellent training and other work done in preparation of the implementation of the Socio-Economic Impact Assessment System (SEIAS) by Cabinet.

I also wish to thank the Minister in The Presidency who is responsible for Women, Ms Susan Shabangu, and the Deputy Minister for Planning Monitoring and Evaluation, Mr Buti Manamela, for their support and guidance.

I would like to take the opportunity to thank all Presidency staff for the sterling work and the accomplishments achieved during the past year.

**Dr Cassius Reginald Lubisi**  
**Director-General in The Presidency**  
**and Secretary to the Cabinet**



Ms Lakela Kaunda  
Chief Operations Officer

## OVERVIEW BY THE ACCOUNTING OFFICER

### MOVING THE PRESIDENCY FORWARD

The Presidency had a successful year of providing efficient support to the President of the Republic, supported by the Deputy President of the Republic, in the fulfilment of his Constitutional mandate and in leading government and the country as a whole.

Several programmes were undertaken during the year to take forward the work of the two principals as they implemented the governing party's electoral mandate of moving South Africa forward. In this regard, The Presidency ensured the efficient management of Cabinet, which is the highest decision making structure in government. The organisation ensured effective management of the President's interface with stakeholders through the Presidential working groups, the management of Presidential councils (such as the Presidential Black Economic Empowerment Advisory Council and the Presidential Infrastructure Coordinating Commission) and the President's Coordination Council, through which the President meets with Premiers and the South African Local Government Association (SALGA). The Deputy President was supported in his work of leading the country's response to HIV and AIDS, malaria and tuberculosis, which is directed by his chairing the South African National Aids Council (SANAC), leadership of the Human Resource Development Council, interfacing with social partners at NEDLAC on the national minimum wage, and also leadership of the processes aimed at repositioning state owned enterprises. The Presidency worked with other departments in organising community engagement sessions via the Izimbizo programmes and also the Presidential Siyahlola Monitoring Programme.

Most important is the work of the principals in promoting nation building and social cohesion through national days and other activities that bring South Africans together, such as honouring distinguished citizens through national orders. Cooperation with the world continued to be a priority for The Presidency, and this task was executed through effective management and

execution of the international programmes of the President and the Deputy President.

All of this work was undertaken in a climate of a global economic downturn. The lack of improvement in the global economic situation and its impact on the South African economy, as well as domestic constraints in our own economy, necessitated serious austerity measures being taken across government, including in The Presidency.

In fact, The Presidency has been on an austerity drive since the implementation of expenditure thresholds outlined as part of the cost-containment measures introduced by government in 2013/14. This theme was further entrenched by the National Treasury when, in January 2016, it announced further urgent austerity measures that would impact on the Medium Term Expenditure Framework (MTEF) for the period 2016-19.

The Presidency successfully implemented the imposed expenditure thresholds. This entailed cutting back on spending on non-essential goods and services and reprioritising, abolishing vacant posts and, in some cases, delaying planned capital projects. To improve the way we work, all branches of The Presidency developed and implemented Standard Operating Procedures (SOPs), which not only outline the processes for rendering support services, but also detail the standards required, as well as planned and expected enhancement anticipated over the medium term.

We also set out to improve the policy environment within the organisation. The Presidency continued to develop and implement a range of operational policies aimed at enhancing the business processes and management practices of the organisation. A total of 15<sup>1</sup> new and revised operational

<sup>1</sup> Records Management Policy; Promotion of Access Section 14 Manual & Section 15 Notice; Annual Human Resource Development (HRD) Implementation Plan; revised Internal Security Policy; The Use of Official Languages Policy; revised Supply Management Policy; Internship and Learnership Policies; Integrated Policy Renewal Plan; Service Delivery Improvement Plan (SDIP); Labour Relations Guidelines; revised Performance Information Policy and Procedure; Revised Gender Mainstreaming Plan; Transport Policy; Official Hours & Overtime Policy; Annual Calendar 2016/17.



## PART A: GENERAL INFORMATION

policies and plans were processed to ensure compliance with government legislation, regulations and directives. These policies deal with supply chain management, human resources, information and communication technologies, finance, performance information, and governance and compliance. A review of all charters and terms of reference for various management structures was also done.

The Presidency adopted a language policy, which was published on 15 February 2016. The policy allows for the promotion of all official South African languages and for citizens to communicate with The Presidency in any official South African language. This has meant that The Presidency has had to set up processes for accessible translations services.

The Presidency also assessed the composition and functioning of various governance structures, especially in Supply Chain Management. This was done to ensure that these structures are effective in delivering on their respective obligations, and to also ensure that there is rotation of duties and members, as part of the fraud prevention plan of the organisation.

As part of the standard-setting process in The Presidency, a refined document storage and management system was implemented on a pilot basis, in anticipation of its full roll-out in 2016/17. Following this pilot phase, a workable system will be designed that will enable better and more accurate management reporting on performance achieved against measures and standards.

The Presidency rolled out an extensive ICT Infrastructure upgrade project in partnership with the State Information Technology Agency (SITA), to support the operations of the organisation and enhance the levels of information security.

The development and testing of the e-Cabinet system commenced in 2015. The e-Cabinet system is a secure electronic document management system and collaboration platform for e-Cabinet meetings. This project will be making a significant difference in the efficiency of Cabinet operations.

The review processes in The Presidency also led to renewed emphasis on organisational values of service excellence, accountability and transparency by making explicit, commitments to these values. Thus, Service Level Agreements (SLAs) and Memoranda of Understanding (MOU) with key government partners were reviewed, with the aim of implementing measures to improve the adequacy and effectiveness of services provided to execute the President and Deputy President's programmes. These included SLAs with the Department of International Relations and Cooperation

(DIRCO), in respect of foreign travel and accommodation, and the Department of Public Works, in respect of management of the Prestige accommodation and facilities. SLAs and contracts with outside service providers were systematically interrogated, with the aim of discovering areas of excessive expenditure that could be re-negotiated at better terms. Re-negotiation resulted in a significant reduction in cost, especially for key services such as car hire, accommodation, travel and phone usage.

The Human Resources (HR) strategy of The Presidency was revised and implemented with an amended recruitment and selection strategy, to specifically respond to legislative requirements for disability management, in order to promote opportunities for people with disabilities. This strategy was benchmarked and implemented in partnership with various institutions of higher learning and organisations such as Disability South Africa. This intervention is designed to enable The Presidency to improve its current profile, which stands at 1.41% disabled staff members, which is just below the national average of 2%.

HR also re-aligned the organisational Internship programme, to ensure that the programme adequately identifies a skilled and competitive high performance team to match the calibre of skills required in The Presidency. This was complemented by the skills audit project, especially for administrative staff (secretaries and personal assistants), to correctly match skills and map career paths.

As part of its fraud detection programme, The Presidency conducted a verification exercise of the educational qualifications of all staff. To date 948 qualifications of all staff have been verified. The project will be finalised in the 2016/17 financial year.

In 2015, The Presidency introduced a flagship project to engender the work of The Presidency, based on the report titled, *The Status of Women in the South African Economy*, which was launched by the President on 9 August 2015. The report outlines the impact of government programmes on the socio-economic empowerment of women and gender equality. The gender focal point in The Presidency was therefore enhanced to give greater prominence to gender mainstreaming in the organisation's programmes.

In order to ensure a high performing environment, increased productivity, compliance with operational policies and the effective use of state resources, The Presidency held various training and awareness sessions during the 2015/16 period with all levels of staff, including management, on: the Public Finance Management Act (PFMA), the Minimum Information



## PART A: GENERAL INFORMATION

Security Standards (MISS), budgeting and expenditure management, performance information and reporting, and security management.

We are also proud of our performance in terms of the energy saving imperatives of the country. In response to the electricity generation crises (which peaked in 2014) that resulted in outages and load-shedding, The Presidency launched a government-wide energy saving campaign in March 2015, to help stabilise the country's energy grid. Within The Presidency itself, energy saving interventions implemented in the past year include the installation of solar panels for electricity generation and the fitting of sensors to office lights, to ensure the efficient use of office lighting. The interventions were part of a comprehensive strategy that was implemented. Utility meters, which measure electricity usage, were monitored regularly. The electricity usage analysis has shown that since the implementation of the comprehensive strategy in 2013, The Presidency has saved approximately R2.5 million every year.

In the past year, the administrative structure of the organisation was once more adjusted to accommodate finalisation of the re-organisation of the macro-structure of government that began in 2014, following the national elections. In 2015, the Ministry of Planning, Monitoring and Evaluation, which resided in The Presidency, was transferred to the Department of Planning, Monitoring and Evaluation, which now houses the monitoring and evaluation function of government under a single portfolio, with the Minister in The Presidency for Planning, Monitoring and Evaluation as the Executive Authority.

The Presidency operated with an average vacancy rate of just under 8% (6.37% as at 31 March 2016), and, in the main, it was not possible to fund new posts or fill vacant posts. Given the further budget cuts announced in January 2016 for the forthcoming MTEF period, a few vacant posts have been identified to be abolished in the 2016/2017 financial year.

In response to the President's directive made in 2014, and in compliance with the resulting new National Treasury SCM regulations and guidelines, work commenced in the past year in preparation for the migration of The Presidency SCM database to the Central Supplier Database of government, which took effect in April in 2016.

Key interventions were made by The Presidency to address findings made in external reviews conducted by the Auditor-General and the Management of Performance Assessment Tool (MPAT) process, and responding to the recommendations to improve internal controls and compliance, as well as to enhance management processes and practices. While The Presidency

previously received an aggregate score of 2.75, the score improved to 3.04 in the current year. In the main, this reflects the improvements undertaken in relation to business processes and management practices in the organisation.

During the year under review, we had to take tough decisions to ensure cost savings without risking the quality of services provided. The Presidency has spent 98.1% of its appropriated budget.

By all accounts, The Presidency has been successful in its efforts. More work will be done in the new financial year to further improve corporate governance, especially in the areas of supply chain management and also in the management and reporting of performance information.

I would like to take this opportunity to thank management and all staff for their invaluable support and contribution to our successes during the reporting period.

**Ms Lakela Kaunda**  
Chief Operations Officer



## STRATEGIC OVERVIEW

### OUR AIM

The aim of The Presidency is:

- To support the President in executing his Constitutional responsibilities and leading and galvanising the whole of government and society to implement the electoral mandate;
- To serve as a centre for strategic coordination, leadership and supervision of government in government in implementing the programme, so as to ensure that all energies and efforts are properly aligned;
- To provide oversight to the implementation of the programme of government and to ensure it is achieving its intended objectives.

### OUR VISION

In support of this aim, the vision of The Presidency is:

*Excellence in governance and in providing leadership to the state and society.*

### OUR MISSION

In achieving the above vision, The Presidency describes its mission as:

*To provide support to the President and the Deputy President in the execution of their respective, as outlined in the Constitutional responsibilities and the electoral mandate.*

### OUR VALUES

The values and principles that underpin The Presidency's pursuit of its vision and mission are:

The Presidency Values	What the Value Means in Practice
<b>Dedication</b>	Living this value means that The Presidency will seek to: <ul style="list-style-type: none"> <li>• demonstrate commitment;</li> <li>• do what is needed to get the work done;</li> <li>• be selfless, resolute, purposeful and steadfast.</li> </ul>
<b>Discipline</b>	Living this value means that The Presidency will seek to: <ul style="list-style-type: none"> <li>• exercise self-control and work with decorum;</li> <li>• display punctuality, reliability, dependability and a commitment to meet deadlines;</li> <li>• work with courtesy and respect;</li> <li>• seek to make all stakeholders feel valued.</li> </ul>

The Presidency Values	What the Value Means in Practice
<b>Integrity</b>	Living this value means that The Presidency will seek to: <ul style="list-style-type: none"> <li>• value openness, honesty, consistency and fairness;</li> <li>• act in good faith in all day-to-day activities and display humility;</li> <li>• have a commitment to ethics and focus on justice and fairness;</li> <li>• exercise care not to disclose confidential information.</li> </ul>
<b>Accountability</b>	Living this value means that The Presidency will seek to: <ul style="list-style-type: none"> <li>• take responsibility and act in a transparent manner;</li> <li>• create communication channels for stakeholder engagement.</li> </ul>
<b>Service Excellence</b>	Living this value means that The Presidency will seek to: <ul style="list-style-type: none"> <li>• be results-oriented and cost effective;</li> <li>• understand customer needs, and respond timeously, efficiently and effectively to customer queries and requests;</li> <li>• strive for quality and high performance.</li> </ul>

### LEGISLATIVE AND OTHER MANDATE

The following are the specific constitutional and legislative mandates and policy directives that define the parameters within which The Presidency operates and from which the institution derives its mandate:

### CONSTITUTIONAL MANDATES

- The Constitution of the Republic of South Africa, Act 108 of 1996, as amended, is the supreme law of the Republic. Along with the Bill of Rights, the Constitution forms the legal foundation of a democratic South Africa and sets out the rights and duties of its citizens and defines the structure of the government. The Presidency houses the President and the Deputy President of the Republic, and is therefore a unique institution in the Public Service. It is in this constitutional context that the broad parameters of the role and responsibilities of The Presidency are defined.
- The Presidency exists to service the President and the Deputy President in the execution of their constitutional responsibilities and duties, as articulated in Chapter 5 of the Constitution. Chapter 5 of the Constitution defines the President as the Head of State and Head of the National Executive. His primary responsibility is to uphold, defend and respect the Constitution as the supreme law of the Republic as well as to promote the unity of the nation and that which will advance it.



## PART A: GENERAL INFORMATION

- The Section 85 of the Constitution confers the executive authority of the Republic on the President. The Presidency's strategic posture should as a result reflect these functions of the President and the National Executive he leads.
- The reconfiguration of the Macro-Structure of National Government, in line with the President's directive enacted under Proclamation No. 44, 2009 in terms of section 97 of the Constitution, impacts on the mandate of The Presidency, as it has brought about the change in the configuration of The Presidency and the service delivery model of the organisation.

The National Macro Organisation Project changed the macro organisation of government in order to give administrative effect to the President's new Cabinet portfolios and to ensure alignment between the new portfolios and the administrative structures in support of Ministers responsible for these portfolios.

The impact of the new Cabinet portfolios on The Presidency resulted in key legislation previously administered by The Presidency being administered by the new Department of Planning, Monitoring and Evaluation (DPME). Certain functions and concomitant resources were also transferred, with effect from 1 October 2014, from The Presidency to the DPME, including:

- National Planning Secretariat
- Directorate: Youth Desk and the National Youth Development Agency

### LEGISLATIVE MANDATES

A number of Acts then further expand the specific roles and functions of The Presidency and inform its approach to the implementation of its Constitutional mandate, namely:

#### Acts administered by The Presidency

- Independent Commission for the Remuneration of Public Office-Bearers Act, 1997 (Act 92 of 1997).
- The Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998, as amended) provides a framework for determining the salaries, benefits and allowances of public office bearers, and the secretariat to the Independent Commission is located within The Presidency.
- Executive Members Ethics Act, 1998 (Act 82 of 1998), including the Executive Ethics Code.

#### Acts administered by others, but with a direct bearing on the work of The Presidency

- The Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005) – the "IGR Act", establishes a framework for the national government, provincial governments and local governments to promote and facilitate intergovernmental relations and to provide for mechanisms and procedures to facilitate the settlement of intergovernmental disputes.
- The "IGR Act" further seeks to promote corporative governance as espoused by Chapter 3 of the Constitution of South Africa and has informed the formation of the President's Coordinating Council (PCC), The Cabinet Cluster System, the Forum of South African Director-Generals (FOSAD) and the formation of Inter-Ministerial Committees (IMCs) are also specifically aimed at enhancing coordination and integration across government.
- The legislation that governs formation and work of the Statutory Bodies, (e.g. Infrastructure Development Act (PICC), the BBBEE Act as amended (BBBEE Advisory Council), etc.)

#### Good Governance Legislation, Regulations and Policy

The Presidency is informed and guided by the good governance framework and all applicable regulatory and legislative prescripts.

In addition, it is noted that most, if not all, Acts of Parliament reference Executive Acts required for their fulfilment. As a result, The Presidency plays a transversal and cross-cutting role in supporting the President, the Deputy President and The Presidency itself in dealing with legislation coming from Parliament.

### POLICY MANDATES

#### The National Development Plan, Vision 2030 (NDP)

The National Development Plan (NDP), Vision 2030, adopted by Cabinet in 2012, is the visionary blueprint of government, with business and society as collaborative partners. Seeking to eliminate poverty and sharply reduce inequality by 2030, the five key elements of the NDP are:

- 1) Inclusive social and economic development;
- 2) Sustainable investment and growth;
- 3) Decent jobs and sustainable livelihoods;
- 4) A capable development state; and
- 5) Expanding opportunities.



## STRATEGIC OVERVIEW

This long-term plan for the country, which cuts across all sectors of society, identifies the critical trade-offs and challenges to be addressed by the country over the period to 2030. The NDP aims to integrate planning and ensure greater policy coherence in government, thus building a common vision of what South Africa could look like in 2030.

Designed as a broad set of programmatic interventions, the NDP proposes a “virtuous cycle” of growth and development, while reducing poverty and inequality. The enablers are strong leadership throughout society, national consensus, social cohesion and a capable state. As the apex department of government and as custodian of the NDP, The Presidency plays a critical leadership and supervision role in galvanising the whole of government and indeed society towards the attainment of the vision of the NDP, Vision 2030.

Giving effect to the longer range planning period of the NDP is a series of 5-year Medium-Term Strategic Frameworks (MTSFs); the MTSF 2014 – 2019 being the first of three such Frameworks following the adoption of the NDP in 2012 and towards the 2030 vision.

### Medium-Term Strategic Framework 2014 – 2019 and the 14 Government Outcomes

Aligned to the 15 chapters of the NDP, the MTSF 2014 – 2019 seeks to ensure that the medium-term and short-term planning of government is aligned to the NDP. The MTSF identifies the critical actions to be undertaken during 2014 – 2019 to put the country on a positive trajectory towards the achievement of the 2030 vision. It further identifies indicators and targets to be achieved in the period. Departmental strategic plans must then contain and unpack relevant MTSF commitments, but will also contain additional commitments not in the MTSF.

The role of The Presidency in relation to the MTSF is twofold, namely:

- 1) To lead the alignment and coordination of the implementation of the strategic agenda of government – all 14 outcomes, through mechanisms such as:
  - Formal coordination mechanisms – which should be used sparingly;
  - Playing a mediating role where other coordination mechanisms break down;
  - The provision of enhanced technical support to clusters;
  - Implementing the outcomes of the evaluation of coordinating structures; and

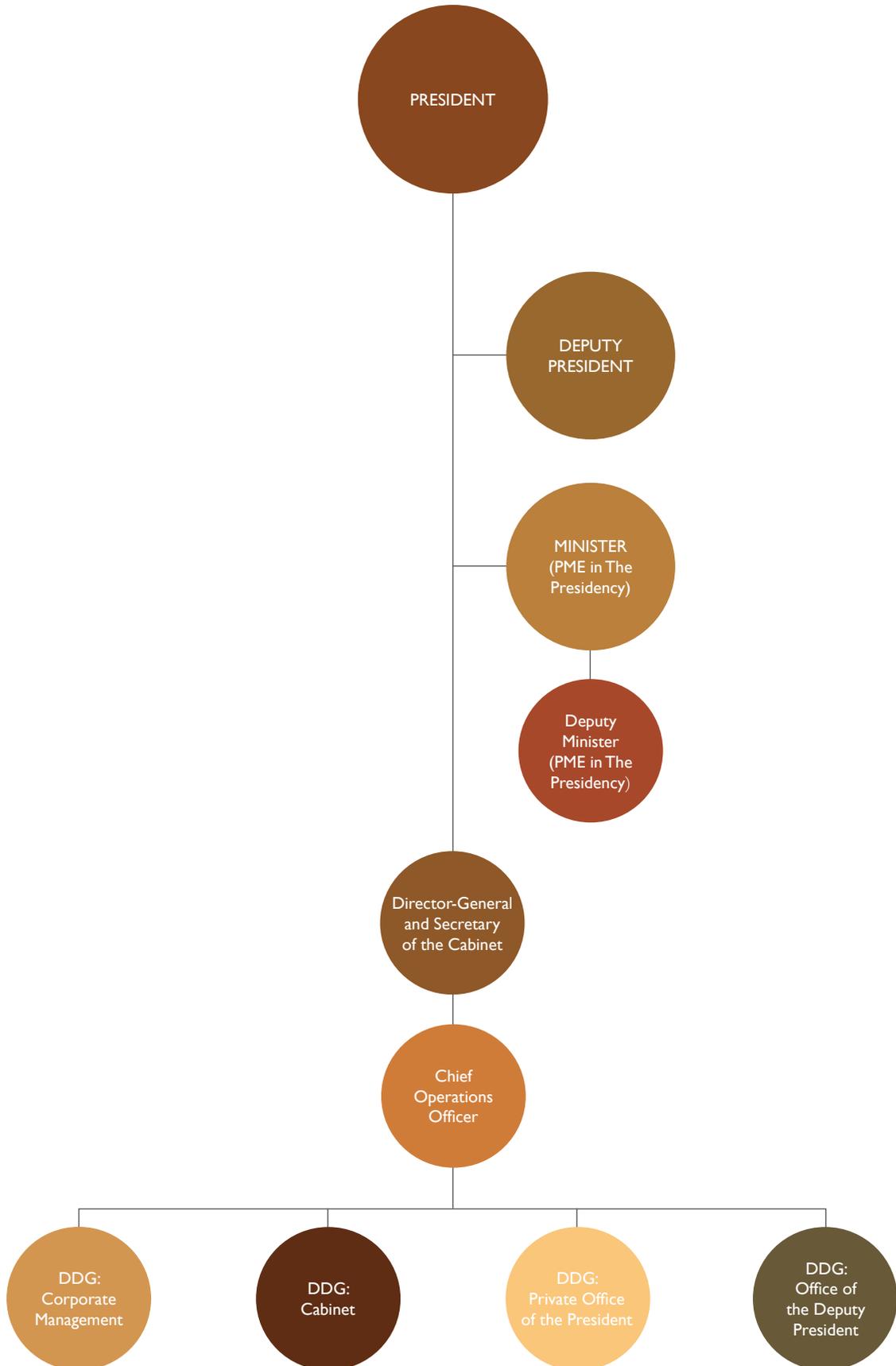
- Assessments of the performance of Ministers in delivering on their MTSF-aligned performance delivery agreements.

2) In addition to its oversight function, The Presidency contributes to the following MTSF outcomes directly:

- Outcome 12: An efficient, effective and development orientated public service;
- Outcome 14: Nation building and social cohesion;
- The Presidency also contributes to the following MTSF outcomes indirectly:
  - Outcome 2: A long and healthy life for all South Africans;
  - Outcome 4: Decent employment through inclusive economic growth;
  - Outcome 5: A skilled and capable workforce to support an inclusive growth path;
  - Outcome 6: An efficient, competitive and responsive economic infrastructure network;
  - Outcome 11: Create a better South Africa and contribute to a better and safer Africa and World.



## ORGANISATIONAL STRUCTURE







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

I confirm that, to the best of my knowledge and belief:

- All information and amounts disclosed in the Annual Report are consistent.
- The Annual Report is complete, accurate and free of any omissions.
- The Annual Report has been prepared in accordance with the Guidelines on the Annual Report issued by National Treasury.
- The Annual Financial Statements (AFS) (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by National Treasury.

The Accounting Officer is responsible for the preparation of the AFS 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 regarding the integrity and reliability of the performance information, the human resources (HR) information and the AFS.

The external auditors are engaged to express an independent opinion on the AFS.

In my opinion, the Annual Report fairly reflects the operations, the performance information, the HR information and the financial affairs of the Department for the financial year ended 31 March 2016.

Accounting Officer  
Ms Lakela Kaunda  
31 August 2016

*PfMA  
Clean Audit Award*



AUDITOR-GENERAL  
SOUTH AFRICA

*Accountability  
public confidence*



AUDITOR-GENERAL  
SOUTH AFRICA  
*Accountability  
public confidence*

*Awarded to  
Presidency*

*Certified  
EXCELLENCE*

*achieving*









## PART B: PERFORMANCE INFORMATION

### OVERVIEW OF DEPARTMENTAL PERFORMANCE

#### SERVICE DELIVERY ENVIRONMENT

The Department's 2015/16 performance results were satisfactory, despite the challenges posed by the plan to reprioritise resources to be used in high-end programmes and projects of the organisation, in response to the fiscal constraints placed on government.

The Presidency executed its annual performance plan for the year under review using two delivery programmes: Programme 1: Administration is aimed at providing strategic, operational and administrative capacity and support to The Presidency in fulfilling its set objectives and in realising its vision; Programme 2: Executive Support is aimed at providing strategic and administrative support to enable Cabinet to foster accountability and policy coherence through integrated planning, policy coordination and implementation of the strategic agenda of government.

This section of the Annual Report will provide an overview of performance in terms of these programmes, and outline the identifiable changes and tangible results of the special projects allocated to the President and Deputy President. These details serve as evidence of the work done by the organisation in the reporting period towards the achievement of Vision 2030.

#### SUPPORT PROVIDED TO THE PRESIDENT AND DEPUTY PRESIDENT IN THEIR RESPECTIVE CABINET AND PARLIAMENTARY RESPONSIBILITIES

Cabinet is the ultimate decision-making body of the executive arm in the South African system of government. It makes decisions on a wide range of matters that impact the State. Cabinet meetings are an important instrument in terms of the functioning of Government.

Cabinet is supported by a system of Cabinet Committees, Ministerial Clusters, the Secretary of Cabinet, the Cabinet Office and the Forum of South African Directors-General (FOSAD).

FOSAD brings together all Heads of the various national government departments and the Head of each Office of the Premier in Provincial Government. FOSAD was established to foster an integrated approach to governance, in order to improve the quality of planning, decision-making and service delivery. Its objective is to ensure proper co-ordination of all programmes of government at both national and provincial level.

In the year under review, The Presidency provided support to both Cabinet and FOSAD structures, in order to lead society and organs of the state towards achievement of government's programme of action. To this end, The Presidency approved and successfully implemented an annual programme to enable better coordination of Cabinet and its Committees, and FOSAD structures.

The Office also put more emphasis on strengthening the systems of Cabinet. The first phase of the development and testing of the e-Cabinet system took place. E-Cabinet is a secure, electronic strategic platform and collaboration system that will enhance the decision-making capability of the Executive.

The Deputy President, as the appointed Leader of Government Business in the National Assembly, coordinates and facilitates the affairs of the National Executive in Parliament, in line with the Constitution. The Leader of Government Business acts as the link between Cabinet and Parliament and interfaces with the relevant parliamentary structures on matters pertaining to Bills, parliamentary questions and general parliamentary business. In the year under review, The Presidency, through the Office of the Deputy President, continued to work towards building a harmonious relationship between the Executive and legislature.

The President and Deputy President responded to written questions from Members of Parliament as and when they were submitted during the year. The President and Deputy President also responded to oral questions in the National Assembly - the President on a quarterly basis and the Deputy President fortnightly.

For the President, other formal attendance sessions in Parliament, other than the State of the Nation Address delivery, included The Presidency Budget vote in the National Assembly and the delivery of the annual address to the National Council of Provinces (NCOP). The President also opens the National House of Traditional Leaders annually and the debate on his opening address.

#### SUPPORT TO THE PRESIDENT IN LEADING THE PRESIDENTIAL COUNCILS

The Presidency supports the President's engagement with the leadership of three statutory bodies, namely: the Presidential Black Economic Empowerment Advisory Council (BEEAC); the Presidential Infrastructure Coordinating Committee (PICC); the President's Coordinating Council (PCC).



In 2015, the President appointed new members to the Advisory Council, at the end of the term of office of the previous council in December 2014. The Advisory Council provides guidance and overall monitoring of implementation of the Broad-Based Black Economic Empowerment (B-BBEE) programme and transformation agenda of government and its impact on the economy, with a view to making policy recommendations to address any challenges and bottlenecks that are identified.

In October 2015, the Council met to discuss and develop a new work programme. The new work programme decided on has five distinct areas of work, being: the overhaul or refinement of the Preferential Procurement Policy Framework Act, which will include a review into the role that the Act has played in advancing transformation, as well as the recommended course of action to repeal the Act; formulating programmes to advance radical economic transformation; a review of research on the impact of BBEE, sector codes, and equity equivalent investment programmes, with the intention of assessing the effectiveness of instruments that are in place to support the implementation of the BBEE framework; the development of an action plan to develop a Black Industrialist Programme, and to facilitate a programme that will result in the revitalisation of township economies, and peri-urban and rural communities.

The Presidential Infrastructure Coordinating Committee (PICC) is tasked with supporting the implementation of the National Infrastructure Plan and the earmarked 18 Strategic

Integrated Projects (SIPs). The SIPs focus on improving the social and economic infrastructure of the country, and ensuring job creation, skills training and opportunities for small businesses.

This council met twice in 2015/16 and key matters that dominated the focus of the Council during the year under review was the work of the Energy War Room. This was established to: make recommendations and oversee the integration of the energy infrastructure in the country; coordinate the new build and maintenance projects of existing power plants, and the development and implementation of the country's plan for energy generation, distribution and transmission.

The meetings also deliberated the proposed amendments to the Criminal Procedures Act and the Criminal Law Amendment Act, with a view to identifying measures to curb the growing problem of theft of copper cables and metal from the country's infrastructure programme. These offences have had serious negative consequences on the supply of electricity, the consistency of train services and the supply of water, among other identified challenges. The meetings also dealt with progress with the implementation of the 18 SIPs in general.

The President's Coordinating Council (PCC) brings together the leadership of the three spheres of State, to ensure coordination and improvement in the performance of the State across all three spheres of government, i.e. national, provincial and local. At its March 2015 meeting, the PCC discussed ways





## PART B: PERFORMANCE INFORMATION

to improve the performance of local and provincial government and emphasised the need for implementation of the *Back to Basics* campaign, which was launched by the President in September 2014.

In June 2015, the PCC reviewed the progress made by municipalities and provincial government in implementing the *Back to Basics* programme. Specific challenges faced by the municipalities reviewed were: corruption, and revenue and financial management; progress made in managing down municipal debt owed to Eskom and water boards, and further support required by certain municipalities; the financial implications of public service salary negotiations. The meeting reviewed the research that had been commissioned to map immigration patterns, footprint and spatial distribution across the nine provinces of the country and to consider border management issues faced by the country.

### SUPPORT TO THE PRESIDENT IN LEADING OPERATION PHAKISA

The President launched Operation Phakisa in July 2014 as an innovative intervention to fast-track service delivery of the priority items articulated in the National Development Plan. Operation Phakisa was launched in the Oceans Economy and in the Health sector in 2014. Since then, significant progress has been made with the implementation of the Operation Phakisa programme of government.

In the Oceans Economy, progress was made in exploring opportunities in the sector and some key projects commenced. These include the development of an oil and gas hub, the identification of phased gas pipeline routes, and the finalisation of the Mineral Resources and Petroleum Development Amendment Bill, which will facilitate and accelerate offshore oil and gas exploration. Opportunities were explored in areas such as: repairing rigs and servicing foreign owned vessels; rehabilitation, upgrading and re-development of small harbours; identification of new harbours and their integration with national coastal projects. The Environmental Impact Assessment and Biodiversity Regulations have been amended to ensure marine protection, improved ocean governance and efficient management of the oceans space, all of which is aimed at economic development. The regulations will cut the red tape associated with the leases on the aquaculture projects and address the delays experienced in finalising applications and security of tenure for companies investing in harbours.

The Operation Phakisa Ideal Clinic Realisation and Maintenance programme was launched in November 2014. This programme will transform all our public sector clinics into

Ideal Clinics, which will improve the quality of care provided in primary health care (PHC) facilities. The Ideal Clinic approach focuses on eight areas, being: service delivery, waiting time, human resources, clinic infrastructure, financial management, supply chain management, scaling up and sustainability, and institutional arrangements.

Innovation highlights of the Ideal Clinic Realisation and Maintenance programme include the implementation of the Central Chronic Medicine Dispensing and Distribution Programme, which aims to speed up the distribution of repeat medicine to chronic but stable patients. By removing patients who do not need to see a doctor or a nurse from the clinic queuing system, the efficiency of the clinic system has been greatly enhanced. The architectural blueprint for an Ideal Clinic was finalised and construction has begun on eight new clinics. Altogether, 216 new clinics are planned to be built along the same design.

The mining sector is a big contributor to South Africa's GDP. However, the sector has faced a number of challenges in recent years, mostly resulting from the international decline in commodity prices, and the consequent shrinking of investment in mining exploration and extraction. The Mining Phakisa is aimed at building partnerships between government and key stakeholders in the mining sector, in order to improve the efficiency of the sector by addressing bottlenecks, unlocking new mining potential and promoting upstream and downstream economic activity, and thereby enhancing the sector's developmental impact on the economy and society.

Preparatory work on the Mining Phakisa was launched in October 2015, with six key work streams, namely: up-stream linkages and the mining equipment sector; beneficiation of both bulk resources and precious metals; social and community development; enabling exploration activities, such as initiatives by the state to execute more detailed geo-scientific information; enhancing the research, development and innovation cluster; and a holistic modernisation planning and implementation programme for the sector.

Operation Phakisa in basic education, launched in October 2015, works towards further improving the quality of basic education by introducing Information Communication Technology (ICT) into the delivery and management system in education. Through this Phakisa project, a number of schools have already started to receive electronic administration infrastructure and connectivity, which has benefitted more than a million learners nationally.



## PART B: PERFORMANCE INFORMATION

### SUPPORT PROVIDED TO THE PRESIDENT IN LEADING THE PRESIDENTIAL WORKING GROUPS

The Presidential Working Groups were re-constituted in 2014 to establish strategic partnerships between government and important stakeholders in society, in order to develop and implement a plan to ensure inclusive and shared socio-economic development and growth. In the past financial year, The Presidency convened several meetings with various working groups. These included the Presidential Business Working Group, the Presidential Youth Working Group, the Presidential Working Group on Disability and the National Consultative Mining Forum.

The President launched the Presidential Youth Working Group in the past financial year to bring together government and youth organisations that represent various sectors, including education, agriculture, small business, sports, the religious sector and health. The objective was to plan interventions aimed at mainstreaming youth development and empowerment into the work of government, so as to improve the lives of young people. The working group is chaired by the President, and supported by a group of Deputy Ministers, led by the Deputy Minister for Planning, Monitoring and Evaluation in The Presidency, Mr Buti Manamela.

The working group finalised the National Youth Policy 2020 and has since focussed on implementation of the policy, which addresses the four major challenges faced by young people in this country, namely: unemployment and participation in the economy; skills levels and opportunities for a second chance; health care access, especially reproductive health care; substance abuse.

The Presidential Business Working Group reflected on progress made by the five work streams that were first established in 2013, being: education and skills development, infrastructure development, labour market, regulatory impact on investments, and inclusive economic growth. The Working Group focussed on the identified priorities aligned to the 9-Point Plan and the National Development Plan of government and resultant key projects and commitments made previously by the working group under each theme for joint implementation by government and business.

Highlights in terms of the work done by the group include: the scaling up of placement of learners from Technical and Vocational Education and Training Colleges; the commitment by Government and Business to create a social partnership for the creation of employment opportunities; the project undertaken to improve private sector job creation opportunities through regulatory efficiency and certainty for business; support to

small and medium enterprises (SME); a project to revitalise township economies; and a focus on industrialisation through local procurement. The working group also created institutional capacity to implement its programme of action.

The Presidential Business Working Group's National Education Collaboration Trust (NECT) has enabled business, labour, civil society, national government and provincial government to collaborate in implementing the 2030 National Development Plan targets for basic education. By July 2015, 26 private sector organisations, labour unions and government had contributed R195 million to the Trust and over R100 million in indirect investments to the NECT districts and schools. Additionally, the Trust works in 4362 schools, in 8 districts and 5 provinces. These schools receive support in improving the quality of learning and teaching. Five-hundred mathematics and science master teachers are being trained in the NECT districts.

Under the leadership of the Deputy President, discussions have taken place between social partners at NEDLAC to look at ways to promote economic growth and employment opportunities. NEDLAC also convened a Labour Relations Indaba in November 2014, which was followed by the establishment of a Committee of Principals and two task teams that have been meeting on average four times a month. The task teams seek to ensure stability in the labour market, which is currently threatened by violent strike action. Other issues addressed were issues of growth, inequality and the determination of a national minimum wage.

The working stream dealing with the regulatory impact on investment has recorded significant progress in addressing delays, errors and frustration experienced by companies seeking to register or change their registration with the Companies and Intellectual Property Commission (CIPC). The CIPC has, for example, introduced an online registration facility that has improved the turnaround time for registration. Critical milestones have been achieved particularly with regard to easing red tape and aligning regulations with government priorities. This was done through the development of a tool for assessing the socio-economic impact of legislation; the Socio-Economic Impact Assessment System (SEIAS) was adopted by Cabinet in February 2015. The training of Departmental officials on the SEIAS was completed and implementation commenced in July 2015.

In terms of infrastructure projects, government and business are working on innovative financial and risk sharing solutions to ensure cost-effective and efficient bulk water and sanitation services. This will lead to the release of funds by the private sector for investment in municipal bulk infrastructure on a



sustainable basis, such as in the case of the Waterberg and Steelpoort mining areas, where the private sector has worked closely with government to ensure that the infrastructure matches future demand. This has helped to reduce the risk exposure of Government.

Stability in the labour market and the revitalisation and rebuilding of distressed mining towns are key priorities for government. In September 2015, a meeting of the Mining Sector National Consultative Forum was convened by the President, with the aim of receiving progress reports on implementation of the Framework Agreement for a Sustainable Mining Industry. The Forum brings together Government, Organised Labour and Organised Business to discuss developments in the mining sector.

The Forum was established in 2013 to implement a framework agreement for the mining industry, following the violence that erupted in the platinum belt in 2012, which included the tragic Marikana killings of August 2012. The Framework agreement for a sustainable mining industry is a joint commitment by all stakeholders to bring stability, growth and transformation to South Africa's mining industry.

The Forum meeting received a progress report on the implementation of the five objectives of the Framework Agreement. With regard to ensuring the rule of law, peace and stability, stakeholders agreed to: continue to strengthen the capacity to monitor the effect of strikes and protest

action on mining communities; support initiatives that deal with illegal mining.

Stakeholder forums have been established to deal with illegal mining in Mpumalanga, Gauteng and the Free State. The forums consist of mining companies, unions and Government (through the SAPS), the South African National Defence Force, the Department of Mineral Resources and the Department of Home Affairs as well as municipalities. The Department of Mineral Resources has initiated a programme to close and rehabilitate abandoned mines, in order to address the issue of illegal mining.

With regard to strengthening labour relations, a protocol for the verification of union membership has been developed and is being used currently. Disputes over membership status, verification of membership figures and recognition agreements are also being fast-tracked for speedy resolution.

In terms of the management of retrenchments, mining companies are required to submit a notice to the Department of Mineral Resources and the Department of Labour, in terms of Section 52 of the Mineral Petroleum and Resources Development Act and Section 189 of the Labour Relations Act. Stakeholders have recommitted themselves to implementing the declaration signed on 31 August 2015 to save jobs and alleviate the impact of job losses in the industry.





## PART B: PERFORMANCE INFORMATION

With regard to improving the living and working conditions of mineworkers, Government has also embarked on an extensive project to upgrade informal settlements in prioritised mining towns.

The Department of Trade and Industry, the Department of Economic Development and the Department of Small Business Development are facilitating both large and small scale industrial projects in 15 mining towns and in the labour-sending areas.

On matters of health and safety, the Department of Health, the Department of Labour and the Department of Mineral Resources have been collaborating in establishing one-stop service centres to assist former mineworkers with compensation, UIF and pension fund payments. Centres have been established in Mthatha in the Eastern Cape and Carletonville in Gauteng. The plan is to establish more centres in other provinces.

The Mining Phakisa will seek to position the industry as a catalyst for development. This effort will contribute to the implementation of the nine priority interventions of the accelerated plan to grow the South African economy through advancing mineral beneficiation (among other things).

The Presidential Working Group on Disability, chaired by President Zuma, received presentations aimed at promoting and mainstreaming the rights of persons with disability across government. Key issues that dominated the attention of the working group were the positioning, resourcing, institutionalisation and governance arrangements of the Disability Rights architecture in the country.

The group also discussed the domestication of the UN Convention on the Rights of Persons with Disabilities. In this regard, the constitution requires that all international treaties ratified by the country be domesticated. The Department of Justice and Correctional Services is currently in the process of conducting a compliance audit in this regard and has engaged in a participatory process to domesticate all related international treaties ratified into SA legislation dealing with the rights of persons with disabilities.

The President also convened a meeting of black professionals to hear their concerns and views on how Government's programme of action and the country can be taken forward, especially in terms of socio-economic transformation.

### SUPPORT PROVIDED TO THE PRESIDENTIAL SIYAHLOLA MONITORING PROGRAMME

In the year under review, The Presidency continued with a number of engagement approaches as part of its cornerstone monitoring programme that seeks to enhance the delivery of services to all South Africans - the Siyahlola Presidential Monitoring Programme.

Important formal outreach meetings were undertaken by the President in the 2015/16 financial year.

These included a visit to the Tshwane University of Technology in Soshanguve, Pretoria, aimed at assessing the effectiveness of government interventions that assist youth to access post-school and higher education and skills programmes, and which serve as employment opportunities. The visit formed part of the Youth Month programme and the theme was "Youth Moving South Africa Forward". The President visited various sites in Soshanguve, partnering with various entities to improve the lives of students at Tshwane University of Technology. Working with the provincial government, The Presidency was instrumental in the revitalisation of the Botho Skills Development Centre in Soshanguve, which provides skills to the youth, including those who have stopped abusing drugs. The school where the centre is based was renovated, and computers and other facilities were provided, which became part of the positive outcomes of the President's visit to Soshanguve.

Due to the spike in criminal activity linked to rhino poaching, The Presidency also visited the Kruger National Park to assess government's efforts to curb rhino poaching.

In the past year, the President also visited the Bushbuckridge Local Municipality in Mpumalanga, with the main focus of the visit being monitoring the delivery of quality water and sanitation and other basic services and addressing the service delivery challenges experienced by the communities.

Government loses over R7 billion a year due to water leaks. Following an announcement in the 2015 State of the Nation Address, the President launched the *War on Leaks* project, which will train 15 000 young people to be water agents and artisans who can fix leaking taps in their communities. The programme is spearheaded by the Department of Water and Sanitation, through the water utility, Rand Water.

Prior to the 2016 State of the Nation Address, the President visited the Marabastad area in the central business district of Pretoria, where he solicited the views of commuters and foreign nationals as inputs to his address. The President also used this



## PART B: PERFORMANCE INFORMATION

visit to listen to the concerns of entrepreneurial vendors in the area, as well as refugees seeking asylum in the country through the Marabastad Home Affairs offices.

As part of the Department of Human Settlement's infrastructure projects, the President launched the N2 Gateway Project (also known as the Joe Slovo Housing Project) in Langa, Cape Town, which included handing over houses to local residents.

### SUPPORT PROVIDED TO THE PRESIDENT IN TERMS OF HIS IZIMBIZO PROGRAMME

The Izimbizo Programme is a community outreach programme that enables government to monitor delivery by talking to the citizenry directly about issues affecting their lives. This monitoring programme has a different methodology to the Siyahlola programme: with the Siyahlola programme, the President sets out specifically to assess progress in a particular community; with Izimbizo, the emphasis is on listening to the community and the President and accompanying Ministers listen and respond to issues raised, which are then followed up.

Communities welcome such opportunities and engage positively, comfortably and in detail with the President, which in turn allows the President and members of the Executive to witness and gauge citizen participation in building better communities and a better South Africa.

In the 2015/16 financial year, The Presidency conducted four Izimbizo events. The first was in Eersterust, Gauteng, where substance abuse was a key concern in the community. In the wake of the shocking xenophobic violence in parts of KwaZulu-Natal and Gauteng last year, the President met with leaders of organisations representing foreign nationals residing in South Africa to come up with solutions to bring about stability, peace, safety and security. The engagement sought to build partnerships and assure this community of various measures put in place by government to curb the violence and prevent the violation of the human rights and dignity of all people residing in South Africa.

At the end of the 2014/15 financial year (24 March 2015), the President visited the Lodewyk P. Spies Old Age Home in Eersterust, Gauteng, which is registered as a non-profit organisation and residential care facility for the elderly. The President made various commitments to the residents of the facility, which prompted a re-visit on 15 December 2015, to assess progress made against the commitments made.

Since the President's visit, government through the Department of Social Development has allocated an amount of R 665 000.00

to address the challenges faced by the home. The department has purchased and delivered linen and office furniture; installed water basins, painted the whole home (inside and outside), replaced broken doors, windows and lights; fixed leaking roof, erected security wall around the home, installed gutters and tiled the administration room, bathrooms and toilets.

In the last quarter of the financial year under review, the President met with various organisations that represent young black professionals in various fields to discuss the challenges experienced in various sectors and solicit their views on how to grow the economy. A small group from this sector was tasked with coming up with an action plan to take the recommendations of the sector forward. It is envisaged that this stakeholder base will be institutionalised into a formal working group in the 2016/17 financial year.

### SUPPORT PROVIDED TO THE DEPUTY PRESIDENT IN TERMS OF THE SOUTH AFRICAN NATIONAL AIDS COUNCIL (SANAC)

The Deputy President chairs the South African National AIDS Council and thus leads the country's partnership against AIDS. Significant achievements have been recorded in South Africa's health sector in combating the spread of HIV and AIDS. South Africa now provides 3.4 million HIV positive people with antiretroviral treatment. In the past 16 years, South Africa has reduced the number of women infected by HIV by half and the number of new-born HIV infections from 70 000 (recorded in 2014) to under 6 000. Fewer people are dying from AIDS-related causes.

Despite the good work done to date, the rate of infection is not declining as rapidly as desired. Various vulnerable groups remain at risk, especially young women and sex workers. In South Africa, there are an estimated 2 000 new HIV infections each week among adolescent girls and young women. Research conducted in 2013 and 2014 into prevalence shows that HIV prevalence among sex workers is substantially higher and they remain at high risk of contracting HIV. There is recognition that human rights violations and neglect has limited the access of sex workers to much needed care and prevention interventions in terms of HIV and AIDS, tuberculosis (TB) and sexually transmitted infections (STIs). This has made the work of stakeholder bodies such as SANAC even more important in bringing about change to reduce the spread of the epidemic and to contribute towards the global target of an AIDS-free society.

Under the leadership of the Deputy President, the main objective of SANAC is to review the country's strategy and



to monitor performance in terms of implementation of the National Strategic Plan for HIV, Sexually Transmitted Infections and TB (2012-2016).

Some of the highlights of SANAC's activities in 2015/16 include:

- The Men's Round Table Dialogue, hosted by the SANAC Men's Sector on 28 August 2015 at Constitutional Hill in Johannesburg. The dialogue was led by the Deputy President, in his capacity as SANAC chairperson.
- The launch of the National Sex Workers' HIV Plan by the Deputy President in March 2016. The plan is aimed at contributing to reducing high HIV infection rates among sex workers as a key population, and increasing health and other social services among the sex worker population.
- Utilising the World TB Day commemoration event on 22 March 2016 as a platform to address the challenge of TB infections, particularly among miners and people living in mining towns.
- Preparations for the International AIDS Conference that will be held in July 2016, which will provide an opportunity to learn from the rest of the world and share our lessons and which is aimed at ending the AIDS pandemic as a public health threat.

### SUPPORT PROVIDED TO THE DEPUTY PRESIDENT IN TERMS OF THE HUMAN RESOURCE DEVELOPMENT COUNCIL (HRDC)

The Human Resource Development Council (HRDC) is a national, multi-stakeholder advisory body under the leadership of the Deputy President. Its Secretariat resides in the Department of Higher Education and Training.

One of the most important achievements recorded by the Council in the past financial year was the mobilisation and crowding-in effort to enlist private sector support for Technical Vocational and Educational Training (TVET) Colleges.

The HRDC has 11 Technical Task Teams (TTTs) that are tasked with unblocking blockages in the education and training value chain. The TTTs were established as a result of the Council identifying certain issues to be addressed, including foundational learning and workplace learning.

In 2014, the HRDC hosted the first-ever HRDC Summit under the theme *Unearthing South Africa's Potential for Growth and Development*. The main objective of the 2014 Summit was to inform stakeholders about the work done by the TTTs and to make recommendations for implementation. A second HRDC Summit was held in March 2016 to provide feedback and monitor progress made in implementing the recommendations made by the TTTs in 2014.



**CHAIRPERSON**



## PART B: PERFORMANCE INFORMATION

### SUPPORT PROVIDED TO THE DEPUTY PRESIDENT IN TERMS OF THE ANTI-POVERTY PROGRAMME

Much progress has been made with the campaign against poverty led by the Deputy President, working with the Inter-Ministerial Committee on Anti-Poverty Programmes.

In the past year, the focus was on the expansion of public employment programmes (Expanded Public Works and Community Works) in working towards the alleviation of poverty in poor communities.

Linked to this, and in order to improve service delivery in provinces through sharing best practice experiences in different provinces, an audit of various provincial models of integrated service delivery was finalised.

The main preoccupation of the Office of the Deputy President in the past year, therefore, was on the national roll-out of a best practice model of integrated service delivery, along the lines of the Operation Sukuma Sakhe programme in KwaZulu-Natal. The Operation Sukuma Sakhe approach is premised on a service delivery model that is based on community partnerships. It supports the coordinated implementation of service delivery interventions aimed at addressing social challenges such as unemployment, inequality, poverty, HIV and AIDS, and social ills such as crime and corruption.

### TRANSFORMATION IN THE AGRICULTURAL SECTOR WITH A SPECIAL FOCUS ON STABILISING THE WESTERN CAPE FARMING SECTOR

Following the outbreak of the farm workers' strikes in November 2012 at De Doorns and the surrounding areas in the Western Cape, in January 2013 the Deputy President was mandated to lead a process of dialogue, negotiation, consultation and cooperation between the various stakeholders in the agricultural sector:

Since the first engagement in 2014, numerous consultation sessions with stakeholders have taken place, with the aim of initiating a social compact. A draft document has since been developed and consultation with stakeholders regarding the draft agreement has begun, with a view to finalising it in the 2016/17 financial year.

### OVERSIGHT OVER THE TURNAROUND STRATEGIES OF SOUTH AFRICAN AIRWAYS, ESKOM AND THE SOUTH AFRICAN POST OFFICE

In his State of the Nation Address in January 2015, President Jacob Zuma emphasised that the importance of the financial health, proper governance, and management of state-owned companies. He assured the nation that government would ensure implementation of the recommendations of the Presidential Review Commission on state-owned enterprises (SOCs), which outlined how the institutions should be managed. He also indicated the need to rationalise and refine the mandates of companies, in order to address overlaps. Those companies that are no longer relevant to the country's development agenda would be phased out.

The Deputy President oversees implementation of the recommendations of the Presidential Review Committee on State-Owned Enterprises, as well as the turnaround strategies of ESKOM, South African Airways, and the South African Post Office. In the past year, much emphasis was placed on efforts to strengthen and reform the institutional capacity of SOEs, so that these entities are able to fulfil their developmental mandates and contribute to the economic growth and social development of this country.

Under the guidance of an Inter-Ministerial Committee chaired by the Deputy President, a considerable amount of work was done by government in 2015/16 to stabilise SOEs that are experiencing challenges, with a key focus on strengthening transparency, accountability and good governance. One of the significant achievements reported by the Inter-Ministerial Committee was the successful effort to stabilise the management of the South African Post Office.

### NATIONAL MINIMUM WAGE AND LABOUR STABILITY

The Deputy President was tasked with the responsibility to negotiate and consult with the NEDLAC social partners - government, labour, business and communities - and reach an agreement on the national minimum wage.

The negotiations will result in a social accord that will introduce and set a national minimum wage for the South African labour force. Stakeholders are in agreement that the introduction of the national minimum wage will assist in restoring the dignity of our people and in addressing the challenges of poverty and unemployment.

In order to restore peace in the mining sector, NEDLAC convened the task teams and the Committee of Principals



## PART B: PERFORMANCE INFORMATION

recommended by the Labour Relations Indaba in November 2014 to ensure labour market stability essential for economic growth. The discussions of these task teams and the committee will result in the finalisation of a framework for the peaceful and speedy resolution of labour disputes in support of job creation.

### SUPPORT PROVIDED TO THE PRESIDENT AND DEPUTY PRESIDENT IN TERMS OF ACTIVITIES TO PROMOTE NATION-BUILDING AND SOCIAL COHESION

Following the attacks on foreign nationals that affected a pocket of areas in Gauteng and KwaZulu-Natal provinces in particular, President Zuma convened a high-level meeting of government leaders and leaders of organisations representing foreign nationals in South Africa. The historic meeting took various decisions, including establishment of an Inter-Ministerial Committee (IMC) on Migration which was mandated to address the matters relating to the status, conditions and concerns of both foreign nationals and South African citizens. The IMC has made significant progress since its establishment.

South Africa also witnessed numerous demonstrations by university students during the year under review. The key demand by students was for universities not to increase tuition fees and for the government to provide free tertiary education. In the wake of the protests President Zuma convened a meeting of students representatives and university managers from all universities to find a solution to the demands by students.

Two major decisions were reached at that meeting. First, all parties agreed on a moratorium on university fees increase for the 2016 academic year. Secondly, President Zuma committed to establish a commission of inquiry which would investigate the whole matter of the funding of universities and other matters raised by students. Subsequently, the President appointed the Commission on Funding of Universities chaired by Judge Heher.

Two historic meetings were also convened by President Zuma in his capacity as the Head of State. The first was a meeting at the Union Buildings with the judiciary led by the Chief Justice. The purpose of the meeting was to discuss matters of common interest and concern between the executive and judicial branches of the state. The meeting yielded positive results as leaders from both branches reaffirmed their commitment to work together within the ambit of the Constitution and to respect the powers and functions of each branch as provided for in the Constitution.

The meeting was followed by another one at Genadendal, Cape Town, where the two branches that met in Pretoria were joined by the legislative branch led by the Speaker of

the National Assembly and the chairperson of the National Council of Provinces. The outcome of that meeting was also very positive. The leaders of the three branches once again committed themselves to working together guided by the Constitution and the laws of the Republic.

In the context of violent protest, criminal and social violence and the manifestation of racism in our society, government views the popularisation of the Moral Regeneration Movement (MRM) and the Charter of Good Values as a crucial approach for nation-building and social cohesion.

The Deputy President, as patron of the MRM, champions the work of the MRM – a civil society organisation mandated to facilitate and coordinate all processes and initiatives aimed at combating moral degeneration. The Movement also leads the effort to mobilise society and promotes constructive social values that build and enhance healthy families and communities.

In the year under review, the Deputy President met with the MRM structures to revitalise the focus on their programmes in the context of public calls for the rejuvenation of moral regeneration initiatives. This is in addition to engaging with traditional and religious organisations who are leading local efforts to build caring communities. In 2015/16 The Presidency also actively engaged with various targeted groups encompassing civil society, labour, business, religious, traditional communities and leaders of political parties on matters of nation-building, social cohesion and national identity, towards the implementation of a balanced programme of activities, dialogue, exchange and participation.

In the past year, the President officiated over all National Days. During the National Women's Day commemoration in the Free State province President Zuma launched the State of Women in the Economy Report, which reports on the participation of women in key sectors of the economy. Following the launch of the report, the President instructed all Ministers in the Economic Cluster of Cabinet to set specific targets in their departments' plans pertaining to the economic inclusion of women. Commemorative highlights include the Africa Day celebrations, which marked 52 years since Kwame Nkrumah addressed the inaugural conference of the Organisation of African Unity, which united Africa. The national celebration took place at the University of Pretoria campus in Mamelodi, and was the first time that the country formally celebrated Africa Day. The celebration of Armed Forces Day takes place on the 21<sup>st</sup> of February each year, and showcases the prowess of the country's military. The celebrations took place in Port Elizabeth in February 2016 and were led by the South African Navy.



The National Orders Ceremony took place on 8 December 2015, honouring distinguished South Africans and foreign nationals who have contributed in various ways to promoting freedom and democracy, and those who have performed extraordinary acts of bravery or achieved levels of excellence in various fields in society. National recognition through the award of National Orders promotes and inspires greater levels of achievements, patronage and service to this nation. National Orders are also used to recognise the contribution of esteemed leaders from foreign lands who have contributed to building a better South Africa; they are honoured with the Companions of OR Tambo Award.

President Zuma also received and released the report of the Farlam Commission of Inquiry into the tragic events that took place in Marikana in the year 2012. Implementation of the Commission's recommendations is underway. The report of the Seriti Commission of Inquiry into the strategic procurement of arms was also released to the public. President Zuma also appointed the Heher Commission of Inquiry to investigate the funding of higher education and training, and appointed former Justice Mthiyane to replace former Chief Justice Ngcobo as chairperson of the Presidential Remuneration Review Commission.

### **SUPPORT PROVIDED TO THE PRESIDENT AND THE DEPUTY PRESIDENT'S ACTIVITIES TO ADVANCE SOUTH AFRICA'S INTERESTS IN THE INTERNATIONAL ARENA**

The Presidency leads government efforts to advance South Africa's interests in the international environment.

In the 2015/16 financial year, South Africa made significant strides in implementing the country's foreign policy. The President and Deputy President engaged in strategic multi-lateral and bilateral meetings, State Visits and other international obligations, which are aligned to our national interests. *(A detailed list of engagements can be viewed on pages 40 to 43).*

These engagements have deepened bilateral political and economic relations, and are poised to expand bilateral trade in targeted sectors and thus increase trade and investment opportunities for the country.

Economic cooperation with our partners in BRICS (Brazil, Russia, India and China) was bolstered with the adoption and implementation of the Strategy for BRICS Economic Partnership. The strategy provides a platform for expanding South Africa's economic cooperation efforts in all identified priority sectors, for the benefit of South Africans. This was a historic year for BRICS, as one of the inter-governmental agreements made by the partnership (on the New Development Bank and Contingent Reserve Arrangement) was also operationalised.





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At a multi-lateral level, 2015 marked the 70<sup>th</sup> anniversary of the United Nations - marking a significant moment in the history of global governance. At the celebrations that took place in September 2015, South Africa acknowledged the role that the UN General Assembly (UNGA) had played in bringing about sovereign equality and contributing to South Africa attaining freedom from institutionalised racism - Apartheid. However, South Africa challenged UNGA to accelerate the resolutions agreed at the World Summit Outcome in 2005, including the resolution to reform the UN so as to include African countries as permanent members of the key decision making structure of the United Nations, the UN Security Council.

The Presidency continued to provide leadership to South Africa's involvement in conflict resolution and post-conflict reconstruction and development processes in various part of Africa, notably the Kingdom of Lesotho and South Sudan. Similar support was provided to Sri Lanka. Our support has proven to be instrumental in bringing about country and regional agreements that build security and bring about peace and stability in these conflicted countries.

### SERVICE DELIVERY IMPROVEMENT PLAN

In June 2015, the function of coordinating the development and monitoring the implementation of the Service Delivery Improvement Plan was moved from Corporate Services to the Strategy Unit in the COO's office. An initial draft of The Presidency Service delivery Improvement Plan for 2015-18 was drafted, approved and presented to the Department of Public Service and Administration (DPSA) for review and engagement. DPSA has made a number of recommendations to ensure the measurability of the planned improvements. A revised plan will be presented to DPSA in 2016/17 and an organisation mechanism will be developed to monitor implementation of the plan.

The offices of the President and the Deputy President receive a number of enquiries and complaints from the public. In 2016/17, The Presidency plans to formalise the mechanism of responding to queries and complaints from members of the public, which are sent directly to the President and Deputy President. The mechanism will be provided in coordination with the Presidential Hotline mechanism that is housed at the Department of Planning, Monitoring and Evaluation.

### CORPORATE MANAGEMENT

One of the key challenges faced by the internal environment of The Presidency in 2015/16 was effective and efficient management of its resources, in light of the fiscal constraints and austerity measures introduced in government, in response

to the tough economic conditions that characterised the year under review.

Key developments were therefore implemented during the year under review, which had an impact on the internal operations of The Presidency.

### STRATEGY

- i) In 2015, The Presidency introduced a new focus in its planning framework. Greater emphasis was placed on the measurement of efficient support provided to the President and Deputy President in relation to the execution of their responsibilities, as outlined by the constitution and the programme of action of government.

The Presidency was therefore tasked with preparing Standard Operating Procedures (SOPs) and developing performance measures and standards, as a key component of the new system of measurement. After consultations, discussions, and, in some cases, workshops, SOPs were drafted for the Private Office of the President, the Office of the Deputy President and the Cabinet Office. The Presidency always viewed these drafts as tentative and they were reviewed after implementation and practical experience had been gained.

The document storage and management systems in The Presidency also had to be refined to deliver the required level of information to support the standards set. In this build up context, The Presidency regarded the implementation of this new system in 2015/16 as a pilot phase, which has been refined and tweaked in preparation for management reporting in 2016/17, so that the performance measures and standards more accurately reflect performance on the basis of a workable system.

- ii) In the year ahead, focus will turn to strengthening the design of key programmes and ensuring that they are strategically focused towards demonstrating more value, over and above the support activities rendered to the President and Deputy President. Focus will also be on improving the measurement of effectiveness and the impact of the work of The Presidency.

### FINANCE

- i) The Presidency finalised the reprioritisation strategy to absorb the national budget cuts introduced by National Treasury; this was aimed at reducing The Presidency's medium term allocation and shifting resources within The Presidency to high priority areas.



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- ii) The Presidency also conducted a review of all cost structures for essential services received by the organisation and reduced the transaction costs, especially for key services such as car hire, accommodation, travel and phone usage.
- iii) A review of service level agreements with key government partners<sup>2</sup> was done, with the intention of implementing measures to improve the adequacy and effectiveness of services provided by these partners in the executing the President and Deputy President's programmes.
- iv) In response to the President's directive made in 2014, and in compliance with the resulting new National Treasury SCM regulations and guidelines, work commenced in the past year in preparation for migration of The Presidency SCM database to the central supplier database of government, which will take place in 2016.

### HUMAN RESOURCES

- i) The Presidency dealt with the implications of the transfer of staff in the Ministry: Planning, Monitoring and Evaluation staff were transferred to the Department of Planning, Monitoring and Evaluation. The administrative structure of the organisation was adjusted accordingly.
- ii) Other changes and improvements made to the service delivery framework in 2015 include the establishment of dedicated capacity for physical security and internal policy and research management functions. These changes were introduced to strengthen the capacity of the office in these areas and to clarify the role of these functions, by providing them with a clear mandate and measurable performance indicators.
- iii) The gender focal point was also enhanced, to give greater prominence to gender mainstreaming within the organisation's programmes.
- iv) The key challenge for The Presidency remains the appointment of people with disabilities. The Presidency has 1.41% disabled staff members as part of its staff complement, which is below the national target of 2%. The recruitment and selection strategy was therefore reviewed and the new strategy implemented in partnership with various tertiary institutions and organisations, such as Disability South Africa, to ensure The Presidency is responsive to legislative requirements for disability management, and to promote equal opportunities for people with a disability.
- v) The Presidency also conducted a programme of mass verification of educational qualifications of staff, as part of its fraud detection programme. To date, 948 qualifications held by staff have been verified. The project mainly focused on verification of SMS members' qualifications in the

2015/2016 financial year and it will be finalised in the 2016/17 financial year in respect of all staff members.

- vi) In order to ensure a high performance workforce, increased productivity, compliance with operational policies and effective use of state resources, various awareness sessions were held with all staff (including management) in 2015/16. Training and awareness sessions were held in relation to the PFMA and the MISS requirements for budgeting and expenditure management, performance information, and security management.

### ICT

The Presidency rolled out an extensive ICT infrastructure upgrade programme to ensure that the ICT support mechanism supports the business of the organisation. The upgrades included enhancement of the security firewalls to strengthen information security in the organisation.

The e-Cabinet system is a secure electronic document management system and collaboration platform for Cabinet. The system was developed to provide a modern, secure document and communications collaboration platform. Development, secure laboratory testing and training took place during 2015/2016.

### GOVERNANCE AND COMPLIANCE

During the past financial year, The Presidency continued to develop and implement a range of operational policies, which were aimed at enhancing the business processes and management practices of the organisation.

A total of 15<sup>3</sup> new and revised operational policies and plans covering SCM, HR, ICT, Governance and Compliance, Finance, and Performance Information were processed in the past year, with a view to harmonising these to government-wide legislation, regulations and directives. A review of all charters and terms of reference for various management structures was also done.

The Presidency also assessed the composition and functioning of various governance structures, especially in Supply Chain Management. This was done to ensure that these structures

<sup>2</sup> Department of International Relations and Department of Public Works

<sup>3</sup> Records Management Policy; Promotion of Access Section 14 Manual & Section 15 Notice; Annual Human Resource Development (HRD) Implementation Plan; revised Internal Security Policy; The Use of Official Languages Policy; revised Supply Management Policy; Internship and Learnership Policies; Integrated Policy Renewal Plan; Service Delivery Improvement Plan (SDIP); Labour Relations Guidelines; revised Performance Information Policy and Procedure; Revised Gender Mainstreaming Plan; Transport Policy; Official Hours & Overtime Policy; Annual Calendar 2016/17.



are effective in delivering on their respective obligations, and to ensure that there is rotation of duties and members, as part of the fraud prevention plan of the organisation.

## PROGRAMME OF ACTION IMPLEMENTATION TABLES

### CABINET AND CABINET COMMITTEE MEETINGS HELD IN 2015/16

TYPE	NUMBER
Justice Crime Prevention and Security	12
Governance and Administration	15
Economic Sectors and Employment and for Infrastructure Development	17
Social Protection, Community and Human Development	13
International Cooperation, Trade and Security	14
Joint meeting of all Cabinet committees	3
Cabinet (including two extended planning meetings: Makgotla)	26
Treasury Committee meetings	1
<b>TOTAL</b>	<b>101</b>

### FOSAD CLUSTER AND MANAGEMENT COMMITTEE MEETINGS HELD IN 2015/16

TYPE	NUMBER
Justice Crime Prevention and Security	11
Governance and Administration	9
Economic Sectors and Employment	13
Infrastructure Development	0
Social Protection and Community Development	10
International Cooperation, Trade and Security	11
FOSAD Manco	9
FOSAD planning workshops	2
<b>TOTAL</b>	<b>65</b>





## PART B: PERFORMANCE INFORMATION

### EXECUTIVE ACTS OF THE PRESIDENT (1 APRIL 2015 – 31 MARCH 2016)

#### PRESIDENTIAL ACTS PROCESSED IN 2015/16

TYPE	NUMBER
Foreign visits by Ministers	373
Leave of absence by Ministers	30
Foreign visits by Deputy Ministers	222
Leave of absence by Deputy Ministers	33
Assent of Acts of Parliament	26
<b>TOTAL</b>	<b>684</b>

#### PRESIDENTIAL MINUTES PROCESSED IN 2015/16

TYPE	NUMBER
Agreement & Memorandum of Understanding	107
Proclamations	63
Appointment of ambassadors, judges & others	100
Pardons processed	23
Employment of members of the Defence Force	8
Commissions and Boards of Inquiry	2
<b>TOTAL</b>	<b>393</b>

#### BILLS INTRODUCED (1 APRIL 2015 - 31 MARCH 2016)

NAME OF MINISTRY	NAME OF BILL
Agriculture, Forestry and Fisheries	None
Arts and Culture	None
Basic Education	None
Communications	Broadcasting Amendment Bill, 2015 Film and Publications Amendment Bill, 2015
Cooperative Governance and Traditional Affairs	Traditional Affairs Bill
Correctional Services	None
Defence and Military Veterans	None
Economic Development	None
Energy	None
Environmental Affairs	The Marine Spatial Planning Bill, 2015
Finance	Division Revenue Bill Finance Bill Financial Intelligence Amendment Bill Insurance Bill Draft Carbon Tax Bill Financial Sector Regulation Bill Eskom Special Appropriation Bill, 2015 Eskom Subordinated Loan Special Appropriation (2008/09-2010/11 Financial Years) Amendment Bill, 2015 New Development Bank Special Appropriation Bill, 2015
Health	National Health Laboratory Service Amendment Bill, 2013 National Public Health Institute of South Africa (NAPHISA) Bill
Higher Education and Training	Higher Education Amendment Bill, 2015 (HEA)
Home Affairs	Refugees Amendment Bill, 2015 Border Management Agency Bill, 2015 Local Government: Municipal Electoral Amendment Bill
Human Settlements	Property Practitioners Bill, 2014
International Relations and Cooperation	Foreign Service Bill
Justice and Constitutional Development	Protected Disclosures Amendment Bill Justice Administered Fund Bill Cybercrimes and Related Matters Bill Criminal Matters Amendment Bill, 2015 Courts of Law Amendment Bill, 2015
Labour	The Unemployment Insurance Amendment Bill



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NAME OF MINISTRY	NAME OF BILL
Mineral Resources	The African Exploration Mining and Finance Corporation (AEMFC) Bill, 2015
Performance Monitoring and Evaluation	None
Police	The Firearms Control Amendment Bill, 2015 The Critical Infrastructure Protection Bill, 2015
Public Enterprises	None
Public Service and Administration	Public Service Commission Amendment Bill, 2013
Public Works	None
Rural Development and Land Reform	Electronic Deeds Registration Bill, 2014 Extension of Security of Turner Amendment Bill, 2014
Science and Technology	The Protection, Promotion, Development and Management of Indigenous Knowledge System Bill, 2014
Small Business Development	None
Social Development	None
Sports and Recreation	None
State Security	None
Telecommunications and Postal Services	None
Tourism	None
Trade and Industry	Promotion and Protection of Investment Bill Copyright Amendment Bill
Transport	Administrative Adjudication of the Road Traffic Offences Amendment Bill, 2014 National Land Transport Amendment Bill, 2014
Water and Sanitation	None
Women	Children's Amendment Bill, 2015 Children's Second Amendment Bill, 2015

### ADVISORY SUPPORT SERVICES

#### ADVISORS TO THE PRESIDENT

NAME	DESIGNATION
Advocate Bonisiwe Makhene	Legal Advisor
Dr Bhekuyise Mfeka	Economic Advisor
Mr Silas Zimu	Energy Advisor
Mr Michael Hulley	Legal Advisor
Mr Vuso Shabalala	Political Advisor
Mr Ebrahim Ismail Ebrahim	Parliamentary Counsellor

#### ADVISORS TO THE DEPUTY PRESIDENT

NAME	DESIGNATION
Mr Steyn Speed	Political Advisor
Dr Princess Nothemba Simelela	Social Policy Advisor
Advocate Nokukhanya Jele	Legal Advisor
Dr Gerhardus Willem Koornhof	Parliamentary Counsellor

### INCOMING AND OUTGOING INTERNATIONAL PRESIDENTIAL VISITS (1 APRIL 2015 – 31 MARCH 2016)

#### VISITS UNDERTAKEN BY THE PRESIDENT

DATE	PLACE	TYPE OF VISIT
<b>APRIL 2015</b>		
30 March - 1 April	Algiers, Democratic Republic of Algeria	Outgoing Working Visit
1 - 2 April	Cairo, Arab Republic of Egypt	Outgoing Working Visit
8 April	Pretoria, Republic of South Africa.	Incoming State Visit by HE President Robert Mugabe of the Republic of Zimbabwe
29 April	Harare, Republic of Zimbabwe	Outgoing Working Visit: SADC Extraordinary Summit meeting
<b>MAY 2015</b>		
9 May	Moscow, Russian Federation	Outgoing Working Visit
18 May	Luanda, Republic of Angola	Outgoing Working Visit
20 - 21 May	Maputo, Republic of Mozambique	Outgoing Working Visit



DATE	PLACE	TYPE OF VISIT
29 May	Abuja, Federal Republic of Nigeria	Outgoing Working Visit: Inauguration of the President-Elect
31 May	Dar es Salaam, United Republic of Tanzania	Outgoing Working Visit
<b>JUNE 2015</b>		
12 - 15 June	Sandton International Convention Centre, Republic of South Africa	African Union Summit (AU)
1 - 7 June	Cape Town, Republic of South Africa	World Economic Forum (WEF)
<b>JULY 2015</b>		
3 July	Department of International Relations and Cooperation, Republic of South Africa	SADC Troika of Heads of State and Government
8 - 9 July	Moscow, Russian Federation	Outgoing Working Visit: BRICS Summit
<b>AUGUST 2015</b>		
17 - 18 August	Gaborone, Republic of Botswana	Outgoing Working Visit: SADC Heads of state and government meeting
<b>SEPTEMBER 2015</b>		
2 - 3 September	Beijing, People's Republic of China	Outgoing Working Visit: to attend the 70 <sup>th</sup> anniversary of the end of Japanese War of Aggression and occupation of China
11 September	Maputo, Republic of Mozambique	Outgoing Working Visit: to attend the Matola Monument and Interpretive Centre
25 - 28 September	New York, United States of America	Outgoing Working Visit: 71 <sup>st</sup> United Nations General Assembly
<b>OCTOBER 2015</b>		
16 October	Kinshasa, Democratic Republic of Congo	Outgoing Working Visit
28 - 30 October	New Delhi, Republic of India	3 <sup>rd</sup> India Africa Forum
<b>NOVEMBER 2015</b>		
10 - 11 November	Berlin, Federal Republic of Germany	Outgoing Working Visit
11 November	Luanda, Republic of Angola	Attend the 40 <sup>th</sup> Anniversary Celebration
12 November	Windhoek, Republic of Namibia	Inauguration of SACU Headquarters
15 - 16 November	Antalya, Republic of Turkey	Outgoing Working Visit: G20 Leaders' Summit
20 - 21 November	Maputo, Republic of Mozambique	Outgoing Working Visit: SADC TROIKA meeting
24 November	Luanda, Republic of Angola	Outgoing Working Visit
27 - 29 November	Valletta, Republic of Malta	Outgoing Working Visit: Common Wealth Heads of State and Government
<b>DECEMBER 2015</b>		
30 November and 1 December	Paris, French Republic	Outgoing Working Visit: Attend Climate Change Conference





## PART B: PERFORMANCE INFORMATION

DATE	PLACE	TYPE OF VISIT
<b>JANUARY 2016</b>		
18 January	Gaborone, Republic of Botswana	SADC Summit
18 - 23 January	Davos, Swiss Federation	Outgoing Working Visit: World Economic Forum (WEF)
29 - 31 January	Addis Ababa, Federal Democratic Republic of Ethiopia	Outgoing Working Visit: African Union Summit (AU)
<b>FEBRUARY 2016</b>		
26 February	Bujumbura, Republic of Burundi	Outgoing Working Visit
<b>MARCH 2016</b>		
8 - 9 March	Abuja, Federal Republic of Nigeria	Outgoing Working Visit
23 March	Lyon, French Republic	Working visit to Lyon, High-level Commission on Health, Employment and Economic Growth (HEEG)
27 March	Riyadh, Kingdom of Saudi Arabia	Outgoing Working Visit
29 March	Dubai, United Arab Emirates	Outgoing Working Visit

### VISITS UNDERTAKEN BY THE DEPUTY PRESIDENT

DATE	PLACE	TYPE OF VISIT
<b>APRIL 2015</b>		
9 - 10 April	Tambo House-Pretoria, Republic of South Africa	Incoming Working visit
19 - 26 April	Jakarta, Republic of Indonesia	Outgoing Working Visit
<b>MAY 2015</b>		
12 - 13 May	Dar es Salaam, Republic of Tanzania	Outgoing Working Visit
31 - 3 June	Juba, Republic of South Sudan	Outgoing Working Visit
<b>JUNE 2015</b>		
30 June - 1 July	Maseru, Kingdom of Lesotho	Outgoing Working Visit
<b>JULY 2015</b>		
13 - 19 July	Beijing, People's Republic of China	Outgoing Working Visit
<b>AUGUST 2015</b>		
4 August	Pretoria, Republic South Africa	Outgoing Working Visit
14 August	Gaborone, Republic of Botswana	Outgoing Working Visit
21 - 26 August	Tokyo, Japan	Outgoing Working Visit
<b>SEPTEMBER 2015</b>		
10 September	Maseru, Kingdom of Lesotho	Outgoing Working Visit
<b>OCTOBER 2015</b>		
6 October	Maputo, Republic of Mozambique	Outgoing Working Visit
19 - 21 October	Stockholm, Kingdom of Sweden	Outgoing Working Visit
22 - 25 October	Havana, Republic of Cuba	Outgoing Working Visit
27 - 28 October	Mexico City, United Mexican States	Outgoing Working Visit
<b>NOVEMBER 2015</b>		
7 - 11 November	Tehran, Islamic Republic of Iran	Outgoing Working Visit
<b>DECEMBER 2015</b>		
16 December	Gaborone, Republic of Botswana	Outgoing Working Visit
16 December	Maputo, Republic of Mozambique	Outgoing Working Visit
<b>JANUARY 2016</b>		
7 - 9 January	Juba, Republic of South Sudan	Outgoing Working Visit
18 January	Gaborone, Republic of Botswana	Outgoing Working Visit



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### LETTERS OF CREDENCE/COMMISSION PRESENTED (APRIL 2015 - MARCH 2016)

COUNTRY	NAME OF HEAD OF MISSION
<b>11 AUGUST 2015</b>	
High Commissioner of the Republic of Kenya	HE Ms Jean Njeri Kamau
Ambassador of the Kingdom of Denmark	HE Mrs Trine Rask Thygesen
High Commissioner of the Commonwealth of Australia	HE Mr Adam Justin McCarthy
Ambassador of the Republic of Hungary	HE Mr András László Király
High Commissioner of the People's Republic of Bangladesh	HE Mr Shabbir Ahmad Chowdhury
High Commissioner of the Republic of Malawi	HE Dr Chrissie Patricia Ndasochera Kaponda
Ambassador of the United Mexican States	HE Mr Mauricio Escanero Figuero
Ambassador of the Republic of Chile	HE Mr Carlos Guillermo Parker
High Commissioner of the Republic of Singapore	HE Mr Chua Thai Keong
Ambassador of the Federal Republic of Germany	HE Mr Walter Johannes Lindner
Ambassador of the Republic of Ecuador	HE Mrs Maria Soledad Cordova-Montero
Ambassador of the Republic of Lithuania	HE Ms Sigute Jakštonyte
<b>26 NOVEMBER 2015</b>	
High Commissioner of the Republic of Zambia	HE Mr Emmanuel Mwamba
High Commissioner of the Republic of Canada	HE Ms Sandra McCardell
High Commissioner of the Republic of Mauritius	HE Mr Paramasivum Pillay Vyapoory
Ambassador of the Republic of Mali	HE Mr Mahamane Aoudou Cisse
Ambassador of the Federal Republic of Somalia	HE Mr Jamal Mohamed Barrow
Ambassador of the Swiss Confederation	HE Mrs Helene Budliger Artieda
High Commissioner of the Republic of Cyprus	HE Mr Yannis Iacovou
Ambassador of the State of Palestine	HE Hashem Hasam Hashem Dajani
Ambassador of the Czech Republic	HE Dr Michal Král
Ambassador of the European Union	HE Mr Markus Cornaro
High Commissioner of the Democratic Socialist Republic of Sri Lanka	HE Mr Weerawardena Sunil Dharmasena
Ambassador of the Hellenic Republic	HE Mr Eleftherios Kouvaritakis
High Commissioner of the Federation of Malaysia	HE Mr Dato' Badruddin Bin Ab Rahman
High Commissioner of the Republic of Mozambique	HE General Paulino José Macaringue
Ambassador of the Republic of Panama	HE Mr Jacob Dominguez

### CATEGORIES OF NATIONAL ORDERS

<b>The Order of Mendi for Bravery</b>	The Order of Mendi for Bravery is awarded to South African citizens who have distinguished themselves by displaying extraordinary acts of bravery in which their lives were in great danger or who have lost their lives, including trying to save the life of another person or by saving property, in or outside the Republic of South Africa.
<b>The Order of Ikhamanga</b>	The Order of Ikhamanga is awarded to South African citizens who have excelled in the field of arts, culture, literature, music, journalism or sport.
<b>The Order of the Baobab</b>	The Order of the Baobab is awarded to South African citizens who have made exceptional and distinguished contributions in community service, business and the economy, science, medicine and technological innovation.
<b>The Order of Luthuli</b>	The Order of Luthuli is awarded to South African citizens in recognition of their outstanding contribution to the struggle for democracy, or in nation building, building democracy and human rights, justice and peace, or for the resolution of conflict.
<b>The Order of Mapungubwe</b>	The Order of Mapungubwe is awarded to South African citizens who have accomplished excellence and exceptional achievements to the benefit of the Republic of South Africa and beyond.
<b>The Order of the Companions of OR Tambo</b>	The Order of The Companions of OR Tambo is awarded to eminent foreign nationals and those who have actively promoted the interests and aspirations of South Africa through excellent cooperation and active expression of solidarity and support.
<b>The Order of the Republic of South Africa</b>	The Order of the Republic of South Africa is awarded to foreign heads of state/government by the President of the Republic of South Africa as a reciprocal Order.



## NATIONAL ORDERS AWARDED IN 2015/16

**The Order of Mendi for Bravery recognises South African citizens who have performed acts of bravery.**

The Order was bestowed in Bronze on:

**Mr Jetro Ndlovu**, for his outstanding contribution to the fight for freedom, equality and democracy in South Africa.

The Order was bestowed in Silver on:

**Mr Joe Morolong (posthumous)**, for his excellent contribution to the fight for liberation in South Africa. He endured tremendous personal persecution for the ideal of a democratic and liberated society.

**Mr Caleb Motshabi (posthumous)**, for his excellent contribution to the fight for the liberation of the people of South Africa. He facilitated the creation of safe passage for many young people who went into exile to fight for freedom.

**Mr Eric Mtshali**, for his excellent contribution to the fight against the Apartheid regime. Despite great risk, he was not deterred in his quest for true freedom and social justice.

The Order was bestowed in Gold on:

**Mr Mpumelelo Washington Bongco (posthumous)**, for his exceptional contribution to the pursuit of equality and universal suffrage in South Africa. He did not relent and paid the ultimate sacrifice for freedom and democracy.

**The Order of Ikhamanga recognises South African citizens who have excelled in the fields of arts, culture, literature, music, journalism and sport.**

The Order was bestowed in Bronze on:

**Mr Themba Patrick Magaisa**, for his outstanding contribution to the development of indigenous literature in South Africa. His literary work has enriched the primary and secondary education curriculums in our country.

**Mr Mbulaeni Mulaudzi (posthumous)**, for his outstanding achievements as a track athlete and for his contribution to the advancement of athletics in South Africa.

The Order was bestowed in Silver on:

**Mr Darius Mfana Dhlomo (posthumous)**, for his excellent talent in various professional sporting codes. His tenacity, sheer talent and triumph in sport inspired generations of aspiring footballers and boxers, who saw in him the epitome of excellence in sport.

**Ms Winnie Busisiwe Mahlangu**, for her excellent contribution to the field of broadcasting and for keeping the large listenership of a big radio station in the country - former Radio Zulu - informed and entertained.

**Dr Ramakgobola John Meko**, for his excellent contribution to the development of jazz music in South Africa. He established a jazz music school that boasts jazz luminaries as former students.

**Prof Mbulelo Vizikhungo Mzamane (posthumous)**, for his excellent contribution to the development of African literature and the upliftment of African languages on the global stage.





## PART B: PERFORMANCE INFORMATION

The Order of the Baobab recognises South African citizens who have contributed to community service, business and economy, science, medicine and technological innovation.

The Order in Bronze was bestowed on:

**Justice Yvonne Mokgoro**, for her outstanding contribution to the field of law and the administration of justice in a democratic South Africa.

The Order in Silver was bestowed on:

**Mr Douglas John Anderson**, for his excellent contribution to the upliftment of people with disabilities and impoverished children.

**Ms Mary Susan Makobatatji Malahlela (posthumous)**, for her excellent contribution to the provision of medical services to the oppressed majority of South Africans during the Apartheid era. She was one of the first African women to qualify as a medical practitioner in South Africa.

**Mr Andrew Ross**, for his excellent contribution to the training of young rural medics. His work has provided hope to communities that utilise rural hospitals.

**Mr Otto Stehlik**, for his excellent contribution to economic and social development in South Africa. His business skills in the hospitality industry have benefitted South Africa significantly.

The Order in Gold was bestowed on:

**Prof. James David Lewis-Williams**, for his exceptional and distinguished contribution to the field of archaeology. His research on the rock art of the ancient people of Southern Africa has contributed invaluable knowledge about their lives and times.

The Order of Luthuli recognises South African citizens who have contributed to the struggle for democracy, nation-building, building democracy and human rights, justice and peace, and for the resolution of conflict.

The Order was bestowed in Bronze to:

**Mr Kay Moonsamy**, for his outstanding contribution to the fight for democracy and freedom in South Africa. As a trade unionist, he was among the leading figures who actively fought the apartheid system.

The Order was bestowed in Silver to:

**Mr William Henry Frankel**, for his excellent contribution to the fight against apartheid. He played a significant role in raising funds for those detained by Apartheid security forces and those charged under Apartheid legislation.

**Mr Johnson Malcomess Mgabela (posthumous)**, for his exceptional contribution to the fight against oppression. He understood that human beings are naturally equal, and that the subjugation of one race by another must be opposed at all cost.

**Mr Petros Nyawose (posthumous)**, for his excellent contribution to the fight against Apartheid. He paid the ultimate price for his involvement in the liberation struggle in South Africa.

**Mrs Jabulile Nyawose (posthumous)**, for her excellent contribution to the fight against Apartheid. She paid the ultimate price for her involvement in the liberation struggle in South Africa.

**Mr Mohammed Tikly**, for his excellent contribution to the fight against Apartheid. He groomed many young freedom fighters while he was director of the Solomon Mahlangu Freedom College (SOMAFCO) during the days of exile.

The Order of the Companions of OR Tambo recognises eminent foreign nationals and other foreign dignitaries for friendship shown to South Africa. It is therefore an Order of peace, cooperation and active expression of solidarity and support.

The Order in Silver was bestowed on:

**Prof. Gareth Evans (Australia)**, for his excellent contribution to and support of the Anti-Apartheid Movement. His exceptional leadership influenced the Australian public to provide scholarships for under-privileged South African students at home and in exile.

**Mr Peter Hain (United Kingdom)**, for his excellent contribution to the fight against the injustices of Apartheid and his unwavering support for the South African Liberation Movement.

**Ambassador Vladimir Kazimirov (Russia)**, for his excellent contribution to the recording of the plight of the majority in Southern African countries, especially South Africa, during the period of minority rule. His work remains a testimony to the deep injustices experienced during Apartheid.

**Prof. Gay McDougall (United States of America)**, for her excellent contribution to the fight against the injustices of apartheid. She mobilised policymakers in the United States in support of the struggle for freedom in South Africa and put to use her legal expertise for the defence of political prisoners in South Africa and Namibia.

**Mr Lars Nordbo (Denmark)**, for his excellent contribution to the struggle for liberation and for his architectural skills that saw him build dormitory blocks in Mazimbu, Tanzania, which housed South African freedom fighters in exile. These blocks were later converted into a Tanzanian university.

**Ambassador Andrey Urnov (Russia)**, for his excellent contribution to the fight for the liberation of the people of South Africa.

**Tan Sri Dato' Sri Paduka Dr. Lim Kok Wing (Malaysia)**, for his excellent and commendable contribution to the fight against Apartheid and to education internationally, with a special focus on Southern Africa.

The Order in Gold was bestowed on:

**General Hashim Mbita (Tanzania) (posthumous)**, for his exceptional and gallant support of African liberation movements and his tireless efforts in ensuring that the struggle for freedom throughout the African continent bore fruit.

**Honourable Brian Mulroney (Canada)**, for his exceptional contribution to the liberation movement of South Africa. His steadfast support for the fight to release Nelson Mandela and for imposing sanctions on South Africa's Apartheid regime led to a free, democratic, non-sexist and non-racial South Africa.



## PART B: PERFORMANCE INFORMATION

### OFFICIAL FUNERALS IN 2015/16

The Presidency oversees the implementation of the policy on state funerals, which authorises the President to declare a state funeral in any one of various categories. The following people were accorded official funerals:

NAME	FUNERAL CATEGORY	DATE
Mr Hermanus Loots	Special Official Funeral	February 2016
Mr Indres Naidoo	Special Provincial Official Funeral	January 2016
Dr LPHM Mtshali	Special Provincial Official Funeral	December 2015
Mr Boitumelo Tshwene	Provincial Official Funeral	October 2015
Mr Reggie Vandeyar	Special Provincial Official Funeral	September 2015
Justice Thembile Lewis Skweyiya	Special Official Funeral	September 2015
Mrs Grizelda Cjiekella-Lecholo	Provincial Official Funeral	September 2015
Mr Hernus J Kriel	Special Provincial Official Funeral	July 2015
Dr Ruth Mompoti	Special Official Funeral	May 2015





**Dr Bongani Ngqulunga**  
Deputy Director-General:  
Private Office of the President



**Busani Ngcaweni**  
Deputy Director-General:  
Office of the Deputy President



**Lusanda Mxenge**  
Deputy Director-General:  
Cabinet Office



**Mandla Feni**  
Acting Deputy Director-General:  
Corporate Management

## PERFORMANCE INFORMATION BY PROGRAMME

### PROGRAMME I: ADMINISTRATION

#### Purpose Statement

To provide strategic, operational and administrative capacity and support to The Presidency in the fulfilment of its mission towards achievement of the set objectives and the realisation of its vision.

#### Sub-Programmes

1. Support Services to the President
2. Support Services to the Deputy President
3. Management

#### Strategic Objectives

- 1.1 The President and Deputy President are provided with technical support in their participation in Cabinet structures to lead society and organs of state towards the realisation of the Vision 2030.
- 1.2 The President and Deputy President are provided with technical support with their oversight projects over the implementation of government policies and programmes

through oversight structures including Presidential Councils, Siyahlola programme, infrastructure programme launches, performance dialogue between the President and Ministers, as well as the execution of the programme of the Deputy President.

- 1.3 The principals are provided with technical support with their public accountability responsibilities, specifically to fulfill their parliamentary responsibilities, engagements with the National House of Traditional Leaders, and with society through the Izimbizo programme.
- 1.4 The principals are provided with technical support to fast-track service delivery and economic development with the launch and monitoring of infrastructure projects, Operation Phakisa, and the roll out of best practice service delivery models.
- 2.1 The principals are provided with strategic and administrative support for their participation in the Presidential Working Groups programme.
- 2.2 The principals are provided with strategic and administrative, and communication support to promote nation building through National Orders ceremonies.





## PART B: PERFORMANCE INFORMATION

- 2.3 The principals are provided with strategic, administrative and communication support to shape the agenda and dialogue on nation building, social cohesion and national identity through the Deputy President's championing of the Moral Regeneration Movement and the leadership of the celebration and commemoration of National Days by the President.
- 2.4 The President and Deputy President are provided with administrative, communication, strategic, and executive support for the implementation of the international programme aimed at promoting regional integration as well as advancing South Africa's role in the international arena.

### Strategic objectives, performance indicators, planned targets and actual achievements

PROGRAMME I: ADMINISTRATION						
STRATEGIC OBJECTIVES	PERFORMANCE INDICATOR	ACTUAL ACHIEVEMENT 2014/15	PLANNED TARGET 2015/16	ACTUAL ACHIEVEMENT 2015/16	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2015/16	COMMENT ON DEVIATIONS
The principals are provided with technical support in their participation in Cabinet structures to lead society and organs of state towards the realisation of the Vision 2030.	Percentage of required support rendered to principals (w.r.t. their participation in Cabinet) achieved within the stipulated timeframe.	New indicator	70%	96%	26%	The Department needed to establish baseline information for the new indicator.
	Percentage of required support rendered to President (w.r.t. Siyahlola visits) achieved within the stipulated timeframe.	New indicator	70%	100%	30%	The Department needed to establish baseline information for the new indicator.
The principals are provided with technical support with their oversight projects over the implementation of government policies and programmes through oversight structures including Presidential Councils, Siyahlola programme, infrastructure launches, performance dialogue between the President and Ministers, as well as the execution of the DPs and minister's programmes of delegated responsibilities.	Percentage of required support rendered to President (w.r.t. performance dialogue engagements between President and Ministers) achieved within the stipulated timeframe.	New indicator	70%	100%	30%	The Department needed to establish baseline information for the new indicator.
	Percentage of required support rendered to President (w.r.t. Presidential Councils and other coordinating structures) achieved within the stipulated timeframe.	New indicator	70%	69%	1%	The planning meetings for the councils were not convened due to unexpected international engagements especially in the African continent.
	Percentage of required support rendered to DP (w.r.t. DPs 13 delegated responsibilities) achieved within the stipulated timeframe.	New indicator	70%	48%	22%	The target was not fully achieved due to the absence of evidence regarding the approval of media advisories, as per the measurement standard.



**PROGRAMME I: ADMINISTRATION**

STRATEGIC OBJECTIVES	PERFORMANCE INDICATOR	ACTUAL ACHIEVEMENT 2014/15	PLANNED TARGET 2015/16	ACTUAL ACHIEVEMENT 2015/16	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2015/16	COMMENT ON DEVIATIONS
The principals are provided with technical support with their public accountability responsibilities, specifically to fulfil their parliamentary responsibilities, engagements with the National House of Traditional Leaders, and with society through the Izimbizo programme.	Percentage of required support rendered to principals' wrt parliamentary engagements/ responsibilities achieved within the stipulated timeframe.	New indicator	70%	37%	33%	The parliamentary processes of responding to written replies differ from what has been specified in the SOPs.
	Percentage of required support rendered to President wrt Izimbizo engagements achieved within the stipulated timeframe.	New indicator	70%	75%	5%	The Department needed to establish baseline information for the new indicator.
	Percentage of required support rendered to President wrt National House of Traditional Leaders achieved within the stipulated timeframe.	New indicator	70%	100%	30%	The Department needed to establish baseline information for the new indicator.
The principals are provided with technical support to fast-track service delivery and economic development with the launch and monitoring of infrastructure projects, Operation Phakisa, and the roll-out of best practice service delivery models.	Percentage of required support rendered to President wrt Operation Phakisa pilot launches achieved within the stipulated timeframe.	New indicator	70%	75%	5%	The Department needed to establish baseline information for the new indicator.
	Percentage of required support rendered to President wrt Infrastructure projects achieved within the stipulated timeframe.	New indicator	70%	79%	9%	The Department needed to establish baseline information for the new indicator.
	Percentage of required support rendered to Deputy President wrt rollout out of best practice service delivery models initiatives achieved within the stipulated timeframe.	New indicator	70%	29%	41%	The ODP could not meet the target in relation to issuing of a media statement and advisory as these are closed sessions for Political Principals. Furthermore, the ODP relies on COGTA to submit the minutes of meetings, as the Department is the custodian of this responsibility. Officials from the ODP do not attend such meetings and therefore a post-engagement report could not be drafted, as required by the branch SOP.



## PART B: PERFORMANCE INFORMATION

PROGRAMME I: ADMINISTRATION						
STRATEGIC OBJECTIVES	PERFORMANCE INDICATOR	ACTUAL ACHIEVEMENT 2014/15	PLANNED TARGET 2015/16	ACTUAL ACHIEVEMENT 2015/16	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2015/16	COMMENT ON DEVIATIONS
The principals are provided with strategic and administrative support for their participation in the Presidential Working Groups programme.	Percentage of required support rendered to President wrt Presidential working group engagements achieved within the stipulated timeframe.	New indicator	70%	91%	21%	The Department needed to establish baseline information for the new indicator.
The principals are provided with strategic and administrative and communication support to promote nation building through National Orders ceremonies.	Percentage of required support rendered to President wrt National Order events achieved within the stipulated timeframe.	New indicator	70%	67%	3%	The confirmation of recipients who have to be mentioned in the speech, led to the delays in meeting the set standard of achievement.
The principals are provided with strategic, administrative and communication support to shape the agenda and dialogue on nation building, social cohesion and national identity, through the DP's participation with MRM, and the principals presiding over the National Day celebration.	Percentage of required support rendered to principals' wrt National Days and Special days officiated by principals achieved within the stipulated timeframe.	New indicator	70%	96%	24%	The Department needed to establish baseline information for the new indicator.
	Percentage of required support rendered to DP wrt campaigns to popularize charter of good values achieved within the stipulated timeframe.	New indicator	70%	56%	14%	Due to consultation with other stakeholders, the post event reports were not finalised and approved on time.
The principals are provided with administrative, communication, strategic, and executive support for the implementation of the international programme aimed at promoting regional integration as well as advancing South Africa's role in the international arena.	Percentage of required support rendered to principals wrt international engagements achieved within the stipulated timeframes.	New indicator	70%	71%	1%	The Department needed to establish baseline information for the new indicator.



## PROGRAMME 2: EXECUTIVE SUPPORT

### Purpose statement

To provide strategic and administrative support to enable the Cabinet to foster accountability and policy coherence through integrated planning, policy coordination and the implementation of the strategic agenda of government.

### Sub Programmes

- I. Cabinet Services

### Strategic Objective

- I.1 The principals are provided with technical support in their participation in Cabinet structures to lead society and organs of state towards the realisation of the Vision 2030.

### Strategic objectives, performance indicators, planned targets and actual achievements

PROGRAMME 2: EXECUTIVE SUPPORT						
STRATEGIC OBJECTIVES	PERFORMANCE INDICATOR	ACTUAL ACHIEVEMENT 2014/15	PLANNED TARGET 2015/16	ACTUAL ACHIEVEMENT 2015/16	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2015/16	COMMENT ON DEVIATIONS
The principals are provided with technical support in their participation in Cabinet structures to lead society and organs of state towards the realisation of the Vision 2030.	Number of convened Cabinet and Cabinet Committee meetings implemented.	New indicator	100	101	1	The over-achievement was due to the special meetings requested during the financial year under review.
	Number of convened FOSAD meetings implemented.	New indicator	74	65	9	Some of the meetings were cancelled.
	Developed and piloted a Cluster System Improvement Plan towards improved / strengthened inter-departmental coordination.	New indicator	Cluster System Improvement Plan developed and implemented.	The Cluster System Improvement Plan was discussed at the FOSAD planning workshop in the third quarter and it was decided that the revised improvement plan with new target dates would be developed for the coming year.	The revised Cluster System Improvement Plan has not been implemented.	A revised Cluster System Improvement Plan will be developed for the coming year with new target dates.







## PART C: GOVERNANCE

### INTRODUCTION

This section will outline the governance arrangements in place at The Presidency, and the implementation of various plans that are aimed at maintaining appropriate controls and which are fundamental to the management of public finances and resources. The highest administrative management structure is the Top Management Committee, which is the oversight body of The Presidency; it is chaired by the Director-General, who is the delegated Executive Authority in The Presidency. The Chief Operations Officer convenes and chairs the Branch Heads Forum and the Senior Management Service Forum, which process administrative management matters.

Despite receiving an unqualified audit opinion for the 2014/15 financial year, work still remains to be done to ensure that internal governance controls are strengthened further and to comply wholly with legislated good governance prescripts and frameworks.

The section below will outline key elements of the governance system of The Presidency and the key achievements and challenges experienced in the past financial year.

### RISK MANAGEMENT

The Presidency operated according to an approved risk management policy during the reporting period. A three year risk management strategy was also developed and approved. The Office monitored the implementation of the risk mitigation action plans on an on-going basis, whilst at the same time reviewing risk magnitude and control effectiveness, and identifying new and emerging risks.

The Risk Management Committee provided advice to the Accounting Officer and management on the overall system of risk management, and especially the mitigation of unacceptable levels of risk. Risk Management was a standing item on the agenda of the Audit Committee meetings and the Audit Committee advised the department on risk management and independently monitored the effectiveness of the system of risk management. A decision was taken to appoint an external / independent chairperson to the Risk Management Committee.

The Internal Audit Unit continuously tested the adequacy and effectiveness of internal controls and planned activities to mitigate risks. Top management ensured that recommendations provided by the Internal Audit Unit (an assurance provider) were implemented. Top management further ensures that management forums, such as the Senior Management Services (SMS) Forum and the Branch Heads Forum, discuss all significant

risks that managers and employees are aware of the Top 10 Strategic Risks and ensures that risk management is included in individual performance agreements. The risk magnitudes have reduced due to effective implementation of risk mitigation action plans and the deployment of additional resources to address the risks.

### FRAUD AND CORRUPTION

The Presidency developed and approved a three-year Fraud Prevention Strategy that serves as a high-level plan on how The Presidency will implement its Anti-Fraud and Corruption Policy. The strategy formed the most important part of the Fraud Prevention Plan and was informed by the fraud risk profile. The plan is aimed at ensuring that employees and management act legally, ethically and in the public interest. Furthermore, it promotes a culture that will not tolerate any act of fraud or corruption, and will promote measures aimed at: reducing the risk of fraud occurrence, discovering and investigating fraud when it occurs, and taking appropriate corrective action to remedy the harm.

The Presidency has laid a solid ethical foundation by developing policies that ensure adherence to its values and ethical principles. It operated and promoted the Whistle Blowing Policy, which provides a mechanism for internal and external reporting of fraud and corrupt activities. The fraud prevention plan was implemented through enforcement and enhancement of internal controls, including segregation of duties, so as to minimise fraud and corruption. There were no reported cases of fraud or corruption during the reporting period.

### MINIMISING CONFLICT OF INTEREST

No cases of conflict of interest were identified during the reporting period. The Presidency operates according to an approved Conflict of Interest Policy. All officials are required to disclose any actual or potential conflict of interest. Any conflict of interest is considered by the Accounting Officer or Executive Authority when an employee declares a gift or requests permission to undertake remunerative work outside the public service.

### CODE OF CONDUCT

The Presidency circulated the Code of Conduct to all employees and created awareness of the policy during induction sessions to promote an ethical culture and to set out expectations and standards of ethical behaviour required in the department. Employees were required to certify to their having read and understood the Code. The Code of Conduct requires all staff



to report suspicious action or potential wrong-doing. The department addressed all breaches of the Code of Conduct through the disciplinary code and procedures.

### HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The Presidency complies with the Occupational Health and Safety Act, 1993 (Act 85 of 1993). The objectives of this Act are to:

- Provide for health and safety of a person at work.
- Provide for the health and safety of persons in connection with the use of plant and machinery.
- Protect persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work.
- Establish an advisory council for occupational health and safety.

In order to comply with the above objectives, the department achieved the following in the 2015/16 financial year:

- The Department has an approved Health and Safety Policy.
- There are active health and safety committees for the Pretoria and Cape Town offices and for the residences, and a total of 11 committee meetings were held.
- A health and safety risk assessment and 16 inspections were conducted, in order to identify occupational hazards and risks so as to ensure continual improvement of the working environment.
- The Department regularly conducts training and awareness sessions for staff on health and safety issues, using various platforms; 15 sessions were coordinated during the year.
- The incident report shows that 16 incidents were reported; of these, 6 were minor injury on duty cases, and 10 cases either had an impact on property, or could have resulted in health implications, injury, or property damage.

### SCOPA RESOLUTIONS

No SCOPA resolutions were taken in the year under review.

Finding	Financial year in which it first arose	Progress made in clearing/resolving the matter
The Presidency received a clean Audit.	2014/15	N/A

### PRIOR MODIFICATIONS TO AUDIT REPORTS

#### INTERNAL CONTROL UNIT

The function of the Internal Control Unit is to provide reasonable assurance to the office of the Chief Financial Officer regarding the reliability of reporting, the effectiveness and efficiency of operations, and compliance with applicable financial laws and regulations.

The Internal Control Unit maintains a register for irregular, fruitless and wasteful expenditure. On identification of any irregular, fruitless or wasteful expenditure, Internal Control conducts an internal investigation to determine the root cause and completeness of the irregular, fruitless or wasteful expenditure. A report is provided to the Accounting Officer with recommendations regarding action to be taken.

The unit is responsible for co-ordinating, consolidating and monitoring the action plans (Audit Matrix) that are designed to address audit findings provided by the office of the Auditor-General of South Africa on The Presidency's management report. The audit matrix is a standing agenda item at management forums, to ensure monthly progress reports on the action plans.

#### INTERNAL AUDIT AND AUDIT COMMITTEES

The audit committee plays an important role in ensuring that an entity functions according to good governance, and accounting and audit standards. It also monitors the adoption of appropriate risk management arrangements.

- **Key activities and objectives of the Internal Audit unit:**  
The Internal Audit unit is independent and its work is managed in accordance with the Institute of Internal Auditor's International Standards for the Professional Practice of Internal Auditing. The purpose of the internal auditing activity is to provide independent, objective assurance and consulting services designed that are designed to add value and improve operations in The Presidency. It helps The Presidency to accomplish its objectives by ensuring a systematic and disciplined approach towards evaluating and improving the effectiveness of risk management, internal control and governance processes.

- **Summary of audit work done:**  
The Internal Audit unit performed risk based audits and reviews. During the reporting period, Internal Audit unit performed its activities in line with the approved Annual Audit Plan 2015/2016. It provides recommendations to



## PART C: GOVERNANCE

management with regard to internal control, risk management and governance processes. Internal Audit follows up on the agreed management corrective action to be taken, and is guided by the implementation dates provided by management. In addition, Internal Audit provides management advisory services to all business units of The Presidency when requested by management, as and when necessary.

- **Key activities and objectives of the Audit Committee:**

The Presidency established the Audit Committee in line with section 77 (c) of the PFMA of 1999. The Audit Committee provides oversight on the system of internal control, risk management and governance within The Presidency. The Presidency's Internal Audit unit reports functionally to the Audit Committee and, as such, functions under the control and direction of the Audit Committee, as per the approved Audit Committee and Internal Audit Charters. The Audit Committee is evaluated annually through self-assessment, and assessment by management and the Auditor-General. Positive feedback was received for the period under review.

- **Attendance of audit committee meetings by audit committee members:**

A total of eight meetings were held in the financial year. Attendance per member is indicated in the table below, which also provides additional

The table below discloses relevant information on audit committee members.

NAME	QUALIFICATIONS	INTERNAL OR EXTERNAL	IF INTERNAL, POSITION IN THE DEPARTMENT	DATE APPOINTED	DATE RESIGNED	NO. OF MEETINGS ATTENDED
Cedric Boltman (Chairperson)	Master of Business Administration	External	N/A	1 January 2014	N/A	8
Anton Bischof	Master of Business Administration; Chartered Accountant (CA)SA	External	N/A	1 January 2014	N/A	8
Nomalizo Langa-Royds	BA (Law) Bachelor of Law (LLB)	External	N/A	1 January 2014	N/A	8
Tantaswa Fubu	Chartered Accountant (CA)SA	External	N/A	1 October 2015	N/A	1
Nelson Miya	Master of Business Leadership	External	N/A	1 October 2015	N/A	2





## AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2016.

### **Audit Committee Responsibility**

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

### **The Effectiveness of Internal Control**

The system of internal control was not entirely effective for the year under review. During the year under review, deficiencies in the system of internal control and/or deviations were reported by the internal auditors and the Auditor-General South Africa.

### **Risk Management**

Risk Management was not entirely effective. Reporting on the mitigation plans to reduce the residual risks did take place, however the overall quality of the management of risks by risk owners needs further improvement.

### **Internal audit**

The Audit Committee is satisfied that the internal audit function is operating in terms of the International Standards for the Professional Practice of internal auditing and applying a risk based approach based on the approved risk register.

The overall effectiveness of the internal audit function was impacted due to delays in the appointment of the co-source partner to augment internal audit capacity.

The approved internal audit plan was completed during the year under review to the Audit Committee's satisfaction.

Our review of the findings from Internal Audit, revealed certain weaknesses, which were then raised with The Presidency.

The following were specific areas of concern:

- Non-compliance with specific requirements of key applicable laws and regulations;
- Lack of supporting evidence for reported Performance Information achievement;
- Lack of adequate reconciliations.

### **Investigations**

As reported in the Audit Committee report for 2013/14 and 2014/15, an investigation relating to procurement of consulting services was concluded in September 2013. Disciplinary proceedings instituted by management are still to be finalised regarding this matter.

The Audit Committee is extremely concerned with the lengthy disciplinary hearings arising out of a previous investigation into the Supply Chain Management area. These have been ongoing for at least two years and are affecting The Presidency's performance in that area. Management have been urged to expedite the finalisation of this process.

### **In-Year Management and Monthly/Quarterly Report**

The Presidency has been reporting monthly and quarterly to National Treasury as is required by the PFMA.

## Evaluation of Financial Statements

We have reviewed and recommended for approval the annual financial statements prepared by The Presidency.

## Auditor-General's Report

Although the unqualified opinion is commendable, it is of concern that the clean audit opinion from 2014/15 was not sustained.

Concern is expressed with the extent of issues raised in the area of accruals, irregular expenditure and performance information.

The extent of accruals reported on is indicative of overspending in relation to the approved budget. As the cash basis of accounting is applied, these accruals will have a negative impact on the 2016/17 expenditure and on the cash flow for that year.

The Audit Committee concurs and accepts the conclusions of the Auditor-General, on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.



Cedric Boltman  
Chairperson of the Audit Committee  
31 July 2016



# REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO. 1: THE PRESIDENCY

## REPORT ON THE FINANCIAL STATEMENTS

### Introduction

1. I have audited the financial statements of The Presidency set out on pages 99 to 137, which comprise the appropriation statement, the statement of financial position as at 31 March 2016, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

### Accounting Officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with Modified Cash Standard and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of The Presidency as at 31 March 2016 and its financial performance and cash flows for the year then ended, in accordance with Modified Cash Standard and the requirements of the PFMA.

### Emphasis of matters

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

### Restatement of corresponding figures

8. As disclosed in note 33 to the financial statements, the corresponding figures for 31 March 2015 have been restated as a result of an error discovered during 2015-16 in the financial statements of The Presidency at, and for the year ended, 31 March 2015.

### Significant uncertainties

9. With reference to note 21 to the financial statements, the Constitutional Court ordered that department is liable for one third of legal costs of applicants in respect of cases CCT 143/15 and CCT 171/15. The ultimate outcome of the matter cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

### Additional matter

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

### Unaudited supplementary schedules

10. The supplementary information set out on pages 138 to 148 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

### Report on other legal and regulatory requirements

11. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives of selected programmes presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

### Predetermined objectives

12. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information of the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2016:
  - Programme 1: Administration on pages 50 to 54
  - Programme 2: Executive Support on page 55
13. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPI).
14. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
15. The material finding in respect of the selected programmes is as follows:

Programme 1: Administration  
Reliability of the reported performance information
16. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure reliable reporting of actual achievements against planned objectives, indicators and targets. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of the reported performance information. This was due to the fact that the auditee could not provide sufficient appropriate evidence in support of the reported performance information.

### Programme 2: Executive Support

17. I did not identify any material findings on the usefulness and reliability of the reported performance information for Programme 2: Executive support.



# REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO. 1: THE PRESIDENCY

## Additional matters

18. I draw attention to the following matters:

## Achievement of planned targets

19. Refer to the annual performance report on pages 50 to 55 for information on the achievement of the planned targets for the year. This information should be considered in the context of the material finding on reliability of the reported performance information in paragraph 16 of this report

## Adjustment of material misstatements

20. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of Programme 1: Administration. As management subsequently corrected only some of the misstatements, I identified material findings on the reliability of the reported performance information.

## Compliance with legislation

21. I performed procedures to obtain evidence that the department had complied with applicable legislation regarding financial matters, financial management and other related matters. My material findings on compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

## Financial statements, performance and annual reports

22. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(b) of the Public Finance Management Act.

23. Material misstatements of current assets and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

## Procurement and contract management

24. Invitations for competitive bidding were not always advertised for a required minimum period, as required by Treasury Regulations 16A6.3(c).

25. Thresholds for local content on designated sectors procurement were not properly applied in accordance with the requirements of preferential procurement regulation 9.

## Expenditure management

26. Contractual obligations or money owed by the department were not settled within 30 days, as required by section 38(1)(f) of the Public Finance Management Act and Treasury Regulation 8.2.3.

## Internal control

27. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.



### Leadership

28. Leadership, in some instances, did not exercise effective oversight with regards to financial and performance reporting and compliance as well as related internal controls.

### Financial and performance management

29. Financial and performance reports prepared throughout the financial year were not always accurate, complete and supported and evidenced by reliable information.
30. The review and monitoring of compliance with applicable laws and regulations were ineffective in certain instances.

*Auditor-General*

Pretoria  
31 July 2016



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

we the people  
to upholding the B

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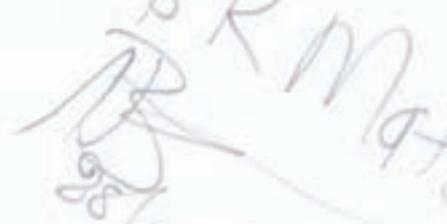
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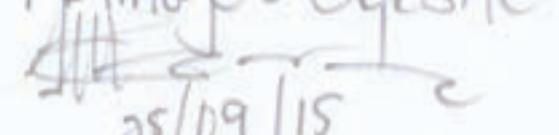
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## PART D: HUMAN RESOURCES MANAGEMENT

### THE STATUS OF HUMAN RESOURCES IN THE DEPARTMENT

In the 2015/2016 reporting year, the total number of approved posts (excluding Principals) decreased from 717 (2014/2015) to 689; 645 of these were filled posts. The decrease can be attributed to the transfer of the Ministry for Planning, Monitoring and Evaluation from The Presidency to the Department of Planning, Monitoring and Evaluation. The HR information reflects the transfer as at 1 April 2015, and these components are therefore not reported on in this reporting year.

As at 31 March 2016, The Presidency had a total of 79 posts additional to the establishment, of which 36 were interns employed in the Department (included in the total of 645 employees). The vacancy rate decreased from 6.8% to 6.4% (Table 3.2.1).

The Presidency's staff turnover rate decreased from 22.8% (2014/2015) to 17.6% in the reporting year (Table 3.5.2). However, it must be noted that the 17.6% includes interns; it reduces to 11.6% if the interns are excluded. The figure was 14.6% for the 2014/15 cycle. Various staff retention strategies and interventions were implemented, including higher salary offers to attract or retain employees, in accordance with Public Service Regulations, 2001, I/V/C.3 and internal "promotion" of twenty-two (22) staff members. Mention should be made that most of the recruitment done during the reporting period was in the Levels 6-8 and Levels 9-12 categories (Table 3.5.1), similar to the previous financial year.

Of the 116 terminations (Table 3.5.3): 55% were due to the expiry of contracts (including internships); 24% were resignations (including internships); 16% were due to staff being transferred to other government departments. Secretaries and other keyboard operating clerks were most affected by the terminations. It is expected that the Establishment will change again in the 2016/2017 financial year, as National Treasury announced cuts in budget for the MTEF, including the compensation budget, in December 2015.

For the period January 2015 to December 2015, a total of 3049 days were utilized for sick leave. The number of staff members who used sick leave totalled 467 (Table 3.10.1); this is an average of 7 days of sick leave per employee who used sick leave.

It is the third year of the three-year sick leave cycle (2013-2015). Table 3.10.2 indicates that sixteen (16) employees used incapacity leave, with the average being 24 working days utilised.

During the 2015 leave cycle, a total of 14,746 annual leave days were taken by 745 employees, with each employee averaging 20 days (Table 3.10.3). This is similar to the previous financial year (19 days on average per employee). There are 128 employees in the Department who have a total of 3,288.27 working days capped leave credits, with an average of 26 days per person. Capped leave refers to leave accrued prior to 1 July 2000, which employees can only utilize after exhausting their previous and current leave cycle annual leave credits. One (1) employee's capped leave credits were paid out due to retirement and no employee's annual leave credits for the 2014 leave cycle were paid out.

Four (4) cases relating to discipline were finalised and one (1) of these resulted in dismissal (Table 3.12.2).

Of the total of twenty-two (22) employees being successful in applying for a post at a higher salary level in the Department (during the reporting period), 41% were on salary levels 6-8 and 23% on salary level 2 (Table 3.5.5).

One-hundred-and-ninety-two (192) employees in The Presidency received a performance reward during the 2014/2015 performance cycle, compared to 310 employees who received a performance award in the previous cycle. In the current financial year: 18% of staff members are at salary level 2; 35% of staff members are at salary level 3-5; 32% of staff members are at salary level 6-8; 31% of staff members are at salary level 9-12; 34% of all SMS members were granted a performance award (Tables 3.8.2 and 3.8.4).

Of the total 636 posts, 47 were subjected to job evaluation during the period; the majority of these jobs were at salary level 9-12 and 13 posts were downgraded due to the implementation of Public Service Co-ordination Bargaining Chamber (PSCBC) Resolution 3 of 2009 in respect of Assistant and Deputy Director jobs (Table 3.4.1).

In equipping our staff with skills, a total of 408 staff members' training needs were identified (Table 3.13.1) and The Presidency provided training throughout the year to a total of 236 individuals (Table 3.13.2). Sixty-two (62)% of this training was presented to females employed in the Department and 38% to male employees.

Table 3.1.1 shows that the Department spent 97.8% of the total voted expenditure for compensation. The largest percentage of personnel cost relates to compensation for employees on salary levels 6 to 8 and levels 9 to 12 (Table 3.1.2).



Table 3.6.2 reflects the staff profile of The Presidency, which is as follows: 58% Black Female; 39% Black Male; 2% White Female; 1% White Male. The representativity of females on Senior Management level (L.13-16) is 47.7%.

The key challenge in the human resource environment remains the appointment of people with a disability: the Department is at 1.41%, which means there is a deficit of 0.59% on the national average of 2%. However, there has been some progress, as the figures reported in the 2014/2015 financial years were 0.89%, with a deficit of 1.11%. Although the turnaround time for the recruitment and selection process has improved in many instances, there were some delays in filling vacancies, due to the need to reprioritize the filling of vacancies in accordance with the compensation budget cuts announced by National Treasury.

In the current reporting period, the HR unit planned the Internship Programme intake for 2016/2017 to comprise 37 people for all units in the Department, and particular emphasis was placed on advertising the vacancies to reach as many people with a disability as possible through the printed media and by networking with academic institutions.

A total of 35 consultants worked on 10 projects in the Department and there was a decrease in contract value from the previous year, i.e. from R3,9 million (2014/2015) to R3,7 million (2015/2016).

TABLE 3.1.1 - Personnel costs by Programme

PROGRAMME	Total Voted Expenditure (R'000)	Compensation of Employees Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Compensation of Employees as % of Total Expenditure	Average Compensation of Employees/ Cost per Employee (R'000)	Employment as at 31 March 2016 (including additional appointments)
DTP: Administration	278 953	273 796	2 507	0	98.2	441	621
DTP: Executive Support	17 150	15 682	0	0	91.4	653	24
<b>Z=Total as on Financial Systems (BAS)</b>	<b>296 103</b>	<b>289 478</b>	<b>2 507</b>	<b>0</b>	<b>97.8</b>	<b>449</b>	<b>645</b>

Note: President and Deputy President are excluded.

TABLE 3.1.2 - Personnel costs by Salary band

SALARY BAND	Compensation of Employees Cost (R'000)	Percentage of Total Personnel Cost for Department	Average Compensation Cost per Employee (R'000)	Total Personnel Cost for Department including Goods and Transfers (R'000)	Number of Employees as at 31 March 2016	Staff who worked overtime	Staff who obtained HOA	Staff who obtained Medical Aid
Interns	1 944	0.7	54	296 103	36	0	0	0
OSD	3 777	1.3	472	296 103	8	0	0	6
Lower skilled (Levels 1-2)	20 302	6.9	472	296 103	43	28	14	25
Skilled (Levels 3-5)	55 241	18.7	472	296 103	117	99	55	81
Highly skilled production (Levels 6-8)	99 622	33.6	472	296 103	211	104	79	141
Highly skilled supervision (Levels 9-12)	74 126	25	472	296 103	157	36	35	109
Senior Management (Levels 13-16)	34 466	11.6	472	296 103	73	0	0	51
<b>TOTAL</b>	<b>289 478</b>	<b>97.8</b>	<b>475</b>	<b>296 103</b>	<b>645</b>	<b>267</b>	<b>183</b>	<b>413</b>

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## PART D: HUMAN RESOURCES MANAGEMENT

TABLE 3.1.3 - Salaries, Overtime, Home Owner's Allowance and Medical Aid by Programme

PROGRAMME	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Programme (R'000)
DPT: Administration	176 502	86.6	11 539	5.7	5 720	2.8	9 984	4.9	203 745
DPT: Executive Support	9 619	88.4	5	0	831	7.6	423	3.9	10 878
<b>TOTAL</b>	<b>186 121</b>	<b>86.7</b>	<b>11 544</b>	<b>5.4</b>	<b>6 551</b>	<b>3.1</b>	<b>10 407</b>	<b>4.8</b>	<b>214 623</b>
	184 177								

TABLE 3.1.4 - Salaries, Overtime, Home Owner's Allowance and Medical Aid by Salary Band

SALARY BAND	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Salary Band (R'000)
Interns	1 944	100	0	0	0	0	0	0	1 944
OSD	2 419	94.1	0	0	0	0	151	5.9	2 571
Lower skilled (Levels 1-2)	13 004	84.7	1 211	7.9	501	3.3	630	4.1	15 346
Skilled (Levels 3-5)	35 384	81	4 280	9.8	1 969	4.5	2 041	4.7	43 674
Highly skilled production (Levels 6-8)	63 812	85.4	4 497	6	2 828	3.8	3 553	4.8	74 689
Highly skilled supervision (Levels 9-12)	47 481	89.5	1 556	2.9	1 253	2.4	2 747	5.2	53 037
Senior management (Levels 13-16)	22 077	94.5	0	0	0	0	1 285	5.5	23 362
<b>TOTAL</b>	<b>186 121</b>	<b>86.7</b>	<b>11 544</b>	<b>5.4</b>	<b>6 551</b>	<b>3.1</b>	<b>10 407</b>	<b>4.8</b>	<b>214 623</b>

TABLE 3.2.1 - Employment and Vacancies by Programme at end of period

PROGRAMME	Number of Posts as at 31 March 2016	Number of Posts filled as at 31 March 2016	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Administration		664		77
Dtp: executive support		25		2
<b>TOTAL</b>		<b>689</b>		<b>79</b>
<b>Note: Principals are excluded.</b>		<b>2</b>		

TABLE 3.2.2 - Employment and Vacancies by Salary Band at end of period

SALARY BAND	Number of Posts as at 31 March 2016	Number of Posts filled as at 31 March 2016	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Interns	36	36	0	36
OSD	9	8	11.1	0
Lower skilled (Levels 1-2)	49	43	12.2	0
Skilled (Levels 3-5)	121	117	3.3	7
Highly skilled production (Levels 6-8)	223	211	5.4	9
Highly skilled supervision (Levels 9-12)	172	157	8.7	12
Senior management (Levels 13-16)	79	73	7.6	15
<b>TOTAL</b>	<b>689</b>	<b>645</b>	<b>6.4</b>	<b>79</b>
<b>Note: Principals are excluded: 2.</b>				



**TABLE 3.2.3 - Employment and Vacancies by Critical Occupation at end of period**

CRITICAL OCCUPATION	Number of Posts as at 31 March 2016	Number of Posts Filled as at 31 March 2016	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Administrative related	122	113	7.4	10
Cleaners in offices workshops hospitals, etc.	44	40	9.1	1
Client inform. clerks (Switch board, Reception, Inform. clerks)	24	24	0	1
Communication and information related	22	20	9.1	2
Finance and economics related	2	2	0	0
Financial and related professionals	30	28	6.7	0
Financial clerks and credit controllers	14	12	14.3	1
Food services aids and waiters	39	37	5.1	0
Household food and laundry services related	63	61	3.2	5
Human resources & Organisation Development & related prof.	8	7	12.5	1
Human resources clerks	13	13	0	0
Human resources related	15	13	13.3	0
Information technology related	23	21	8.7	3
Interns	36	36	0	36
Legal related (OSD)	9	8	11.1	0
Librarians and related professionals	3	3	0	0
Library, mail and related clerks	10	8	20	0
Logistical support personnel	32	29	9.4	0
Material-recording and transport clerks	3	3	0	0
Messengers, porters and delivery staff	6	5	16.7	0
Motor vehicle drivers	24	24	0	2
Other administration & related clerks and organisers	1	1	0	0
Other occupations (Special Advisers)	8	8	0	8
Secretaries & other keyboard operating clerks	67	64	4.5	2
Senior managers	71	65	8.5	7
<b>TOTAL</b>	<b>689</b>	<b>645</b>	<b>6.4</b>	<b>79</b>
Note: Principals are excluded.	2			

**TABLE 3.3.1 - SMS Posts information as at 31 March 2016**

SMS LEVEL	Total number of funded SMS posts per level	Total number of SMS posts filled per level	% of SMS posts filled per level	Total number of SMS posts vacant per level	% of SMS posts vacant per level
Director-General/HOD	1	1	100	0	0%
Sal level 16, but not HOD	1	1	100	0	0%
Sal level 15	7	5	71	2	29%
Sal level 14	20	19	95	1	5%
Sal level 13	42	39	93	3	7%
<b>TOTAL</b>	<b>71</b>	<b>65</b>	<b>92</b>	<b>6</b>	<b>8%</b>
Note: Excludes Principals and Special Advisers.					



## PART D: HUMAN RESOURCES MANAGEMENT

TABLE 3.3.2 - SMS Posts information as at 30 September 2015

SMS LEVEL	Total number of funded SMS posts per level	Total number of SMS posts filled per level	% of SMS posts filled per level	Total number of SMS posts vacant per level	% of SMS posts vacant per level
Director-General/ HOD	1	1	100	0	0
Salary level 16, but not HOD	1	1	100	0	0
Salary level 15	6	4	67	2	33
Salary level 14	21	16	76	5	24
Salary level 13	41	39	95	2	5
<b>TOTAL</b>	<b>70</b>	<b>61</b>	<b>87</b>	<b>9</b>	<b>13</b>

Note: Excludes Principals and Special Advisers.

TABLE 3.3.3 - Advertising and Filling of SMS posts for the period 1 April 2015 and 31 March 2016

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 after becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months	
Director-General/HOD	0	0	0	
Salary level 16, but not HOD	0	0	0	
Salary level 15	1	0	1	
Salary level 14	2	2	1	
Salary level 13	3	1	2	
<b>TOTAL</b>	<b>6</b>	<b>3</b>	<b>4</b>	

TABLE 3.3.4 - Reason for not having complied with the filling of funded vacant SMS - advertised within 6 months and filled within 12 months after post becoming vacant for the period 1 April 2015 and 31 March 2016

### Reason for vacancy not advertised within 6 months

Due to cost containment measures, the department is in the process of reviewing the organisational structure, to ensure that all vacancies are funded for the MTEF, prior to initiating the recruitment process.

### Reasons for vacancy not filled within 12 months

Not applicable.

Note: In terms of the Public Service Regulations Chapter 1, Part VII C. 1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

TABLE 3.4.1 - Job Evaluation

SALARY BAND	Number of Posts as at 31 March 2016	Number of Posts Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Downgraded	% of Downgraded Posts Evaluated
Lower skilled (Levels 1-2)	49	0	0	0	0	0	0
Skilled (Levels 3-5)	121	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	223	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	172	41	23.8	0	0	13	31.7
Senior Management Service Band A	42	1	2.4	0	0	0	0
Senior Management Service Band B	20	2	10	0	0	0	0
Senior Management Service Band C	7	3	42.9	0	0	0	0
Senior Management Service Band D	2	0	0	0	0	0	0
<b>TOTAL</b>	<b>636</b>	<b>47</b>	<b>7.4</b>	<b>0</b>	<b>0</b>	<b>13</b>	<b>27.7</b>

Note: Principals, Special Advisers, OSD and Interns are excluded

Note: The downgraded posts include SL09 -12 Corporate Services jobs submitted to MPSA i.t.o. PSCBC Res. 3/2009 for grading purposes.

TABLE 3.4.2 - Profile of employees whose positions were upgraded due to the posts being upgraded

BENEFICIARIES	African	Asian	Coloured	White	TOTAL
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	0	0	0	0



OCCUPATION	Number of Employees	Job Evaluation Level	Remuneration Level	Reason for Deviation	No. of Employees in Dept. as at 31 March 2016
Admin. Related	1	7	8.2	Retention	3
<b>TOTAL</b>	<b>1</b>				
Percentage of Total Employment	33.3				3

BENEFICIARIES	African	Asian	Coloured	White	TOTAL
Female	0	0	0	0	0
Male	1	0	0	0	1
<b>TOTAL</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
Employees with a Disability	0	0	0	0	0

SALARY BAND	Employment at Beginning of Period (1 April 2015)	Appointments	Terminations	Turnover Rate %
OSD	8	0	0	0
Lower skilled (Levels 1-2)	49	3	2	4.1
Skilled (Levels 3-5)	109	12	10	9.2
Highly skilled production (Levels 6-8)	211	25	34	16.1
Highly skilled supervision (Levels 9-12)	166	15	17	10.2
Senior Management Service Band A	37	3	2	5.4
Senior Management Service Band B	19	2	4	21.1
Senior Management Service Band C	5	0	0	0
Senior Management Service Band D	8	1	2	25
<b>TOTAL</b>	<b>612</b>	<b>61</b>	<b>71</b>	<b>11.6</b>

Note: Principals and Interns are excluded.



## PART D: HUMAN RESOURCES MANAGEMENT

TABLE 3.5.2 - Annual Turnover Rates by Critical Occupation

OCCUPATION	Employment at Beginning of Period (1 April 2015)	Appointments	Terminations	Turnover Rate %
Administrative related	112	15	21	18.8
Cleaners in offices, workshops, hospitals, etc.	41	1	1	2.4
Client inform. clerks (switch board, reception inform clerks)	24	1	0	0
Communication and information related	20	2	1	5
Finance and economics related	3	1	0	0
Financial and related professionals	28	0	1	3.6
Financial clerks and credit controllers	12	5	6	50
Food services aids and waiters	38	1	1	2.6
Household food and laundry services related	58	3	1	1.7
Housekeepers, laundry and related workers	1	0	0	0
Human resources & organisational develop. & related prof.	9	0	1	11.1
Human resources clerks	13	0	0	0
Human resources related	14	2	3	21.4
Information technology related	20	3	8	40
Interns	46	45	45	97.8
Legal related (OSD)	8	0	0	0
Librarians and related professionals	3	1	1	33.3
Library, mail and related clerks	11	1	2	18.2
Logistical support personnel	30	2	1	3.3
Material-recording and transport clerks	3	0	0	0
Messengers, porters and delivery staff	6	0	1	16.7
Motor vehicle drivers	22	1	1	4.5
Other occupations (Special Advisers)	8	1	2	25
Secretaries & other keyboard operating clerks	67	15	13	19.4
Senior managers	61	6	6	9.8
<b>TOTAL</b>	<b>658</b>	<b>106</b>	<b>116</b>	<b>17.6</b>
Note: Principals are excluded.	2			

TABLE 3.5.3 - Reasons why staff are leaving the department

TERMINATION TYPE	Number	Percentage of Total	Percentage of Total Employment	TOTAL	Total Employment as at 1 April 2015
Death	1	0.9	0.2	116	658
Resignation	28	24.1	4.3	116	658
Expiry of contract	64	55.2	9.7	116	658
Transfer out	19	16.4	2.9	116	658
Dismissal/misconduct	1	0.9	0.2	116	658
Retirement	3	2.6	0.5	116	658
<b>TOTAL</b>	<b>116</b>	<b>100</b>	<b>17.6</b>	<b>116</b>	<b>658</b>
Resignations as % of Employment					24.14%

Total number of employees who left as a % of total employment (excluding 34 Interns, whose contracts expired on 31 March 2016).

82 12.46%



**TABLE 3.5.4 - Promotions by Critical Occupation**

OCCUPATION	Employment at Beginning of Period (1 April 2015)	Promotion to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Administrative related	112	6	5.4	65	58
Cleaners in offices, workshops, hospitals, etc.	41	4	9.8	18	43.9
Client inform clerks (switch board reception inform clerks)	24	0	0	22	91.7
Communication and information related	20	0	0	12	60
Finance and economics related	3	0	0	0	0
Financial and related professionals	28	1	3.6	21	75
Financial clerks and credit controllers	12	0	0	8	66.7
Food services aids and waiters	38	1	2.6	19	50
Household, food and laundry services related	58	1	1.7	52	89.7
Housekeepers, laundry and related workers	1	0	0	0	0
Human resources & organisational development. & related prof.	9	0	0	2	22.2
Human resources clerks	13	0	0	7	53.8
Human resources related	14	0	0	10	71.4
Information technology related	20	0	0	11	55
Legal related (OSD)	8	0	0	7	87.5
Librarians and related professionals	3	0	0	0	0
Library, mail and related clerks	11	1	9.1	8	72.7
Logistical support personnel	30	2	6.7	21	70
Material-recording and transport clerks	3	1	33.3	2	66.7
Messengers, porters and delivery staff	6	0	0	2	33.3
Motor vehicle drivers	22	0	0	21	95.5
Secretaries & other keyboard operating clerks	67	2	3	35	52.2
Senior managers	61	3	4.9	39	63.9
<b>TOTAL</b>	<b>604</b>	<b>22</b>	<b>3.6</b>	<b>382</b>	<b>63.2</b>

Note: Principals, Special Advisers and Interns are excluded.

**TABLE 3.5.5 - Promotions by Salary Band**

SALARY BAND	Employment at Beginning of Period (1 April 2015)	Promotion to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
OSD	8	0	0	7	87.5
Lower skilled (Levels 1-2)	49	5	10.2	15	30.6
Skilled (Levels 3-5)	109	2	1.8	92	84.4
Highly skilled production (Levels 6-8)	211	9	4.3	136	64.5
Highly skilled supervision (Levels 9-12)	166	3	1.8	93	56
Senior management (Levels 13-16)	61	3	4.9	39	63.9
<b>TOTAL</b>	<b>604</b>	<b>22</b>	<b>3.6</b>	<b>382</b>	<b>63.2</b>

Note: Principals, Special Advisers and Interns are excluded.

## PART D: HUMAN RESOURCES MANAGEMENT

**TABLE 3.6.1 - Total number of Employees (incl. Employees with a Disability) per Occupational Category (SASCO) as at 31 March 2016**

OCCUPATIONAL CATEGORIES	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	TOTAL
Legislators, senior officials and managers (SMS)	27	5	0	32	2	22	3	2	27	4	65
Professionals (levels 11-12)	36	3	1	40	3	42	3	4	49	4	96
Technicians and associate professionals (levels 9-10)	20	2	1	23	0	36	0	0	36	2	61
Clerks (levels 6-8)	72	3	1	76	0	115	12	2	129	6	211
Service and sales workers (levels 3-5)	45	5	0	50	0	59	8	0	67	0	117
Elementary occupations (level 2)	14	0	0	14	0	26	3	0	29	0	43
OSD	4	0	0	4	0	3	1	0	4	0	8
Interns	10	0	0	10	0	26	0	0	26	0	36
<b>TOTAL</b>	<b>228</b>	<b>18</b>	<b>3</b>	<b>249</b>	<b>5</b>	<b>329</b>	<b>30</b>	<b>8</b>	<b>367</b>	<b>16</b>	<b>637</b>

Note: Principals are excluded.

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	TOTAL
Employees with a disability	1	2	0	3	0	5	0	0	5	1	9

**TABLE 3.6.2 - Total number of Employees (incl. Employees with a Disability) per Occupational Band as at 31 March 2016**

OCCUPATIONAL BAND	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	TOTAL
Top Management (levels 15-16)	3	1	0	4	0	3	0	0	3	0	7
Senior Management (levels 13-14)	24	4	0	28	2	19	3	2	24	4	58
Professionally qualified and experienced specialists and middle-management (levels 9-12)	56	5	2	63	3	78	3	4	85	6	157
Skilled technical and academically qualified workers, junior management, supervisors (levels 6-8)	72	3	1	76	0	115	12	2	129	6	211
Semi-skilled and discretionary decision making (levels 3-5)	45	5	0	50	0	59	8	0	67	0	117
Unskilled and defined decision making (level 2)	14	0	0	14	0	26	3	0	29	0	43
OSD	4	0	0	4	0	3	1	0	4	0	8
Interns	10	0	0	10	0	26	0	0	26	0	36
<b>TOTAL</b>	<b>228</b>	<b>18</b>	<b>3</b>	<b>249</b>	<b>5</b>	<b>329</b>	<b>30</b>	<b>8</b>	<b>367</b>	<b>16</b>	<b>637</b>

Note: Principals are excluded.

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	TOTAL
Employees with a disability	1	2	0	3	0	5	0	0	5	1	9



**TABLE 3.6.3 – Recruitment**

OCCUPATIONAL BAND	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	TOTAL
Top Management (levels 15-16)	1	0	0	1	0	0	0	0	0	0	1
Senior Management (levels 13-14)	2	0	0	2	0	1	2	0	3	0	5
Professionally qualified and experienced specialists and middle-management (levels 9-12)	5	1	0	6	0	9	0	0	9	0	15
Skilled technical and academically qualified workers, junior management, supervisors (levels 6-8)	6	0	0	6	0	18	1	0	19	0	25
Semi-skilled and discretionary decision making (levels 3-5)	7	0	0	7	0	5	0	0	5	0	12
Unskilled and defined decision making (level 2)	2	0	0	2	0	1	0	0	1	0	3
OSD	0	0	0	0	0	0	0	0	0	0	0
Interns	14	0	0	14	0	31	0	0	31	0	45
<b>TOTAL</b>	<b>37</b>	<b>1</b>	<b>0</b>	<b>38</b>	<b>0</b>	<b>65</b>	<b>3</b>	<b>0</b>	<b>68</b>	<b>0</b>	<b>106</b>

Note: Principals are excluded.

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	TOTAL
Employees with a disability	0	0	0	0	0	3	0	0	3	0	3

**TABLE 3.6.4 – Promotions**

OCCUPATIONAL BAND	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	TOTAL
Top Management (levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior Management (levels 13-14)	2	0	0	2	0	1	0	0	1	0	3
Professionally qualified and experienced specialists and middle-management (levels 9-12)	1	0	0	1	0	2	0	0	2	0	3
Skilled technical and academically qualified workers, junior management, supervisors (levels 6-8)	4	0	0	4	0	4	0	0	4	1	9
Semi-skilled and discretionary decision making (levels 3-5)	2	0	0	2	0	0	0	0	0	0	2
Unskilled and defined decision making (level 2)	2	0	0	2	0	3	0	0	3	0	5
OSD	0	0	0	0	0	0	0	0	0	0	0
Interns	11	0	0	11	0	10	0	0	10	1	22

Note: Principals, Special Advisers and Interns are excluded.

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	TOTAL
Employees with a disability	0	0	0	0	0	0	0	0	0	0	0



## PART D: HUMAN RESOURCES MANAGEMENT

TABLE 3.6.5 - Terminations

OCCUPATIONAL BAND	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	TOTAL
Top Management (levels 15-16)	1	0	1	2	0	0	0	0	0	0	2
Senior Management (levels 13-14)	2	0	0	2	1	3	0	0	3	0	6
Professionally qualified and experienced specialists and middle-management (levels 9-12)	6	1	1	8	0	9	0	0	9	0	17
Skilled technical and academically qualified workers, junior management, supervisors (levels 6-8)	12	0	0	12	1	20	0	1	21	0	34
Semi-skilled and discretionary decision making (levels 3-5)	5	1	0	6	0	4	0	0	4	0	10
Unskilled and defined decision making (level 2)	0	1	0	1	0	1	0	0	1	0	2
OSD	0	0	0	0	0	0	0	0	0	0	0
Interns	13	0	0	13	0	32	0	0	32	0	45
<b>TOTAL</b>	<b>39</b>	<b>3</b>	<b>2</b>	<b>44</b>	<b>2</b>	<b>69</b>	<b>0</b>	<b>1</b>	<b>70</b>	<b>0</b>	<b>116</b>

Note: Principals are excluded.

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	TOTAL
Employees with a disability	0	0	0	0	0	1	0	0	1	0	1

TABLE 3.6.6 - Disciplinary Action

DISCIPLINARY ACTION	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	TOTAL	Not Available
<b>TOTAL</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>0</b>
Employees with a disability	0	0	0	0	0	0	0	0	0	0	0	0

TABLE 3.6.7 - Skills Development

OCCUPATIONAL CATEGORY	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	TOTAL
Legislators, Senior Officials and Managers (SMS)	10	2	0	12	0	8	0	2	10	2	24
Professionals (levels 11-12)	9	2	1	12	1	21	2	1	24	2	39
Technicians and Associate Professionals (levels 9-10)	13	1	0	14	0	13	2	0	15	0	29
Clerks (levels 6-8)	37	0	0	37	0	73	4	0	77	0	114
Service and Sales Workers (levels 3-5)	9	1	0	10	0	11	0	0	11	0	21
Elementary Occupations (level 2)	0	0	0	0	0	3	0	0	3	0	3
OSD	3	0	0	3	0	2	0	0	2	1	6
<b>TOTAL</b>	<b>81</b>	<b>6</b>	<b>1</b>	<b>88</b>	<b>1</b>	<b>131</b>	<b>8</b>	<b>3</b>	<b>142</b>	<b>5</b>	<b>236</b>

Note: Principals, Special Advisers and Interns are excluded.

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	TOTAL
Employees with a disability	0	0	0	0	0	1	0	0	1	0	1



**TABLE 3.7.1 - Signing of Performance Agreements by SMS Members as at 31 May 2015**

SMS LEVEL	Total number of funded SMS posts per level	Total number of SMS members per level	Total number of signed performance agreements per level	Signed performance agreements as % of total number of SMS members per level
Director-General/HOD	1	1	1	100%
Sal level 16, but not HOD	1	1	1	100%
Sal level 15	5	4	4	100%
Sal level 14	21	18	18	100%
Sal level 13	42	38	38	100%
<b>TOTAL</b>	<b>70</b>	<b>62</b>	<b>62</b>	<b>100%</b>

Note: Principals and Special Advisers are excluded from the above.

**TABLE 3.7.2 - Reason for not having concluded a Performance Agreements with all SMS members as at 31 May 2015**

Not applicable.

**TABLE 3.7.3 - Disciplinary steps taken against SMS members for not having concluded a Performance Agreement with all SMS members as at 31 May 2015**

Not applicable.

**TABLE 3.8.1 - Performance Rewards by Race, Gender and Disability**

DEMOGRAPHICS	Number of Beneficiaries	Total Employment as at 1 April 2015	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
African, Female	100	309	32.36	1 863	18 630
African, Male	63	215	29.30	1 289	20 460
Asian, Female	6	9	66.67	185	30 833
Asian, Male	0	4	0.00	8	0
Coloured, Female	7	27	25.93	144	20 571
Coloured, Male	4	18	22.22	91	22 750
Total Blacks, Female	113	345	32.75	2 192	19 398
Total Blacks, Male	67	237	28.27	1 388	20 716
White, Female	10	16	62.50	261	26 100
White, Male	2	6	33.33	189	94 500
Employees with a disability	2	8	25.00	15	7 500
<b>TOTAL</b>	<b>192</b>	<b>604</b>	<b>31.79</b>	<b>4 030</b>	<b>20 990</b>

Note: Principals, Special Advisers and Interns are excluded.

**TABLE 3.8.2 - Performance Rewards by Salary Band for Personnel below Senior Management Service**

SALARY BAND	Number of Beneficiaries	Total Employment as at 1 April 2015	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
OSD	6	8	75	263	43 833
Lower skilled (Levels 1-2)	9	49	18.4	35	3 889
Skilled (Levels 3-5)	38	109	34.9	207	5 447
Highly skilled production (Levels 6-8)	67	211	31.8	641	9 567
Highly skilled supervision (Levels 9-12)	51	166	30.7	962	18 863
<b>TOTAL</b>	<b>171</b>	<b>543</b>	<b>31.5</b>	<b>2 108</b>	<b>12 327</b>



## PART D: HUMAN RESOURCES MANAGEMENT

TABLE 3.8.3 - Performance Rewards by Critical Occupation

CRITICAL OCCUPATION	Number of Beneficiaries	Total Employment as at 1 April 2015	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Administrative related	37	112	33	786	21 243
Cleaners in offices, workshops, hospitals, etc.	8	41	19.5	29	3 625
Client inform clerks (switchboard reception inform clerks)	6	24	25	52	8 667
Communication and information related	7	20	35	189	27 000
Finance and economics related	0	3	0	0	0
Financial and related professionals	18	28	64.3	399	22 167
Financial clerks and credit controllers	5	12	41.7	32	6 400
Food services aids and waiters	12	38	31.6	69	5 750
Household food and laundry services related	14	58	24.1	104	7 429
Housekeepers, laundry and related workers	0	1	0	0	0
Human resources & organisational development, & related prof.	1	9	11.1	51	51 000
Human resources clerks	5	13	38.5	56	11 200
Human resources related	5	14	35.7	82	16 400
Information technology related	5	20	25	73	14 600
Legal related (OSD)	6	8	75	604	100 667
Librarians and related professionals	0	3	0	0	0
Library, mail and related clerks	4	11	36.4	29	7 250
Logistical support personnel	10	30	33.3	99	9 900
Material-recording and transport clerks	1	3	33.3	16	16 000
Messengers, porters and delivery staff	3	6	50	7	2 333
Motor vehicle drivers	6	22	27.3	33	5 500
Secretaries & other keyboard operating clerks	18	67	26.9	158	8 778
Senior managers	21	61	34.4	1 169	55 667
<b>TOTAL</b>	<b>192</b>	<b>604</b>	<b>31.8</b>	<b>4 037</b>	<b>21 026</b>

Note: Principals, Special Advisers and Interns are excluded.

TABLE 3.8.4 - Performance Related Rewards (Cash Bonus) by Salary Band for Senior Management Service

SMS BAND	Number of Beneficiaries	Total Employment as at 1 April 2015	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)	% of SMS Wage Bill	Personnel Cost SMS (R'000)
Band A	14	37	37.8	755	53 929	2	37 603
Band B	6	19	31.6	610	101 667	2.6	23 391
Band C	1	3	33.3	454	454 000	4.8	9 470
Band D	0	2	0	0	0	0	0
<b>TOTAL</b>	<b>21</b>	<b>61</b>	<b>34.4</b>	<b>1 819</b>	<b>86 619</b>	<b>2.6</b>	<b>70 464</b>

Note: Principals and Special Advisers are excluded.

TABLE 3.9.1 - Foreign Workers by Salary Band

SALARY BAND	Employment at Beginning of Period (1 April 2015)	Percentage of Total	Employment at End of Period	Percentage of Total	Change in Employment	Percentage of Total	Total Employment at Beginning of Period (1 April 2015)	Total Employment at End of Period (31 March 2016)	Total Change in Employment
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

TABLE 3.9.2 - Foreign Workers by Major Occupation

MAJOR OCCUPATION	Employment at Beginning of Period (1 April 2015)	Percentage of Total	Employment at End of Period	Percentage of Total	Change in Employment	Percentage of Total	Total Employment at Beginning of Period (1 April 2015)	Total Employment at End of Period (31 March 2016)	Total Change in Employment
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



TABLE 3.10.1 - Sick Leave taken - January 2015 to December 2015

SALARY BAND	Total Days	% Days with Medical Certification	Number of Employees using Sick Leave	% of Total Employees using Sick Leave	Average Days per Employee	Estimated Cost (R'000)	Total Number of Employees using Sick Leave
Interns	95	50.5	32	6.9	3	26	467
Lower skilled (Level 2)	188	83	29	6.2	6	85	467
Skilled (Levels 3-5)	626	82.1	89	19.1	7	402	467
Highly skilled production (Levels 6-8)	1 163	76.6	166	35.5	7	1 237	467
Highly skilled supervision (Levels 9-12)	784	76.8	115	24.6	7	1 674	467
Senior management (Levels 13-16)	193	81.3	36	7.7	5	750	467
<b>TOTAL</b>	<b>3 049</b>	<b>77.7</b>	<b>467</b>	<b>100</b>	<b>7</b>	<b>4 174</b>	<b>467</b>

TABLE 3.10.2 - Disability Leave (Temporary and Permanent) for the Period January 2015 to December 2015

SALARY BAND	Total Days	% Days with Medical Certification	Number of Employees using Disability Leave	% of Total Employees using Disability Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of days with medical certification
Interns	0	0	0	0	0	0	0
Lower skilled (Level 2)	46	100	2	12.5	23	22	46
Skilled (Levels 3-5)	156	100	4	25	39	91	156
Highly skilled production (Levels 6-8)	65	100	4	25	16	66	65
Highly skilled supervision (Levels 9-12)	117	100	5	31.3	23	218	117
Senior management (Levels 13-16)	4	100	1	6.3	4	14	4
<b>TOTAL</b>	<b>388</b>	<b>100</b>	<b>16</b>	<b>100</b>	<b>24</b>	<b>411</b>	<b>388</b>

TABLE 3.10.3 - Annual Leave for Jan 2015 to Dec 2015

SALARY BAND	Total Days Taken	Average Number of Days Taken Per Employee	Number of Employees who took leave
Interns	526	7	73
Lower skilled (Level 2)	1 133	22	52
Skilled (Levels 3-5)	2 633	20	131
Highly skilled production (Levels 6-8)	4 929	21	231
Highly skilled supervision (Levels 9-12)	3 936	22	181
Senior management (Levels 13-16)	1 589	21	77
<b>TOTAL</b>	<b>14 746</b>	<b>20</b>	<b>745</b>

TABLE 3.10.4 - Capped Leave For the Period January 2015 to December 2015

SALARY BAND	Total days of capped leave taken	Average number of days taken per employee	Average Capped Leave Taken Per Employee as at 31 December 2015	Number of Employees who took Capped leave	Total Number of Capped Leave Days Available as at 31 December 2015	Number of Employees as at 31 December 2015
Lower skilled (Levels 2)	0	0	15	0	60.97	4
Skilled (Levels 3-5)	0	0	35	0	1 313.32	37
Highly skilled production (Levels 6-8)	2	2	16	1	496.43	31
Highly skilled supervision (Levels 9-12)	4	4	29	1	1 016.24	35
Senior management (Levels 13-16)	0	0	19	0	401.31	21
<b>TOTAL</b>	<b>6</b>	<b>3</b>	<b>26</b>	<b>2</b>	<b>3 288.27</b>	<b>128</b>

TABLE 3.10.5 - Leave Payout

REASON	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
Leave payout due to non-utilisation of leave for the 2014 leave cycle	0	0	0
Capped leave payout on termination of service for 2015/16	35	1	35 000
Current leave payout on termination of service for 2015/16	192	23	8 348
<b>TOTAL</b>	<b>227</b>	<b>24</b>	<b>9 458</b>



## PART D: HUMAN RESOURCES MANAGEMENT

TABLE 3.11.1 - Steps taken to reduce the risk of occupational exposure	
Unit/category of employee identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	N/A

TABLE 3.11.2 - Details of Health Promotion and HIV/AIDS Programmes [tick Yes/No and provide required information]			
Question	Yes (detail required)	No	Detail
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		Yes
2. Does the department have a dedicated unit or have you designated specific staff members to promote 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
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	X		Health & Productivity, Wellness Management, HIV/AIDS, STI TB Mngt & SHERQ
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		1. M Maake-Chairperson, 2. Mr R Nematili-Member, 3. Mr S Kgafela-Member, 4. Ms Z Mvunge-member, 5. Ms M Smit-Member, 6. Mr N Tshishonga-member, 7. Ms G Luthuli-member, 8. Ms M James Paul-member, 9. Ms B Maluleke-member, 10. Ms M Mpepele-Secretariat, 11. Ms M Alexander-Member, 12. Mr A Mbali-member, Mr S Mbalo, 13. Mr M Mrwetyana-member, 14. Mr W Mdovu-member, 15. Mr R Mankanyi-member, 16. Mr. J Manaiwa, 17. Mr J De Beer, 18. Mr A Mothwa, 20. Mr N Magudulela-EHW Specialist
5. Has the department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices reviewed.	X		There is an approved HIV/AIDS, STI and TB Management Policy.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		There are Departmental initiatives on the management of diversity. Counselling is also provided for employees who are HIV positive, through the appointed external service provider.
7. Does the department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have achieved.	X		A total number of 123 employees (80 females & 43 males) were tested for HIV.
8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.	X		The Department conduct an annual assessment to monitor and evaluate the health promotions through the System Monitoring Tool (SMT), which is used as the basis for planning and implementation of the health promotion programme for the subsequent financial year. (See attached SMT)

TABLE 3.12.1 - Collective Agreements	
Subject matter	Date
Total number of collective agreements	None



TABLE 3.12.2 - Misconduct and Discipline Hearings Finalised		
Outcomes of disciplinary hearing	Number	Percentage of Total
Correctional Counselling	0	0
Verbal Warning	0	0
Written Warning	0	0
Suspended without pay; Final written warning	2	50
Suspended without pay	1	25
Fine	0	0
Demotion	0	0
Dismissal	1	25
Not guilty	0	0
Case withdrawn	0	0
<b>TOTAL</b>	<b>4</b>	<b>100</b>

TABLE 3.12.3 - Type of Misconduct Addressed and Disciplinary Hearings		
Type of misconduct	Number	Percentage of Total
Insubordination	2	25
Absenteeism	1	13
Attempted rape and sexual harassment	1	13
Theft	2	25
Dishonesty, fraud and breach of trust	1	13
Gross negligence	1	13
<b>TOTAL</b>	<b>8</b>	<b>100</b>

TABLE 3.12.4 - Grievances Lodged		
Grievances	Number	Percentage of Total
Number of grievances resolved	3	20
Number of grievances not resolved	12	80
<b>Number of grievances lodged</b>	<b>15</b>	<b>100</b>

TABLE 3.12.5 - Disputes Lodged with Councils		
Disputes	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	2	100
<b>Number of disputes lodged</b>	<b>2</b>	<b>100</b>

TABLE 3.12.6 - Strike Action	
Strike Action	
Total number of working days lost	0
Total cost(R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay rule	0

TABLE 3.12.7 - Precautionary Suspensions	
Precautionary Suspensions	
Number of people suspended	4
Number of people whose suspension exceeded 30 days	3
Average number of days suspended	196
Cost (R'000) of suspensions	409



## PART D: HUMAN RESOURCES MANAGEMENT

TABLE 3.13.1 - Training Needs Identified

OCCUPATIONAL CATEGORIES	Gender	Employment as at 1 April 2015	Learnerships	Skills Programmes & other short courses	Other forms of training	TOTAL
Legislators, senior officials and managers (SMS)	Female	30	0	21	0	21
	Male	31	0	19	0	19
Professionals (11-12)	Female	56	0	38	0	38
	Male	48	0	26	0	26
Technicians and associate professionals (9-10)	Female	40	0	28	0	28
	Male	22	0	16	0	16
Clerks (6-8)	Female	136	0	89	0	89
	Male	75	0	45	0	45
Service and sales workers (3-5)	Female	62	0	36	0	36
	Male	47	0	35	0	35
Elementary occupations (Level 2)	Female	33	0	15	0	15
	Male	16	0	9	0	9
OSD	Female	4	0	19	0	19
	Male	4	0	12	0	12
Gender sub-totals	Female	361	0	246	0	246
	Male	243	0	162	0	162
<b>TOTAL</b>		<b>604</b>	<b>0</b>	<b>408</b>	<b>0</b>	<b>408</b>

Note: Principals, Special Advisors and Interns are excluded.

TABLE 3.13.2 - Training Provided

OCCUPATIONAL CATEGORIES	Gender	Employment as at 1 April 2015	Learnerships	Skills Programmes & other short courses	Other forms of training	TOTAL
Legislators, senior officials and managers (SMS)	Female	30	0	12	0	12
	Male	31	0	12	0	12
Professionals (11-12)	Female	56	0	26	0	26
	Male	48	0	13	0	13
Technicians and associate professionals (9-10)	Female	40	0	15	0	15
	Male	22	0	14	0	14
Clerks (6-8)	Female	136	0	77	0	77
	Male	75	0	37	0	37
Service and sales workers (3-5)	Female	62	0	11	0	11
	Male	47	0	10	0	10
Elementary occupations (Level 2)	Female	33	0	3	0	3
	Male	16	0	0	0	0
OSD	Female	4	0	3	0	3
	Male	4	0	3	0	3
Gender sub-totals	Female	361	0	147	0	147
	Male	243	0	89	0	89
<b>TOTAL</b>		<b>604</b>	<b>0</b>	<b>236</b>	<b>0</b>	<b>236</b>

Note: Principals, Special Advisors and Interns are excluded.

TABLE 3.14.1 - Injury on Duty

Nature of injury on duty	Number	% of Total
Required basic medical attention only	3	100
Temporary total disablement	0	0
Permanent disablement	0	0
Fatal	0	0
<b>TOTAL</b>	<b>3</b>	



**TABLE 3.15.1 - Report on consultant appointments using appropriated funds**

PROJECT TITLE	Total number of consultants who worked on projects	Duration: work days	Contract value in Rands
Audit Committee	5	42	283 479
Translation services	1	1	300
Project Coordinator: National Minimum Wage	1	365	132 770
Financial Management Services	1*	11	131 510
Public Office Bearers Commissioners	8	133	446 118
Review of Remuneration of Local Government Public Office Bearers	1*	10 months	2 136 757
Professional Affiliation: Macro Economic Research Report	1*		66 784
Set-up and Testing of BarnOwl Risk Management Software	2	4	54 720
National Orders Advisory Council	10	20	50 832
Support and Facilitation of 2016/17 Strategic Planning Processes	8	20	476 151
<b>TOTAL NUMBER OF PROJECTS</b>	<b>Total individual Consultants</b>	<b>Total Duration: Work days</b>	<b>Total Contract Value in Rands</b>
<b>10</b>	<b>35</b>	<b>596</b>	<b>3 779 421</b>

\* Note that this is the number of companies/institutions, not the number of individuals.

**TABLE 3.15.2 - Analysis of consultant appointments using appropriated funds, i.t.o. HDIs**

PROJECT TITLE	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Audit Committee Meetings	80	80	5
Translation services	100	100	1
Project Coordinator: National Minimum Wage	100	100	1
Financial Management Services	100		1
Public Office Bearers Commissioners			
Review of Remuneration of local government Public Office Bearers			
Professional affiliation: Macro Economic Research Report			
Set-up and testing of BarnOwl Risk Management Software	0	0	1
National Orders Advisory Council	90	90	
Support and Facilitation of 2016/17 Strategic Planning Processes	67	83	4

**TABLE 3.15.3 - Report on consultant appointments using Donor funds**

PROJECT TITLE	Total number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
None			
<b>Total number of projects</b>		<b>Total duration: Work days</b>	<b>Total contract value in Rand</b>
None			

**TABLE 3.15.4 - Analysis of consultant appointments using Donor funds, i.t.o. HDIs**

PROJECT TITLE	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
None			



## PART D: HUMAN RESOURCES MANAGEMENT

TABLE 3.16.1 - Granting of Employee Initiated Severance Packages

CATEGORY	No. of applications received	No. of applications referred to the MPSA	No. of applications supported by MPSA	No. of Packages approved by department
Lower Skilled (Salary Level 2)	0	0	0	0
Skilled (Salary Level 3-5)	0	0	0	0
Highly Skilled Production (Salary Level 6-8)	0	0	0	0
Highly Skilled Production (Salary Level 9-12)	0	0	0	0
Senior Management (Salary Level 13 - 16)	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## REPORT OF THE ACCOUNTING OFFICER

### OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT

It is my pleasure to table the Accounting Officer's report with the Annual Financial Statements for The Presidency for the fiscal year 2015/16.

The financial statements depict the funds expended in the year under review in implementing the Annual Performance Plan that was tabled in Parliament in March 2015. The organisation has managed to accomplish its planned performance for 2015/16 within the allocated budget and has spent 98.1% of its appropriated budget.

This report gives consideration to some of the key achievements of The Presidency for the financial year 2015/16, concomitant to the expenditure of the organisation. It also reviews some of the achievements of government under the leadership and strategic coordination of The Presidency.

The past financial year proved to be a challenging year for The Presidency, given the impact of the global economic slowdown on the Republic of South Africa, which is fully integrated into the global economy, and thus exposed to both the opportunities and difficulties associated with globalisation. Weak growth continued to characterise the state of our economy (on 1 March 2016 Statistics South Africa reported that the economy had grown by only 1.3% in 2015).

South Africa, as a maturing democracy, continued to make significant strides towards achieving the goals set out in the National Development Plan (NDP), despite the challenges it continues to face.

The NDP is government's long-term plan aimed at growing the economy, and alleviating poverty and inequalities by 2030. The NDP is implemented in five-year tranches, in the form of the MTSF, which prioritises the commitments of government.

The current MTSF is thus government's first five-year implementation plan of the NDP; it covers the financial years 2014/15 to 2018/2019. The MTSF has outlined 14 outcomes that need to be achieved and that are aligned to the realisation of the NDP goals. However, due to the low growth prospects for the country, in 2015 South Africa could not place reliance solely on global growth to catalyse the domestic economic expansion that is required to address the country's socio-economic challenges. Faster and sustained growth was required to address the socio-economic challenges faced by the country, especially in relation to unemployment, poverty and inequality, which continues to plague the lives of many South Africans.

As part of the renewed effort to address the challenge of pursuing a higher growth trajectory, government adopted the Nine-Point Economic Plan to Ignite Economic Growth and Create Jobs, which was announced in the February 2015 State of the Nation Address.

The 9-Point Plan is aimed at stimulating the growth of the country's economy and fast-tracking delivery of the national priorities contained in the NDP 2030 and the MTSF 2014-2019.

This plan is also aimed at countering domestic factors, such as poor consumer and investor confidence, and relieving bottlenecks and constraints that stand in the way of propelling the country's growth forward significantly.

Given its coordination role, The Presidency has an important role to play in relation to the achievement of the NDP, Vision 2030 and the five-year building blocks of the MTSF.

As part of The Presidency's principal strategy, the organisation serves as a centre for strategic coordination, overall leadership and supervision for the whole of government, so as to ensure focused and aligned implementation of the Programme of Action.

In the period under review, The Presidency delivered optimal support to the President and Deputy President, to enable them to lead government programmes aimed at radical socio-economic transformation.



## REPORT OF THE ACCOUNTING OFFICER

### Departmental Receipts

DEPARTMENTAL RECEIPTS	2014/15			2013/14		
	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
Sale of goods and services other than capital assets	371	355	16	366	347	19
Transfers received	0	0	0	244	1 046	(802)
Fines, penalties and forfeits						
Interest, dividends and rent on land	106	107	-1	11	106	(95)
Sale of capital assets	495	495	0	300	108	192
Financial transactions in assets and liabilities	2 000	1 967	33	240	119	121
<b>TOTAL</b>	<b>2 972</b>	<b>2 924</b>	<b>48</b>	<b>1 161</b>	<b>1 726</b>	<b>(565)</b>

The Presidency missed the estimated revenue collection target for 2015/16 financial year marginally, i.e. by 2%.

### Determination of tariffs:

#### Sale of goods and services other than capital assets:

- Rental dwellings – The rental dwelling tariffs are determined by the Department of Public Works.
- Transport fee (Bus) – The tariff is agreed upon by the employer (The Presidency) and the unions representing bus users in The Presidency.
- Parking fee – The parking fee tariff is determined by the Department of Public Works.
- Access to Information Act – The tariffs are determined by The Presidency, in line with the Promotion of Access to Information Act, 2000 (Act 2 of 2000).
- Commission Insurance & Garnishee – The tariff is determined by National Treasury.

### Programme Expenditure

PROGRAMME NAME	2015/2016			2014/2015		
	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	446 242	446 212	30	460 247	433 449	26 798
Executive Support	27 120	17 958	9 162	24 237	19 297	4 940
International Marketing and Communication	0	0	0	167 686	167 686	0
Unauthorised Expenditure	2 567	2 567	0	0	0	0
<b>TOTAL</b>	<b>475 929</b>	<b>466 737</b>	<b>9 192</b>	<b>652 170</b>	<b>620 432</b>	<b>31 738</b>

The under-expenditure on Programme 2 was related to technical delays in the development, testing and securing of the e-Cabinet system.

### Virements/rollovers

An amount of R2.581 million (8% of the allocation) was shifted from Executive Support to defray the excess expenditure under Administration.

No rollovers were requested.

### Unauthorised expenditure

No unauthorised expenditure was incurred in 2015/16.





## REPORT OF THE ACCOUNTING OFFICER

### Future planned activities: 2015-2020

The strategic goals of The Presidency for the 2015-2020 period are:

- Integrated planning and policy coherence in government is supported, contributing to the realisation of Vision 2030.
- Promoting government's national unity and social cohesion programmes.
- Advancing South Africa's role in the regional, continental and international arena.

In pursuit of the above strategic goals, The Presidency has identified the following priorities to ensure that the President and Deputy President are provided with the support they need to fulfil their constitutional responsibilities and lead government:

- Supporting the President and Deputy President in their respective constitutional and delegated responsibilities.
- Providing ongoing essential support to the President in monitoring and overseeing the implementation of the performance agreements of the National Executive.
- Optimising the various coordinating systems of government, including Clusters, with a key intervention being the conclusion of the roll-out of the E-Cabinet system and improving coordination, monitoring and implementation within the Forum of South African Director-Generals (FOSAD).
- Supporting the President in leading the Presidential Councils, i.e.
  - PCC: Some of the priorities for the planning period revolve around implementing the back to basics programme, monitoring the implementation of the NDP and championing the 9-Point Plan (9-PP) priorities, among others.
  - BEEAC: One of the priorities of the BEEAC is to ensure the implementation of the Cabinet resolution that 30% of government spend be set aside for purchases from SMMEs.
  - PICC: Which is tasked with supporting the implementation of the National Infrastructure Plan and the 18 earmarked SIPs, overseeing more than 200 cluster projects which are under construction.
  - In addition, in response to a constrained fiscus and the relatively high public sector wage bill, the work of the Presidential Remuneration Review Committee regarding the remuneration of public servants is a priority for the planning period.
- Supporting the President in leading Operation Phakisa: The success of pilot projects in the oceans economy, basic education sector and health sector will lead to the launch of

Operation Phakisa in the mining sector and the agriculture sector in the 2016/17 financial year.

- Supporting the Presidential Siyahlola Monitoring Programme: The intention is to conduct at least four 4 Siyahlola monitoring visits annually in the period leading up to 2019/20, with visits spread equitably across various key sectors and provinces. Part of the initiative will be to ensure that government improve the communication it provides on the work that is being done to deliver on the NDP, towards the achievement of Vision 2030.
- Supporting the President in terms of his Izimbizo Programme: the focus will be on enhanced feedback and monitoring of the intervention plans developed as the output of the community visits.
- Supporting the President in leading the Presidential Working Groups, which were reconstituted in 2014/15. Engagement sessions with the Presidential Business Working Group, the National Consultative Forum on Mining and the Presidential Interfaith Working Group will continue in the medium term. Other working groups that will be operational include the Presidential Youth Working Group, the Working Group on Disability, the Small Business Working Group, Black Professionals and the Communication Working Group. The Presidential Business Working Group and Labour Working Group will have an added focus, i.e. promoting inclusive economic growth and job creation during a difficult domestic and global economic climate.
- Supporting the special projects led by the Deputy President, including the SANAC and the HRDC. For the planning period, the following specific projects of the Deputy President will receive support from The Presidency:
  - The Fight Against HIV, AIDS and Tuberculosis, continues to be a key focus of the work of SANAC;
  - Human resources development through the HRDC, including the establishment of the Higher Education Transformation Commission, which will address the higher-education demands of students in light of the "fees must fall" protests, and will ensure that opportunities are in place for poor and vulnerable academically-deserving students;
  - The Anti-Poverty Programme will build on the successes achieved thus far through the Inter-Ministerial Committee on poverty, which is chaired by the Deputy President;
  - Transformation in the Agricultural Sector, with a special focus on stabilising the Western Cape farming sector;
  - Oversight over the turnaround strategy of South African Airways, Eskom and the South African Post Office, and implementation of the recommendations of the Presidential Review Committee on SOEs;



- National Minimum Wage and Labour Stability, working with NEDLAC, with a specific focus on finalising and introducing the national minimum wage and the framework to guide the process of peaceful resolution of labour disputes.
- To support the President and Deputy President in their promotion of nation-building and social cohesion and the elimination of violence and racism in society. Key opportunities for the promotion of national unity and social cohesion include officiating at national days, significant historical anniversaries and commemorative events that focus the nation's attention on the damage inflicted by Apartheid on national unity and the country's social fabric. Opportunities in the new financial year include the Centenary of Fort Hare University and the 60-year commemoration of the Women's March to the Union Building.
- To support the President and Deputy President as they engage in activities to advance South Africa's interests regionally and globally, specifically to support peace and security and regional economic integration on the continent. This will entail the continuation of efforts that support conflict resolution, peace-making and peacekeeping on the continent and elsewhere, such as our role in Lesotho, South Sudan and Sri Lanka.
- The Presidency, working in collaboration with the responsible government departments, will also lead government to reduce spending by trimming departmental budgets to address constraints in the economy and ensure government debt levels are sustainable; deal with the escalating drought situation in the country; the achievement of affordable fees for higher-education students and stability on campuses; the compensation mechanism for those affected by the Marikana Tragedy, and addressing the culture of violence in society.
- Another critical focus in 2016/17 is gender mainstreaming in The Presidency and across government departments, as a cross-cutting imperative.

### Discontinued Activities

In dealing with the implications of government's Macro-Organisation of the State, work commenced in 2014 to transfer Brand South Africa to the newly constituted Department of Communications. The National Planning Commission Secretariat, the Youth Directorate, and NYDA were transferred to the Department of Planning, Monitoring and Evaluation (DPME).

The reorganisation was finalised in 2015, with the transfer of The Ministry: Planning, Monitoring and Evaluation out of The Presidency, so as to establish a single portfolio for the new Department of Planning, Monitoring and Evaluation as an independent national department.

This had an impact, not only on the adjusted administrative structure of the organisation, but also on the planned performance of the organisation. Of the 20 measured key performance indicators for 2015/16, one indicator was transferred with the function shift of the Ministry: DPME to DPME.

Other measures were underway in 2015 to streamline and strengthen the capacity of the department to improve its service delivery framework. To this end, the former Strategy and Operations branch was renamed Corporate Management, and dedicated capacity for physical security and internal policy and research management were established, and a clear mandate provided that translates to performance areas.

### Supply chain management

The Presidency did not enter into a Public Private Partnership during the year under review.

The checklists and review of SCM policy has been implemented to prevent irregular expenditure. There has been a challenge with lack of skills in SCM, especially with the current changes in the Modified Cash Standards provided by National Treasury and in other areas. However, a plan to address this matter, using training methodology, is underway.

The Presidency had an historic balance of irregular expenditure amounting to R4,349 million, incurred as irregular expenditure during previous years (2002/03 to 2012/13). The Accounting Officer approved the de-recognition of this amount from The Presidency's annual financial statements as at 31 March 2016.

Gifts and Donations received in kind from non-related parties  
Gifts of commemorative plates for guests during the State banquet held in honour of the visit of His Excellency, President Xi Jinping of the People's Republic of China.

### Exemptions and deviations received from National Treasury

No exemptions or deviations were received from National Treasury in the period under review.

There were no events after the reporting date.



## REPORT OF THE ACCOUNTING OFFICER

### Other

The office accommodation at Johannes Ramokhoase in Arcadia, Pretoria and the building located on 8<sup>th</sup> Street, Houghton, Johannesburg are provided by Public Works free of charge.

### Acknowledgements and Appreciation

The past financial year proved to be a challenging year for The Presidency, due to the current economic climate. Realignment and adjustment of resources had to be made to ensure uninterrupted service in support of the Principals and in the execution of the mandate of The Presidency.

I would like to convey my gratitude to management and all staff members for their continued hard work and dedication in moving South Africa forward.

Ms Lakela Kaunda  
COO  
The Presidency  
31 August 2016









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## ANNUAL FINANCIAL STATEMENTS

### APPROPRIATION STATEMENT

for the year ended 31 March 2016

APPROPRIATION PER PROGRAMME									
APPROPRIATION STATEMENT	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>PROGRAMME</b>									
1. Administration	443 661	-	2 581	446 242	446 212	30	100.0%	460 247	433 449
2. Executive Support	32 268	-	(2 581)	29 687	20 525	9 162	69.1%	24 237	19 297
3. International Marketing and Communication	-	-	-	-	-	-	-	167 686	167 686
<b>Subtotal</b>	<b>475 929</b>	<b>-</b>	<b>-</b>	<b>475 929</b>	<b>466 737</b>	<b>9 192</b>	<b>98.1%</b>	<b>652 170</b>	<b>620 432</b>
<b>Statutory Appropriation</b>	<b>5 726</b>	<b>-</b>	<b>-</b>	<b>5 726</b>	<b>5 620</b>	<b>106</b>	<b>98.1%</b>	<b>5 450</b>	<b>4 830</b>
President and Deputy President salary	5 726	-	-	5 726	5 620	106	98.1%	5 450	4 830
<b>TOTAL</b>	<b>481 655</b>	<b>-</b>	<b>-</b>	<b>481 655</b>	<b>472 357</b>	<b>9 298</b>	<b>98.1%</b>	<b>657 620</b>	<b>625 262</b>

Note: The budget structure changed in the 2015/16 financial year:  
Executive Support was a sub-programme (Cabinet Services) under Administration, and is now Programme 2.  
International Marketing and Communication was shifted to the Department of Communications



## ANNUAL FINANCIAL STATEMENTS

### APPROPRIATION STATEMENT

for the year ended 31 March 2016

	2015/16		2014/15	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)	481 655	472 357	657 620	625 262
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	2 924		1 726	-
NRF Receipts	-		-	-
Aid assistance	981		33 004	
Actual amounts per statement of financial performance (total revenue)	485 560		692 350	-
ADD				
Aid assistance		981		11 135
Prior year unauthorised expenditure approved without funding		2 567		-
Actual amounts per statement of financial performance (total expenditure)		475 905		636 397



APPROPRIATION PER ECONOMIC CLASSIFICATION

PRESIDENCY	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>465 531</b>	<b>(22 629)</b>	<b>(2 552)</b>	<b>440 350</b>	<b>431 372</b>	<b>8 978</b>	<b>98.0%</b>	<b>465 590</b>	<b>433 232</b>
<b>Compensation of employees</b>	<b>301 829</b>	<b>(5 156)</b>	<b>(94)</b>	<b>296 579</b>	<b>295 098</b>	<b>1 481</b>	<b>99.5%</b>	<b>301 139</b>	<b>286 803</b>
Salaries and wages	267 747	(3 260)	-	264 487	263 006	1 481	99.4%	268 686	257 178
Social contributions	34 082	(1 896)	(94)	32 092	32 092	-	100.0%	32 453	29 625
<b>Goods and services</b>	<b>163 702</b>	<b>(17 473)</b>	<b>(2 458)</b>	<b>143 771</b>	<b>136 274</b>	<b>7 497</b>	<b>94.8%</b>	<b>164 441</b>	<b>146 419</b>
Administrative fees	660	2 107	-	2 767	2 767	-	100.0%	2 258	2 258
Advertising	1 668	(605)	-	1 063	1 063	-	100.0%	1 239	906
Minor assets	4 122	(3 188)	-	934	934	-	100.0%	3 696	2 635
Audit costs: External	3 750	682	-	4 432	4 432	-	100.0%	5 371	5 371
Bursaries: Employees	1 604	(510)	-	1 094	1 094	-	100.0%	1 075	1 075
Catering: Departmental activities	3 383	(984)	-	2 399	2 399	-	100.0%	3 786	3 302
Communication	14 499	2 721	-	17 220	17 220	-	100.0%	16 933	15 408
Computer services	22 575	(9 383)	(2 458)	10 734	5 946	4 788	55.4%	16 231	16 177
Consultants: Business and advisory services	10 186	(6 407)	-	3 779	3 779	-	100.0%	4 014	3 932
Legal services	1 673	7 437	-	9 110	9 110	-	100.0%	6 774	6 774
Contractors	7 385	(6 117)	-	1 268	1 207	61	95.2%	5 195	4 415
Agency and support/ outsourced services	8 262	(5 745)	-	2 517	2 517	-	100.0%	6 585	6 452
Entertainment	147	(134)	-	13	7	6	53.8%	247	109
Fleet services	582	1 976	-	2 558	2 558	-	100.0%	2 091	2 044
Consumable supplies	4 694	(1 146)	-	3 548	3 538	10	99.7%	5 262	5 176
Consumable: Stationery, printing and office supplies	7 395	(2 927)	-	4 468	4 355	113	97.5%	5 238	4 539
Operating leases	2 052	2 914	-	4 966	4 966	-	100.0%	4 720	4 720
Property payments	-	434	-	434	434	-	100.0%	407	407
Travel and subsistence	60 027	2 683	-	62 710	60 838	1 872	97.0%	65 494	53 515
Training and development	3 433	(865)	-	2 568	2 507	61	97.6%	2 351	2 025
Operating payments	2 907	(424)	-	2 483	2 319	164	93.4%	3 353	3 353
Venues and facilities	1 756	(531)	-	1 225	859	366	70.1%	1 597	1 302
Rental and hiring	942	539	-	1 481	1 425	56	96.2%	524	524
<b>Interest and rent on land</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>10</b>
Interest paid	-	-	-	-	-	-	-	10	10
<b>Transfers and subsidies</b>	<b>876</b>	<b>115</b>	<b>94</b>	<b>1 085</b>	<b>1 056</b>	<b>29</b>	<b>97.3%</b>	<b>171 785</b>	<b>171 785</b>
<b>Provinces and municipalities</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>-</b>	<b>100.0%</b>	<b>9</b>	<b>9</b>
Municipal bank accounts	2	2	-	4	4	-	100.0%	9	9
Municipal agencies and funds	2	2	-	4	4	-	100.0%	9	9
<b>Departmental agencies and accounts</b>	<b>50</b>	<b>(18)</b>	<b>-</b>	<b>32</b>	<b>3</b>	<b>29</b>	<b>9.4%</b>	<b>168 683</b>	<b>168 683</b>



## ANNUAL FINANCIAL STATEMENTS

### APPROPRIATION STATEMENT

for the year ended 31 March 2016

#### APPROPRIATION PER ECONOMIC CLASSIFICATION

PRESIDENCY	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies	50	(18)	-	32	3	29	9.4%	168 683	168 683
<b>Households</b>	<b>824</b>	<b>131</b>	<b>94</b>	<b>1 049</b>	<b>1 049</b>	<b>-</b>	<b>100.0%</b>	<b>3 093</b>	<b>3 093</b>
Social benefits	687	29	83	799	799	-	100.0%	707	707
Other transfers to households	137	102	11	250	250	-	100.0%	2 386	2 386
			-	-	-	-			
<b>Payments for capital assets</b>	<b>15 248</b>	<b>21 378</b>	<b>2 458</b>	<b>39 084</b>	<b>38 793</b>	<b>291</b>	<b>99.3%</b>	<b>15 301</b>	<b>15 301</b>
<b>Machinery and equipment</b>	<b>15 185</b>	<b>21 441</b>	<b>2 458</b>	<b>39 084</b>	<b>38 793</b>	<b>291</b>	<b>99.3%</b>	<b>15 301</b>	<b>15 301</b>
Transport equipment	1 125	(429)	-	696	696	-	100.0%	1 637	1 637
Other machinery and equipment	14 060	21 870	2 458	38 388	38 097	291	99.2%	13 664	13 664
Software and other intangible assets	63	(63)	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>1 136</b>	<b>-</b>	<b>1 136</b>	<b>1 136</b>		<b>100.0%</b>	<b>4 944</b>	<b>4 944</b>
<b>TOTAL</b>	<b>481 655</b>	<b>-</b>	<b>-</b>	<b>481 655</b>	<b>472 357</b>	<b>9 298</b>	<b>98.1%</b>	<b>657 620</b>	<b>625 262</b>

#### STATUTORY APPROPRIATION PER ECONOMIC CLASSIFICATION

ECONOMIC CLASSIFICATION	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>5 726</b>	<b>-</b>	<b>-</b>	<b>5 726</b>	<b>5 620</b>	<b>106</b>	<b>98.1%</b>	<b>5 450</b>	<b>4 830</b>
Compensation of employees	5 726	-	-	5 726	5 620	106	98.1%	5 450	4 830
<b>TOTAL</b>	<b>5 726</b>	<b>-</b>	<b>-</b>	<b>5 726</b>	<b>5 620</b>	<b>106</b>	<b>98.1%</b>	<b>5 450</b>	<b>4 830</b>


**PROGRAMME I: ADMINISTRATION**

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>SUB PROGRAMME</b>									
1. MINISTRY	-	-	-	-	-	-	-	32 216	31 403
2. MANAGEMENT	324 722	3 973	2 581	331 276	331 246	30	100.0%	311 081	302 457
3. SUPPORT TO PRESIDENT	64 355	1 589	-	65 944	65 944	-	100.0%	64 645	60 423
4. SUPPORT TO DEPUTY PRESIDENT	54 584	(5 562)	-	49 022	49 022	-	100.0%	52 305	39 166
<b>Total for sub programmes</b>	<b>443 661</b>	<b>-</b>	<b>2 581</b>	<b>446 242</b>	<b>446 212</b>	<b>30</b>	<b>100.0%</b>	<b>460 247</b>	<b>433 449</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>428 667</b>	<b>(22 626)</b>	<b>-</b>	<b>406 041</b>	<b>406 040</b>	<b>1</b>	<b>100.0%</b>	<b>437 600</b>	<b>410 802</b>
<b>Compensation of employees</b>	<b>278 953</b>	<b>(5 156)</b>	<b>-</b>	<b>273 797</b>	<b>273 796</b>	<b>1</b>	<b>100.0%</b>	<b>280 036</b>	<b>268 661</b>
Salaries and wages	246 639	(3 260)	-	243 379	243 378	1	100.0%	249 273	240 368
Social contributions	32 314	(1 896)	-	30 418	30 418	-	100.0%	30 763	28 293
<b>Goods and services</b>	<b>149 714</b>	<b>(17 470)</b>	<b>-</b>	<b>132 244</b>	<b>132 244</b>	<b>-</b>	<b>100.0%</b>	<b>157 554</b>	<b>142 131</b>
Administrative fees	635	2 058	-	2 693	2 693	-	100.0%	2 169	2 169
Advertising	1 668	(605)	-	1 063	1 063	-	100.0%	1 239	906
Minor assets	4 106	(3 258)	-	848	848	-	100.0%	3 616	2 555
Audit costs: External	3 750	682	-	4 432	4 432	-	100.0%	5 371	5 371
Bursaries: Employees	1 604	(510)	-	1 094	1 094	-	100.0%	1 075	1 075
Catering: Departmental activities	2 032	(1 014)	-	1 018	1 018	-	100.0%	2 466	2 212
Communication	14 361	2 675	-	17 036	17 036	-	100.0%	16 687	15 227
Computer services	14 941	(9 051)	-	5 890	5 890	-	100.0%	16 176	16 176
Consultants: Business and advisory services	10 186	(6 407)	-	3 779	3 779	-	100.0%	3 314	3 232
Legal services	1 673	7 437	-	9 110	9 110	-	100.0%	6 774	6 774
Contractors	7 323	(6 117)	-	1 206	1 206	-	100.0%	5 142	4 381
Agency and support/outsourced services	8 262	(5 745)	-	2 517	2 517	-	100.0%	6 585	6 452
Entertainment	138	(134)	-	4	4	-	100.0%	239	109
Fleet services	569	1 948	-	2 517	2 517	-	100.0%	2 062	2 015
Consumable supplies	4 665	(1 146)	-	3 519	3 519	-	100.0%	5 224	5 138
Consumable: Stationery, printing and office supplies	7 190	(2 927)	-	4 263	4 263	-	100.0%	5 037	4 464
Operating leases	2 052	2 808	-	4 860	4 860	-	100.0%	4 612	4 612
Property payments	-	434	-	434	434	-	100.0%	407	407
Travel and subsistence	56 626	2 683	-	59 309	59 309	-	100.0%	62 396	52 134
Training and development	3 372	(865)	-	2 507	2 507	-	100.0%	2 233	2 025
Operating payments	2 358	(424)	-	1 934	1 934	-	100.0%	3 067	3 067
Venues and facilities	1 323	(531)	-	792	792	-	100.0%	1 187	1 154
Rental and hiring	880	539	-	1 419	1 419	-	100.0%	476	476
<b>Interest and rent on land</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>10</b>
Interest Paid	-	-	-	-	-	-	-	10	10
<b>Transfers and subsidies</b>	<b>876</b>	<b>115</b>	<b>94</b>	<b>1 085</b>	<b>1 056</b>	<b>29</b>	<b>97.3%</b>	<b>3 856</b>	<b>3 856</b>
<b>Provinces and municipalities</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>-</b>	<b>100.0%</b>	<b>9</b>	<b>9</b>
Provinces agencies and funds municipalities	2	2	-	4	4	-	100.0%	9	9
Municipal bank accounts	2	2	-	4	4	-	100.0%	9	9



## ANNUAL FINANCIAL STATEMENTS

### APPROPRIATION STATEMENT

for the year ended 31 March 2016

PROGRAMME I: ADMINISTRATION									
	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Departmental agencies and accounts</b>	<b>50</b>	<b>(18)</b>	<b>-</b>	<b>32</b>	<b>3</b>	<b>29</b>	<b>9.4%</b>	<b>997</b>	<b>997</b>
Departmental agencies	50	(18)	-	32	3	29	9.4%	997	997
<b>Households</b>	<b>824</b>	<b>131</b>	<b>94</b>	<b>1 049</b>	<b>1 049</b>	<b>-</b>	<b>100.0%</b>	<b>2 850</b>	<b>2 850</b>
Social benefits	687	29	83	799	799	-	100.0%	694	694
Other transfers to households	137	102	11	250	250	-	100.0%	2 156	2 156
<b>Payments for capital assets</b>	<b>14 118</b>	<b>21 378</b>	<b>2 487</b>	<b>37 983</b>	<b>37 983</b>	<b>-</b>	<b>100.0%</b>	<b>13 864</b>	<b>13 864</b>
Machinery and equipment	14 055	21 441	2 487	37 983	37 983	-	100.0%	13 864	13 864
Transport equipment	1 125	(429)	-	696	696	-	100.0%	1 637	1 637
Other machinery and equipment	12 930	21 870	2 487	37 287	37 287	-	100.0%	12 227	12 227
Software and Intangible assets	63	(63)	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>1 133</b>	<b>-</b>	<b>1 133</b>	<b>1 133</b>	<b>-</b>	<b>100.0%</b>	<b>4 927</b>	<b>4 927</b>
<b>TOTAL</b>	<b>443 661</b>	<b>-</b>	<b>2 581</b>	<b>446 242</b>	<b>446 212</b>	<b>30</b>	<b>100.0%</b>	<b>460 247</b>	<b>433 449</b>



## I.1 MINISTRY

ECONOMIC CLASSIFICATION	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	-	-	-	-	-	-	-	30 771	29 958
Compensation of employees	-	-	-	-	-	-	-	17 766	17 766
Goods and services	-	-	-	-	-	-	-	13 005	12 192
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	133	133
Households	-	-	-	-	-	-	-	133	133
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	1 222	1 222
Machinery and equipment	-	-	-	-	-	-	-	1 222	1 222
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	90	90
<b>TOTAL</b>	-	-	-	-	-	-	-	32 216	31 403

Note: The Sub-programme: Ministry was shifted to the Department: Performance Monitoring and Evaluation

## I.2 MANAGEMENT

ECONOMIC CLASSIFICATION	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	311 086	(18 033)	-	293 053	293 052	1	100.0%	291 704	283 080
Compensation of employees	201 038	(3 677)	-	197 361	197 360	1	100.0%	188 807	182 609
Goods and services	110 048	(14 356)	-	95 692	95 692	-	100.0%	102 887	100 461
Interest and rent on land	-	-	-	-	-	-	-	10	10
<b>Transfers and subsidies</b>	604	85	94	783	754	29	96.3%	3 370	3 370
<b>Provinces and municipalities</b>	2	2	-	4	4	-	100.0%	9	9
Departmental agencies and accounts	50	(18)	-	32	3	29	9.4%	997	997
Households	552	101	94	747	747	-	100.0%	2 364	2 364
<b>Payments for capital assets</b>	13 032	20 852	2 487	36 371	36 371	-	100.0%	11 430	11 430
Machinery and equipment	13 032	20 852	2 487	36 371	36 371	-	100.0%	11 430	11 430
Software and Intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	1 069	-	1 069	1 069	-	100.0%	4 577	4 577
<b>TOTAL</b>	324 722	3 973	2 581	331 276	331 246	30	100.0%	311 081	302 457



## ANNUAL FINANCIAL STATEMENTS

### APPROPRIATION STATEMENT

for the year ended 31 March 2016

I.3 SUPPORT SERVICES TO PRESIDENT									
ECONOMIC CLASSIFICATION	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>63 783</b>	<b>952</b>	<b>-</b>	<b>64 735</b>	<b>64 735</b>	<b>-</b>	<b>100.0%</b>	<b>63 485</b>	<b>59 263</b>
Compensation of employees	42 362	229	-	42 591	42 591	-	100.0%	43 520	39 298
Goods and services	21 421	723	-	22 144	22 144	-	100.0%	19 965	19 965
<b>Transfers and subsidies</b>	<b>266</b>	<b>29</b>	<b>-</b>	<b>295</b>	<b>295</b>	<b>-</b>	<b>100.0%</b>	<b>188</b>	<b>188</b>
Households	266	29	-	295	295	-	100.0%	188	188
<b>Payments for capital assets</b>	<b>306</b>	<b>583</b>	<b>-</b>	<b>889</b>	<b>889</b>	<b>-</b>	<b>100.0%</b>	<b>812</b>	<b>812</b>
Machinery and equipment	243	646	-	889	889	-	100.0%	812	812
Software and other intangible assets	63	(63)	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>25</b>	<b>-</b>	<b>25</b>	<b>25</b>	<b>-</b>	<b>100.0%</b>	<b>160</b>	<b>160</b>
<b>TOTAL</b>	<b>64 355</b>	<b>1 589</b>	<b>-</b>	<b>65 944</b>	<b>65 944</b>	<b>-</b>	<b>100.0%</b>	<b>64 645</b>	<b>60 423</b>

I.4 SUPPORT SERVICES TO DEPUTY PRESIDENT									
ECONOMIC CLASSIFICATION	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>53 798</b>	<b>(5 545)</b>	<b>-</b>	<b>48 253</b>	<b>48 253</b>	<b>-</b>	<b>100.0%</b>	<b>51 640</b>	<b>38 501</b>
Compensation of employees	35 553	(1 708)	-	33 845	33 845	-	100.0%	29 943	28 988
Goods and services	18 245	(3 837)	-	14 408	14 408	-	100.0%	21 697	9 513
<b>Transfers and subsidies</b>	<b>6</b>	<b>1</b>	<b>-</b>	<b>7</b>	<b>7</b>	<b>-</b>	<b>100.0%</b>	<b>165</b>	<b>165</b>
Households	6	1	-	7	7	-	100.0%	165	165
<b>Payments for capital assets</b>	<b>780</b>	<b>(57)</b>	<b>-</b>	<b>723</b>	<b>723</b>	<b>-</b>	<b>100.0%</b>	<b>400</b>	<b>400</b>
Machinery and equipment	780	(57)	-	723	723	-	100.0%	400	400
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>39</b>	<b>-</b>	<b>39</b>	<b>39</b>	<b>-</b>	<b>100.0%</b>	<b>100</b>	<b>100</b>
<b>TOTAL</b>	<b>54 584</b>	<b>(5 562)</b>	<b>-</b>	<b>49 022</b>	<b>49 022</b>	<b>-</b>	<b>100.0%</b>	<b>52 305</b>	<b>39 166</b>


**PROGRAMME 2: EXECUTIVE SUPPORT**

	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
I. CABINET SERVICES	32 268	-	(2 581)	29 687	20 525	9 162	69.1%	24 237	19 297
<b>Total for sub programmes</b>	<b>32 268</b>	<b>-</b>	<b>(2 581)</b>	<b>29 687</b>	<b>20 525</b>	<b>9 162</b>	<b>69.1%</b>	<b>24 237</b>	<b>19 297</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>31 138</b>	<b>(3)</b>	<b>(2 552)</b>	<b>28 583</b>	<b>19 712</b>	<b>8 871</b>	<b>69.0%</b>	<b>22 540</b>	<b>17 600</b>
<b>Compensation of employees</b>	<b>17 150</b>	<b>-</b>	<b>(94)</b>	<b>17 056</b>	<b>15 682</b>	<b>1 374</b>	<b>91.9%</b>	<b>15 653</b>	<b>13 312</b>
Salaries and wages	15 382	-	-	15 382	14 008	1 374	91.1%	13 963	11 980
Social contributions	1 768	-	(94)	1 674	1 674	-	100.0%	1 690	1 332
<b>Goods and services</b>	<b>13 988</b>	<b>(3)</b>	<b>(2 458)</b>	<b>11 527</b>	<b>4 030</b>	<b>7 497</b>	<b>35.0%</b>	<b>6 887</b>	<b>4 288</b>
Administrative fees	25	49	-	74	74	-	100.0%	89	89
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	16	70	-	86	86	-	100.0%	80	80
Catering: Departmental activities	1 351	30	-	1 381	1 381	-	100.0%	1 320	1 090
Communication	138	46	-	184	184	-	100.0%	246	181
Computer services	7 634	(332)	(2 458)	4 844	56	4 788	1.2%	55	1
Consultants: Business and advisory services	-	-	-	-	-	-	-	700	700
Contractors	62	-	-	62	1	61	1.6%	53	34
Entertainment	9	-	-	9	3	6	33.3%	8	-
Fleet services	13	28	-	41	41	-	100.0%	29	29
Consumable supplies	29	-	-	29	19	10	65.5%	38	38
Consumable: Stationery, printing and office supplies	205	-	-	205	92	113	44.9%	201	75
Operating leases	-	106	-	106	106	-	100%	108	108
Travel and subsistence	3 401	-	-	3 401	1 529	1 872	45.0%	3 098	1 381
Training and development	61	-	-	61	-	61	-	118	-
Operating payments	549	-	-	549	385	164	70.1%	286	286
Venues and facilities	433	-	-	433	67	366	15.5%	410	148
Rental and hiring	62	-	-	62	6	56	9.7%	48	48
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>243</b>	<b>243</b>
Households	-	-	-	-	-	-	-	243	243
Social benefits	-	-	-	-	-	-	-	13	13
Other transfers to household	-	-	-	-	-	-	-	230	230
<b>Payment for capital assets</b>	<b>1 130</b>	<b>-</b>	<b>(29)</b>	<b>1 101</b>	<b>810</b>	<b>291</b>	<b>73.6%</b>	<b>1 437</b>	<b>1 437</b>
Machinery and equipment	1 130	-	(29)	1 101	810	291	73.6%	1 437	1 437
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 130	-	(29)	1 101	810	291	73.6%	1 437	1 437
<b>Payments for financial assets</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>-</b>	<b>100.0%</b>	<b>17</b>	<b>17</b>
<b>TOTAL</b>	<b>32 268</b>	<b>-</b>	<b>(2 581)</b>	<b>29 687</b>	<b>20 525</b>	<b>9 162</b>	<b>69.1%</b>	<b>24 237</b>	<b>19 297</b>



## ANNUAL FINANCIAL STATEMENTS

### APPROPRIATION STATEMENT

for the year ended 31 March 2016

#### 2.1 CABINET SERVICES

ECONOMIC CLASSIFICATION	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>31 138</b>	<b>(3)</b>	<b>(2 552)</b>	<b>28 583</b>	<b>19 712</b>	<b>8 871</b>	<b>69.0%</b>	<b>22 540</b>	<b>17 600</b>
Compensation of employees	17 150	-	(94)	17 056	15 682	1 374	91.9%	15 653	13 312
Goods and services	13 988	(3)	(2 458)	11 527	4 030	7 497	35.0%	6 887	4 288
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>243</b>	<b>243</b>
Households	-	-	-	-	-	-	-	243	243
<b>Payments for capital assets</b>	<b>1 130</b>	<b>-</b>	<b>(29)</b>	<b>1 101</b>	<b>810</b>	<b>291</b>	<b>73.6%</b>	<b>1 437</b>	<b>1 437</b>
Machinery and equipment	1 130	-	(29)	1 101	810	291	73.6%	1 437	1 437
<b>Payments for financial assets</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>-</b>	<b>100.0%</b>	<b>17</b>	<b>17</b>
<b>TOTAL</b>	<b>32 268</b>	<b>-</b>	<b>(2 581)</b>	<b>29 687</b>	<b>20 525</b>	<b>9 162</b>	<b>69.1%</b>	<b>24 237</b>	<b>19 297</b>

#### PROGRAMME 3: INTERNATIONAL MARKETING AND COMMUNICATION

SUB PROGRAMME	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>2. BRAND SOUTH AFRICA</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>167 686</b>	<b>167 686</b>
Total for sub programmes	-	-	-	-	-	-	-	167 686	167 686
Economic classification	-	-	-	-	-	-	-	-	-
Current payments	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	167 686	167 686
Departmental Agencies	-	-	-	-	-	-	-	167 686	167 686
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>167 686</b>	<b>167 686</b>

#### 3.1 BRAND SOUTH AFRICA

ECONOMIC CLASSIFICATION	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>167 686</b>	<b>167 686</b>
Departmental Agencies	-	-	-	-	-	-	-	167 686	167 686
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>167 686</b>	<b>167 686</b>



## ANNUAL FINANCIAL STATEMENTS NOTE TO THE APPROPRIATION STATEMENT for the year ended 31 March 2016

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

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure I (A-C) to the Annual Financial Statements.

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

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

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

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

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

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Administration	446 242	446 212	30	0.01%
Executive Support	29 687	20 525	9 162	30.86%
Statutory Appropriation	5 726	5 620	106	1.85%

The major reason for the underspending is the delay in the implementation of the e-Cabinet system due to technical complications.

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
<b>Current payments</b>	440 350	431 372	8 978	-
Compensation of employees	296 579	295 098	1 481	0.50%
Goods and services	143 771	136 274	7 497	5.21%
Interest and rent on land	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 085</b>	<b>1 056</b>	<b>29</b>	-
Provinces and municipalities	4	4	0	0.00%
Departmental agencies and accounts	32	3	29	90.63%
Households	1 049	1 049	0	0.00%
<b>Payments for capital assets</b>	<b>39 084</b>	<b>38 793</b>	<b>291</b>	-
Machinery and equipment	39 084	38 793	291	0.74%
<b>Payments for financial assets</b>	<b>1 136</b>	<b>1 136</b>	<b>0</b>	<b>0.00%</b>

The major reason for the underspending is the delay in the implementation of the e-Cabinet system due to technical complications.



## ANNUAL FINANCIAL STATEMENTS

### STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2016

PERFORMANCE	Note	2015/16	2014/15
		R'000	R'000
<b>REVENUE</b>			
Annual appropriation	<u>1</u>	475 929	652 170
Statutory appropriation	<u>2</u>	5 726	5 450
Departmental revenue	<u>3</u>	2 924	1 726
Aid assistance	Annexure 1E	981	33 004
<b>TOTAL REVENUE</b>		<b>485 560</b>	<b>692 350</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	<u>5</u>	295 098	286 803
Goods and services	<u>6</u>	136 274	146 419
Interest and rent on land	<u>7</u>	-	10
Aid assistance	<u>4</u>	979	11 126
<b>Total current expenditure</b>		<b>432 351</b>	<b>444 358</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	<u>9</u>	1 056	171 785
<b>Total transfers and subsidies</b>		<b>1 056</b>	<b>171 785</b>
<b>Expenditure for capital assets</b>			
Tangible assets	<u>10</u>	38 795	15 312
<b>Total expenditure for capital assets</b>		<b>38 795</b>	<b>15 312</b>
Unauthorised expenditure approved without funding	<u>11</u>	2 567	-
Payments for financial assets	<u>8</u>	1 136	4 944
<b>TOTAL EXPENDITURE</b>		<b>475 905</b>	<b>636 399</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>9 655</b>	<b>55 951</b>
<b>Reconciliation of Net Surplus for the year</b>			
Voted funds	<u>15</u>	6 731	32 358
Departmental revenue and NRF Receipts	<u>16</u>	2 924	1 726
Aid assistance	<u>4</u>	-	21 867
<b>SURPLUS FOR THE YEAR</b>		<b>9 655</b>	<b>55 951</b>



## ANNUAL FINANCIAL STATEMENTS

### STATEMENT OF FINANCIAL POSITION

as at 31 March 2016

POSITION	Note	2015/16	2014/15
		R'000	R'000
<b>ASSETS</b>			
<b>Current assets</b>		<b>8 030</b>	<b>52 548</b>
Unauthorised expenditure	<u>11</u>	-	45 506
Cash and cash equivalents	<u>12</u>	1 570	89
Prepayments and advances	<u>13</u>	1 118	267
Receivables	<u>14</u>	5 342	6 686
Aid assistance receivable	<u>4</u>	-	-
<b>Non-current assets</b>		<b>5</b>	<b>662</b>
Receivables	<u>14</u>	5	662
<b>TOTAL ASSETS</b>		<b>8 035</b>	<b>53 210</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>7 698</b>	<b>53 047</b>
Voted funds to be surrendered to the Revenue Fund	<u>15</u>	6 731	32 358
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>16</u>	119	441
Bank overdraft	<u>17</u>	-	2 115
Payables	<u>18</u>	848	555
Aid assistance unutilised	<u>4</u>	-	17 578
<b>TOTAL LIABILITIES</b>		<b>7 698</b>	<b>53 047</b>
<b>NET ASSETS</b>		<b>337</b>	<b>163</b>
<b>Represented by:</b>			
Recoverable revenue		337	163
<b>TOTAL</b>		<b>337</b>	<b>163</b>



## ANNUAL FINANCIAL STATEMENTS

### STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2016

NET ASSETS	Note	2015/16	2014/15
		R'000	R'000
<b>RECOVERABLE REVENUE</b>			
Opening balance		163	131
Transfers:		174	32
Debts raised		174	32
Closing balance		337	163
<b>TOTAL</b>		<b>337</b>	<b>163</b>



## ANNUAL FINANCIAL STATEMENTS

### CASH FLOW STATEMENT

for the year ended 31 March 2015

CASH FLOW	Note	2015/16	2014/15
		R'000	R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>485 065</b>	<b>692 242</b>
Annual appropriated funds received	<u>1.1</u>	475 929	652 170
Statutory appropriated funds received	<u>2</u>	5 726	5 450
Departmental revenue received	<u>3</u>	2 322	1 512
Interest received	<u>3.2</u>	107	106
Aid assistance received	Annex 1E	981	33 004
Net (increase)/decrease in working capital		46 949	1 612
Surrendered to Revenue Fund		(35 604)	(15 025)
Surrendered to RDP Fund/Donor		(17 578)	-
Current payments		(434 918)	(444 348)
Interest paid	<u>7</u>	-	(10)
Payments for financial assets	<u>8</u>	(1 136)	(4 944)
Transfers and subsidies paid		(1 056)	(171 785)
<b>Net cash flow available from operating activities</b>	<u>19</u>	<b>41 722</b>	<b>57 742</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	<u>10</u>	(38 795)	(15 312)
Proceeds from sale of capital assets	<u>3.3</u>	495	108
(Increase)/decrease in other financial assets		-	-
<b>Net cash flows from investing activities</b>		<b>(38 300)</b>	<b>(15 204)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in net assets		174	32
<b>Net cash flows from financing activities</b>		<b>174</b>	<b>32</b>
Net increase/(decrease) in cash and cash equivalents		3 596	42 570
Cash and cash equivalents at beginning of period		(2 026)	(44 596)
<b>Cash and cash equivalents at end of period</b>	<u>20</u>	<b>1 570</b>	<b>(2 026)</b>



# ANNUAL FINANCIAL STATEMENTS

## ACCOUNTING POLICIES

for the year ended 31 March 2015

### Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

#### 1 Basis of preparation

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

#### 2 Going concern

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

#### 3 Presentation currency

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

#### 4 Rounding

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

#### 5 Foreign currency translation

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

#### 6 Comparative information

##### 6.1 Prior period comparative information

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

##### 6.2 Current year comparison with budget

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

#### 7 Revenue

##### 7.1 Appropriated funds

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

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

##### 7.2 Departmental revenue

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

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

##### 7.3 Accrued departmental revenue

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

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

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

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

#### 8 Expenditure

##### 8.1 Compensation of employees

###### 8.1.1 Salaries and wages

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

###### 8.1.2 Social contributions

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

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

##### 8.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.



# ANNUAL FINANCIAL STATEMENTS

## ACCOUNTING POLICIES

for the year ended 31 March 2015

<b>8.3</b>	<b>Accrued expenditure payable</b>
	Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department or in the case of transfers and subsidies when they are due and payable. Accrued expenditure payable is measured at cost.
<b>8.4</b>	<b>Leases</b>
<b>8.4.1</b>	<b>Operating leases</b>
	Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.
<b>8.4.2</b>	<b>Finance leases</b>
	Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: <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>	<b>Aid assistance received</b>
	Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
<b>9.2</b>	<b>Aid assistance paid</b>
	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.
<b>10</b>	<b>Cash and cash equivalents</b>
	Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
<b>11</b>	<b>Prepayments and advances</b>
	Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.
<b>12</b>	<b>Loans and receivables</b>
	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.
<b>13</b>	<b>Investments</b>
	Investments are recognised in the statement of financial position at cost.
<b>14</b>	<b>Financial assets</b>
<b>14.1</b>	<b>Financial assets (not covered elsewhere)</b>
	A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial. 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.
<b>14.2</b>	<b>Impairment of financial assets</b>
	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.
<b>15</b>	<b>Payables</b>
	Loans and payables are recognised in the statement of financial position at cost.
<b>16</b>	<b>Capital Assets</b>
<b>16.1</b>	<b>Immovable capital assets</b>
	Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of immovable capital assets cannot be determined reliably, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.



# ANNUAL FINANCIAL STATEMENTS

## ACCOUNTING POLICIES

for the year ended 31 March 2015

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### 16.2 Movable capital assets

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

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

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

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

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

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### 16.3 Intangible assets

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

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

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

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

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

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

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## 17 Provisions and Contingents

### 17.1 Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

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### 17.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

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### 17.3 Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

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### 17.4 Commitments

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

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## 18 Unauthorised expenditure

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

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

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

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## 19 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

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

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

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## 20 Irregular expenditure

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

Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

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# ANNUAL FINANCIAL STATEMENTS

## ACCOUNTING POLICIES

for the year ended 31 March 2015

<b>21</b>	<p><b>Changes in accounting policies, accounting estimates and errors</b></p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</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>
<b>22</b>	<p><b>Events after the reporting date</b></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>Departures from the MCS requirements</b></p> <p>Management has concluded that the financial statements present fairly the department's primary and secondary information and that the department complied with the Standard.</p>
<b>24</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>25</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>26</b>	<p><b>Related party transactions</b></p> <p>A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.</p>
<b>27</b>	<p><b>Inventories</b></p> <p>At the date of acquisition, inventories are recorded at cost price in the notes to the financial statements</p> <p>Where inventories are acquired as part of a non-exchange transaction, the cost of inventory is its fair value at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or the lower of cost and current replacement value.</p>
<b>28</b>	<p><b>Public-Private Partnerships</b></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>



## ANNUAL FINANCIAL STATEMENTS

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

#### I. ANNUAL APPROPRIATION

##### I.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:

	2015/16			2014/15	
	Final Appropriation	Actual Funds Received	Funds not requested/not received	Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration	446 242	446 242	-	460 247	460 247
Executive Support	29 687	29 687	-	24 237	24 237
International Marketing and Communications	-	-	-	167 686	167 686
<b>TOTAL</b>	<b>475 929</b>	<b>475 929</b>	<b>-</b>	<b>652 170</b>	<b>652 170</b>

#### 2. STATUTORY APPROPRIATION

	2015/16	2014/15
	R'000	R'000
President and Deputy President salaries	5 726	5 450
<b>TOTAL</b>	<b>5 726</b>	<b>5 450</b>
Actual Statutory Appropriation received	<u>5 726</u>	<u>5 450</u>

#### 3. DEPARTMENTAL REVENUE

	Note	2015/16	2014/15
		R'000	R'000
Sales of goods and services other than capital assets	3.1	355	347
Interest, dividends and rent on land	3.2	107	106
Sales of capital assets	3.3	495	108
Transactions in financial assets and liabilities	3.4	1 967	119
Transfer received	3.5	-	1 046
Total revenue collected		<u>2 924</u>	<u>1 726</u>
<b>Departmental revenue collected</b>		<b><u>2 924</u></b>	<b><u>1 726</u></b>

##### 3.1 Sales of goods and services other than capital assets

	Note	2015/16	2014/15
		R'000	R'000
Sales of goods and services produced by the department		355	347
Sales by market establishment		179	184
Other sales		176	163
<b>TOTAL</b>		<b><u>355</u></b>	<b><u>347</u></b>

##### 3.2 Interest, dividends and rent on land

	Note	2015/16	2014/15
		R'000	R'000
Interest		107	106
<b>TOTAL</b>		<b><u>107</u></b>	<b><u>106</u></b>

##### 3.3 Sale of capital assets

	Note	2015/16	2014/15
		R'000	R'000
<b>Tangible assets</b>		495	108
Machinery and equipment	32.2	<u>495</u>	<u>108</u>



### 3.4 Transactions in financial assets and liabilities

	Note	2015/16	2014/15
	3	R'000	R'000
Other Receipts including Recoverable Revenue		1 967	119
<b>TOTAL</b>		<b>1 967</b>	<b>119</b>

### 3.5 Transfers received

	Note	2015/16	2014/15
	3	R'000	R'000
Public corporations and private enterprises		-	1 046
<b>TOTAL</b>		<b>-</b>	<b>1 046</b>

## 4. AID ASSISTANCE

	Note	2015/16	2014/15
		R'000	R'000
Opening Balance		17 578	(4 289)
Prior period error		-	-
Transferred from statement of financial performance		-	21 867
Paid during the year		(17 578)	-
<b>Closing Balance</b>		<b>-</b>	<b>17 578</b>

### 4.1 Analysis of balance by source

	Note	2015/16	2014/15
	4	R'000	R'000
Aid assistance from RDP		-	17 578
<b>Closing balance</b>		<b>-</b>	<b>17 578</b>

### 4.2 Analysis of balance

	Note	2015/16	2014/15
		R'000	R'000
Aid assistance receivable	4	-	-
Aid assistance unutilised	4	-	17 578
<b>Closing balance</b>		<b>-</b>	<b>17 578</b>

### Prior period error

	Note	2015/16	2014/15
		R'000	R'000
Relating to 2014/15	4		(1)
Rounding			(1)

## 5. COMPENSATION OF EMPLOYEES

### 5.1 Salaries and Wages

	Note	2015/16	2014/15
		R'000	R'000
Basic salary		189 495	184 063
Performance award		4 172	4 440
Service Based		146	320
Compensative/circumstantial		20 763	19 560
Other non-pensionable allowances		48 060	48 496
<b>TOTAL</b>		<b>262 636</b>	<b>256 879</b>



## ANNUAL FINANCIAL STATEMENTS

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

#### 5.2 Social contributions

	Note	2015/16	2014/15
		R'000	R'000
<b>EMPLOYER CONTRIBUTIONS</b>			
Pension		22 012	21 526
Medical		10 407	8 357
Bargaining council		43	41
<b>TOTAL</b>		<b>32 462</b>	<b>29 924</b>
<b>Total compensation of employees</b>	5	<b>295 098</b>	<b>286 803</b>
Average number of employees		651	621

#### 6. GOODS AND SERVICES

	Note	2015/16	2014/15
		R'000	R'000
Administrative fees		2 767	2 258
Advertising		1 063	906
Minor assets	6.1	934	2 635
Bursaries (employees)		1 094	1 075
Catering		2 399	3 302
Communication		17 220	15 408
Computer services	6.2	5 946	16 177
Consultants: Business and advisory services		3 779	3 932
Legal services		9 110	6 774
Contractors		1 207	4 415
Agency and support / outsourced services		2 517	6 452
Entertainment		7	109
Audit cost – external	6.3	4 432	5 371
Fleet services		2 558	2 044
Consumables	6.4	7 893	9 715
Operating leases		4 966	4 720
Property payments	6.5	434	407
Rental and hiring		1 425	524
Travel and subsistence	6.6	60 838	53 515
Venues and facilities		859	1 302
Training and development		2 507	2 025
Other operating expenditure	6.7	2 319	3 353
<b>TOTAL</b>		<b>136 274</b>	<b>146 419</b>

#### 6.1 Minor assets

	Note	2015/16	2014/15
	6	R'000	R'000
<b>TANGIBLE ASSETS</b>			
Heritage assets		11	-
Machinery and equipment		923	2 635
<b>Intangible assets</b>		<b>-</b>	<b>-</b>
<b>TOTAL</b>		<b>934</b>	<b>2 635</b>

#### 6.2 Computer services

	Note	2015/16	2014/15
	6	R'000	R'000
SITA computer services		2 384	7 393
External computer service providers		3 562	8 784
<b>TOTAL</b>		<b>5 946</b>	<b>16 177</b>

### 6.3 Audit cost – External

	Note	2015/16	2014/15
	6	R'000	R'000
Regularity audits		4 432	5 371
<b>TOTAL</b>		<b>4 432</b>	<b>5 371</b>

### 6.4 Consumables

	Note	2015/16	2014/15
	6	R'000	R'000
<b>Consumable supplies</b>		<b>3 538</b>	<b>5 176</b>
Uniform and clothing		682	1 632
Household supplies		2 710	3 304
Building material and supplies		16	150
Communication accessories		21	46
IT consumables		87	17
Other consumables		22	27
Stationery, printing and office supplies		4 355	4 539
<b>TOTAL</b>		<b>7 893</b>	<b>9 715</b>

### 6.5 Property payments

	Note	2015/16	2014/15
	6	R'000	R'000
Other		434	407
<b>TOTAL</b>		<b>434</b>	<b>407</b>

### 6.6 Travel and subsistence

	Note	2015/16	2014/15
	6	R'000	R'000
Local		29 043	33 677
Foreign		31 795	19 838
<b>TOTAL</b>		<b>60 838</b>	<b>53 515</b>

### 6.7 Other operating expenditure

	Note	2015/16	2014/15
	6	R'000	R'000
Professional bodies, membership and subscription fees		369	301
Resettlement costs		314	239
Other		1 636	2 813
<b>TOTAL</b>		<b>2 319</b>	<b>3 353</b>

## 7. INTEREST AND RENT ON LAND

	Note	2015/16	2014/15
	6	R'000	R'000
Interest paid		-	10
<b>TOTAL</b>		<b>-</b>	<b>10</b>



## ANNUAL FINANCIAL STATEMENTS

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

#### 8. PAYMENTS FOR FINANCIAL ASSETS

	Note	2015/16	2014/15
		R'000	R'000
<b>Material losses through criminal conduct</b>		-	92
Theft	8.2	-	92
Other material losses	8.1	761	4 835
Debts written off	8.4	368	-
Forex losses	8.3	7	17
<b>TOTAL</b>		<b>1 136</b>	<b>4 944</b>

#### 8.1 Other material losses written off

	Note	2015/16	2014/15
	8	R'000	R'000
<b>NATURE OF LOSSES</b>			
Irrecoverable expenditure		550	3 021
Damages and losses		211	-
Vehicle Accident		-	737
Miscellaneous		-	1 077
<b>TOTAL</b>		<b>761</b>	<b>4 835</b>

#### 8.2 Details of theft

	Note	2015/16	2014/15
	8	R'000	R'000
<b>NATURE OF THEFT</b>			
Lost assets		-	89
Lost Luggage		-	3
<b>TOTAL</b>		<b>-</b>	<b>92</b>

#### 8.3 Forex losses

	Note	2015/16	2014/15
	8	R'000	R'000
<b>NATURE OF LOSSES</b>			
Exchange rate		7	17
<b>TOTAL</b>		<b>7</b>	<b>17</b>

#### 8.4 Debts written off

	Note	2015/16	2014/15
	8	R'000	R'000
<b>NATURE OF LOSSES</b>			
Irrecoverable debts		368	-
<b>TOTAL</b>		<b>368</b>	<b>-</b>

#### 9. TRANSFERS AND SUBSIDIES

	Note	2015/16	2014/15
		R'000	R'000
Provinces and municipalities	Annex 1A	4	9
Departmental agencies and accounts	Annex 1B	3	168 683
Households	Annex 1C	1 049	3 093
<b>TOTAL</b>		<b>1 056</b>	<b>171 785</b>



## 10. EXPENDITURE FOR CAPITAL ASSETS

	Note	2015/16 R'000	2014/15 R'000
<b>Tangible assets</b>		<b>38 795</b>	<b>15 312</b>
Machinery and equipment	32	38 795	15 312
<b>Intangible assets</b>		<b>-</b>	<b>-</b>
Software	33	-	-
<b>TOTAL</b>		<b>38 795</b>	<b>15 312</b>

### 10.1 Analysis of funds utilised to acquire capital assets – 2015/16

	Voted funds R'000	Aid assistance R'000	Total R'000
<b>Tangible assets</b>	<b>38 793</b>	<b>2</b>	<b>38 795</b>
Machinery and equipment	38 793	2	38 795
<b>Intangible assets</b>	<b>-</b>	<b>-</b>	<b>-</b>
Software	-	-	-
<b>TOTAL</b>	<b>38 793</b>	<b>2</b>	<b>38 795</b>

### 10.2 Analysis of funds utilised to acquire capital assets – 2014/15

	Voted funds R'000	Aid assistance R'000	Total R'000
<b>Tangible assets</b>	<b>15 301</b>	<b>11</b>	<b>15 312</b>
Machinery and equipment	15 301	11	15 312
<b>Intangible assets</b>	<b>-</b>	<b>-</b>	<b>-</b>
Software	-	-	-
<b>TOTAL</b>	<b>15 301</b>	<b>11</b>	<b>15 312</b>

### 10.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2015/16 R'000	2014/15 R'000
<b>TANGIBLE ASSETS</b>			
Machinery and equipment		5 770	4 433
<b>TOTAL</b>		<b>5 770</b>	<b>4 433</b>

## 11. UNAUTHORISED EXPENDITURE

### 11.1 Reconciliation of unauthorised expenditure

	Note	2015/16 R'000	2014/15 R'000
Opening balance	11	45 506	45 506
Less: Amounts approved by Parliament with funding		(42 939)	-
Less: Amounts approved by Parliament without funding and written off in the Statement of Financial Performance (Current)		(2 567)	-
<b>Closing balance</b>		<b>-</b>	<b>45 506</b>



## ANNUAL FINANCIAL STATEMENTS

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

#### 11.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	Note	2015/16	2014/15
		R'000	R'000
Current	11	-	45 506
<b>TOTAL</b>		<b>-</b>	<b>45 506</b>

#### 11.3 Analysis of unauthorised expenditure awaiting authorisation per type

	Note	2015/16	2014/15
		R'000	R'000
Unauthorised expenditure relating to overspending of the vote or a main division within the vote	11	-	45 506
<b>TOTAL</b>		<b>-</b>	<b>45 506</b>

#### 12. CASH AND CASH EQUIVALENTS

	Note	2015/16	2014/15
		R'000	R'000
Consolidated Paymaster General Account		1 471	-
Cash on hand		99	89
<b>TOTAL</b>		<b>1 570</b>	<b>89</b>

#### 13. PREPAYMENTS AND ADVANCES

	Note	2015/16	2014/15
		R'000	R'000
Travel and subsistence		78	14
Prepayments (Not expensed)	13.2	642	198
Advances paid	13.1	398	55
<b>TOTAL</b>		<b>1 118</b>	<b>267</b>

##### 13.1 Advances paid

	Note	2015/16	2014/15
		R'000	R'000
National departments	13 <i>Annexure 7A</i>	398	55
<b>TOTAL</b>		<b>398</b>	<b>55</b>

##### 13.2 Prepayments (Not expensed)

ECONOMIC CLASSIFICATION	Note	2015/16	2014/15
		R'000	R'000
Goods and services	13	642	198
<b>TOTAL</b>		<b>642</b>	<b>198</b>

##### 13.3 Prepayments (Expensed)

ECONOMIC CLASSIFICATION	Note	2015/16	2014/15
		R'000	R'000
Goods and services	13	2 721	6 624
Transfer payments		4	5
<b>TOTAL</b>		<b>2 725</b>	<b>6 629</b>



#### 14. RECEIVABLES

	Note	2015/16			2014/15		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable	14.1	2 995	-	2 995	4 309	-	4 309
Recoverable expenditure	14.3	8	-	8	774	-	774
Staff debt	14.4	589	5	594	31	662	693
Other debtors	14.5	1 750	-	1 750	1 572	-	1 572
<b>TOTAL</b>		<b>5 342</b>	<b>5</b>	<b>5 347</b>	<b>6 686</b>	<b>662</b>	<b>7 348</b>

The age analysis on the comparative figures was restated in terms of Current and Non-current to bring it in line with the reporting requirements.

##### 14.1 Claims recoverable

	Note	2015/16	2014/15
	14 and Annex 4	R'000	R'000
National departments		2 995	4 007
Private enterprises		-	302
<b>TOTAL</b>		<b>2 995</b>	<b>4 309</b>

##### 14.2 Recoverable expenditure (disallowance accounts)

	Note	2015/16	2014/15
	14	R'000	R'000
Disallowance miscellaneous		8	774
<b>TOTAL</b>		<b>8</b>	<b>774</b>

##### 14.3 Staff debt

	Note	2015/16	2014/15
	14	R'000	R'000
Salary Tax debt Account		1	
Debt Account		593	693
<b>TOTAL</b>		<b>594</b>	<b>693</b>

##### 14.4 Other debtors

	Note	2015/16	2014/15
	14	R'000	R'000
Theft and Losses		1 750	1 572
<b>TOTAL</b>		<b>1 750</b>	<b>1 572</b>

##### 14.5 Impairment of receivables

	Note	2015/16	2014/15
		R'000	R'000
Estimate of impairment of receivables		1 068	1 310
<b>TOTAL</b>		<b>1 068</b>	<b>1 310</b>

#### 15. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

	Note	2015/16	2014/15
		R'000	R'000
Opening balance		32 358	13 727
Transfer from statement of financial performance		6 731	32 358
Paid during the year		(32 358)	(13 727)
<b>Closing balance</b>		<b>6 731</b>	<b>32 358</b>



## ANNUAL FINANCIAL STATEMENTS

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

#### 16. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND

	Note	2015/16	2014/15
		R'000	R'000
Opening balance		441	13
Transfer from Statement of Financial Performance		2 924	1 726
Paid during the year		(3 246)	(1 298)
<b>Closing balance</b>		<b>119</b>	<b>441</b>

#### 17. BANK OVERDRAFT

	Note	2015/16	2014/15
		R'000	R'000
Consolidated Paymaster General Account		-	2 114
<b>TOTAL</b>		<b>-</b>	<b>2 114</b>

#### 18. PAYABLES – CURRENT

	Note	2015/16	2014/15
		R'000	R'000
Clearing accounts	18.2	848	528
Other payables	18.1	-	27
<b>TOTAL</b>		<b>848</b>	<b>555</b>

##### 18.1 Other payables

	Note	2015/16	2014/15
		R'000	R'000
Credit notes received	18	-	27
<b>TOTAL</b>		<b>-</b>	<b>27</b>

##### 18.2 Clearing accounts

	Note	2015/16	2014/15
		R'000	R'000
Salary deduction		792	527
Various creditors		56	1
<b>TOTAL</b>		<b>848</b>	<b>528</b>

#### 19. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

	Note	2015/16	2014/15
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		9 655	55 951
Add back non cash/cash movements not deemed operating activities		32 067	1 791
(Increase)/decrease in receivables – current		2 001	191
(Increase)/decrease in prepayments and advances		(851)	1 096
(Increase)/decrease in other current assets		45 506	-
Increase/(decrease) in payables – current		293	325
Proceeds from sale of capital assets		(495)	(108)
Expenditure on capital assets		38 795	15 312
Surrenders to Revenue Fund		(35 604)	(15 025)
Surrenders to RDP Fund/Donor		(17 578)	-
<b>Net cash flow generated by operating activities</b>		<b>41 722</b>	<b>57 742</b>



## 20. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

	Note	2015/16	2014/15
		R'000	R'000
Consolidated Paymaster General account		1 471	(2 115)
Cash on hand		99	89
<b>TOTAL</b>		<b>1 570</b>	<b>(2 026)</b>

## 21. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

### 21.1 Contingent liabilities

	Note	2015/16	2014/15
		R'000	R'000
<b>LIABLE TO NATURE</b>			
Claims against the department	Annex 3A	3 540	67 472
Intergovernmental payables (unconfirmed balances)	Annex 5	7 637	2 218
<b>TOTAL</b>		<b>11 177</b>	<b>69 690</b>

The Constitutional Court ordered on 31 March 2016 in respect of cases CCT 143/15 and CCT 171/15 that the President, the Minister of Police and the National Assembly must pay costs of the applications including the costs of two counsels. The Presidency is liable for one third of the legal costs. The amount in question is yet to be determined by the taxing master. Rule 45(2) of the Uniform Rules of the High Court provides that "No process of execution shall issue for levying and raising of any costs awarded by the court to any party, until they have been taxed by the taxing master or agreed to in writing by the party concerned in a fixed sum."

## 22. COMMITMENTS

	Note	2015/16	2014/15
		R'000	R'000
<b>CURRENT EXPENDITURE</b>			
Approved and contracted		7 393	16 834
Approved but not yet contracted		16 506	1 512
		<b>23 899</b>	<b>18 346</b>
<b>CAPITAL EXPENDITURE</b>			
Approved and contracted		1 112	402
		<b>1 112</b>	<b>402</b>
<b>Total Commitments</b>		<b>25 011</b>	<b>18 748</b>

7 Commitments that have been approved and contracted are longer than 1 year. 8 commitments that have been approved but not contracted are longer than 1 year.



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for the year ended 31 March 2016

#### 23. ACCRUALS AND PAYABLES NOT RECOGNISED

##### 23.1 Accruals

	2015/16			2014/15
	R'000			R'000
<b>LISTED BY ECONOMIC CLASSIFICATION</b>				
	30 Days	30+ Days	Total	Total
Goods and services	20 372	8 747	29 119	14 374
Capital assets	1 307	12	1 319	491
<b>TOTAL</b>	<b>21 679</b>	<b>8 759</b>	<b>30 438</b>	<b>14 865</b>

	Note	2015/16	2014/15
		R'000	R'000
<b>LISTED BY PROGRAMME LEVEL</b>			
Administration		30 044	14 865
Executive support		394	-
<b>TOTAL</b>		<b>30 438</b>	<b>14 865</b>

Excluded from the above totals are the following:

Confirmed balances with other departments	3 026	-
<b>TOTAL</b>	<b>3 026</b>	<b>-</b>

The increase in accruals is due to a change in process for travelling costs. International travel was previously managed by the Department of Internal Relations Corporation through advances which was reported under Assets and Liabilities. The processes has been subsequently revised to expense the travel claims directly with the travel agent which has proportionally increased direct expenses

#### 24. EMPLOYEE BENEFITS

	Note	2015/16	2014/15
		R'000	R'000
Leave entitlement		11 408	12 043
Service bonus (Thirteenth cheque)		6 471	6 285
Performance awards		4 442	4 499
Capped leave commitments		4 597	5 332
Long service awards		139	175
<b>TOTAL</b>		<b>27 057</b>	<b>28 334</b>

Negative leave amounts to R240 710.47 (151.47 days)

#### 25. LEASE COMMITMENTS

##### 25.1 Operating leases expenditure

2015/16	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	626	626
Later than five years	-	-	-	381	381
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 007</b>	<b>1 007</b>

2014/15	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	1 579	1 579
Later than five years	-	-	-	604	604
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 183</b>	<b>2 183</b>

G-fleet vehicle  
Cell phones where contracts were not upgraded



## 25.2 Finance leases expenditure

2015/16	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	5 135	5 135
Later than five years	-	-	-	2 240	2 240
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 375</b>	<b>7 375</b>

2014/15	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	4 725	4 725
Later than five years	-	-	-	2 113	2 113
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 838</b>	<b>6 838</b>

Cell phones  
Photo copiers

## 26. ACCRUED DEPARTMENTAL REVENUE

	Note	2015/16 R'000	2014/15 R'000
Interest, dividends and rent on land		-	6
Sales of capital assets		-	350
<b>TOTAL</b>		<b>-</b>	<b>356</b>

### 26.1 Analysis of accrued departmental revenue

	Note	2015/16 R'000	2014/15 R'000
Opening balance		356	109
Less: amounts received		356	111
Add: amounts recognised		-	358
<b>Closing balance</b>		<b>-</b>	<b>356</b>

## 27. IRREGULAR EXPENDITURE

### 27.1 Reconciliation of irregular expenditure

	Note	2015/16 R'000	2014/15 R'000
Opening balance		13 554	16 238
Prior period error		-	(607)
As restated		13 554	15 631
Add: Irregular expenditure – relating to current year		4 061	-
Less: Prior year amounts condoned		-	(1 451)
Less: Amounts not recoverable (not condoned)		(3 742)	(626)
<b>Closing balance</b>		<b>13 873</b>	<b>13 554</b>

#### Analysis of awaiting condonation per age classification

Current year	4 061	-
Prior years	9 812	13 554
<b>TOTAL</b>	<b>13 873</b>	<b>13 554</b>



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for the year ended 31 March 2016

#### 27.2 Details of irregular expenditure – current year

INCIDENT	DISCIPLINARY STEPS TAKEN/CRIMINAL PROCEEDINGS	2015/16 R'000
Non-compliance with practice note 8 of 2007/08	Awaiting condonation	26
Three quotations not obtained		248
Incorrect service provider appointed		99
Requirement for local content not adhered to*		2 615
Valid payment authorised without delegation		1 073
<b>TOTAL</b>		<b>4 061</b>

\*Note: The entire population for the above-mentioned cases will be investigated and reported on in the 2016/17 financial year.

#### 27.3 Details of irregular expenditure not recoverable (not condoned)

INCIDENT	NOT CONDONED BY (CONDONING AUTHORITY)	2014/15 R'000
Total amount of prior years' irregular expenditure to be de-recognised in 2015/16		3 742
<b>TOTAL</b>		<b>3 742</b>

IRREGULAR EXPENDITURE UNDER INVESTIGATION	(NOT INCLUDED IN THE MAIN NOTE)	2014/15 R'000
Tender advertised for a reduced period		4 813
Services not tendered for within reasonable period		1 353
<b>TOTAL</b>		<b>6 166</b>

#### 27.4 Prior period errors

IRREGULAR EXPENDITURE UNDER INVESTIGATION	(NOT INCLUDED IN THE MAIN NOTE)	2015/16 R'000
Amount condoned but not disclosed (2011/12)		57
Transferred to receivables (amount duplicated)		(44)
Duplicated amount		(620)
<b>TOTAL</b>		<b>(607)</b>

### 28. FRUITLESS AND WASTEFUL EXPENDITURE

#### 28.1 Reconciliation of fruitless and wasteful expenditure

	Note	2015/16 R'000	2014/15 R'000
Opening balance		1 143	1 379
Fruitless and wasteful expenditure – relating to prior year		20	3 031
Less: Amount resolved		(44)	(3 267)
<b>Fruitless and wasteful expenditure awaiting resolution</b>		<b>1 119</b>	<b>1 143</b>

#### 28.2 Analysis of awaiting resolution per economic classification

	Note	2015/16 R'000	2014/15 R'000
Current		1 119	1 143
<b>TOTAL</b>		<b>1 119</b>	<b>1 143</b>

### 28.3 Analysis of Current year's fruitless and wasteful expenditure

INCIDENT	DISCIPLINARY STEPS TAKEN/CRIMINAL PROCEEDINGS	2014/15 R'000
Long service certificates incorrectly	Under investigation	6
Late cancellation of car rental	Under investigation	6
Cancellation of training	Under investigation	8
<b>TOTAL</b>		<b>20</b>

### 29. KEY MANAGEMENT PERSONNEL

	No. of Individuals	2015/16 R'000	2014/15 R'000
Political office bearers (provide detail below)	2	5 604	9 173
Officials:			
Level 15 to 16	22	29 221	27 613
Level 14 (incl. CFO if at a lower level)	24	20 859	21 497
<b>TOTAL</b>		<b>55 684</b>	<b>58 283</b>

### 30. PROVISIONS

	Note	2015/16 R'000	2014/15 R'000
Legal cases finalised		328	730
<b>TOTAL</b>		<b>328</b>	<b>730</b>

#### 30.1 Reconciliation of movement in provisions – 2015/16

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Total provisions R'000
Opening balance	530	200	-	730
Increase in provision	-	-	42	42
Settlement of provision	(244)	(200)	-	(444)
<b>Closing balance</b>	<b>286</b>	<b>-</b>	<b>42</b>	<b>328</b>

#### 30.2 Reconciliation of movement in provisions – 2014/15

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Total provisions R'000
Opening balance	150	-	-	150
Increase in provision	-	2 817	200	3 017
Settlement of provision	(100)	(2 287)	-	(2 387)
Unused amount reversed	-	-	-	-
Reimbursement expected from third party	-	-	-	-
Change in provision due to change in estimation of inputs	(50)	-	-	(50)
<b>Closing balance</b>	<b>-</b>	<b>530</b>	<b>200</b>	<b>730</b>



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#### 31. MOVABLE TANGIBLE CAPITAL ASSETS

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

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>63 005</b>	<b>-</b>	<b>6 666</b>	<b>(7 030)</b>	<b>62 641</b>
Transport assets	5 528	-	696	(2 728)	3 496
Computer equipment	35 944	-	2 876	(3 014)	35 806
Furniture and office equipment	16 259	-	2 603	(1 070)	17 792
Other machinery and equipment	5 274	-	491	(218)	5 547
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>63 005</b>	<b>-</b>	<b>6 666</b>	<b>(7 030)</b>	<b>62 641</b>

Moveable tangible assets under investigation

Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation

	Number	Value
Machinery and equipment	53	1 661

#### 31.1 Additions

##### ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Cash*	Non-cash**	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>38 795</b>	<b>165</b>	<b>(33 601)</b>	<b>1 307</b>	<b>6 666</b>
Transport assets	696	-	-	-	696
Computer equipment	29 741	27	(27 456)	564	2 876
Furniture and office equipment	2 269	122	(375)	587	2 603
Other machinery and equipment	6 089	16	(5 770)	156	491
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>38 795</b>	<b>165</b>	<b>(33 601)</b>	<b>1 307</b>	<b>6 666</b>

The non-cash relates to the transfer of assets from the Department of Women. The Work-in-progress relates to the upgrade of the PABX telephone system.

#### 31.2 Disposals

##### DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>-</b>	<b>7 030</b>	<b>7 030</b>	<b>495</b>
Transport assets	-	2 728	2 728	495
Computer equipment	-	3 014	3 014	-
Furniture and office equipment	-	1 070	1 070	-
Other machinery and equipment	-	218	218	-
<b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>-</b>	<b>7 030</b>	<b>7 030</b>	<b>495</b>

Note: The actual cash received is for vehicles that were sold in 2014/15



### 31.3 Movement for 2014/15

#### MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>57 352</b>	<b>(426)</b>	<b>11 056</b>	<b>(4 977)</b>	<b>63 005</b>
Transport assets	7 029	-	1 637	(3 138)	5 528
Computer equipment	32 999	(383)	4 192	(864)	35 944
Furniture and office equipment	14 563	(34)	2 638	(908)	16 259
Other machinery and equipment	2 761	(9)	2 589	(67)	5 274
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>57 352</b>	<b>(426)</b>	<b>11 056</b>	<b>(4 977)</b>	<b>63 005</b>

#### 31.3.1 Prior period error

	Note	2014/15
		R'000
<b>NATURE OF PRIOR PERIOD ERROR</b>		
Net effect		(426)
Computer equipment reclassified		(37)
Furniture and Office Equipment reclassified		45
Other machinery reclassified and duplicated assets corrected		(17)
Computer equipment written off in prior period		(346)
Adjustment of asset returned to supplier		(71)
<b>TOTAL</b>		<b>(426)</b>

### 31.4 Minor Assets

#### 31.4.1 MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2016

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	19 188	-	19 188
Additions	-	-	-	1 079	-	1 079
Disposals	-	-	-	(1 255)	-	(1 255)
<b>TOTAL MINOR ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19 012</b>	<b>-</b>	<b>19 012</b>

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Number of RI minor assets	-	-	-	346	-	346
Number of minor assets at cost	-	-	-	14 848	-	14 848
	<b>-</b>	<b>-</b>	<b>-</b>	<b>15 194</b>	<b>-</b>	<b>15 194</b>

#### Minor Capital Assets under investigation

	Number	Value
		R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	103	343

*Minor assets under investigation emanate from the previous years, mainly comprising of cell phones and other furniture*



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#### 31.4.2 MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2015

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	17 442	-	17 442
Prior period error	-	-	-	(15)	-	(15)
Additions	-	-	-	2 648	-	2 648
Disposals	-	-	-	(887)	-	(887)
<b>TOTAL MINOR ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19 188</b>	<b>-</b>	<b>19 188</b>

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Number of RI minor assets	-	-	-	339	-	339
Number of minor assets at cost	-	-	-	15 708	-	15 708
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16 047</b>	<b>-</b>	<b>16 047</b>

#### 31.4.3 Prior period error

	Note	2014/15 R'000
<b>NATURE OF PRIOR PERIOD ERROR</b>		
Relating to 2014/15		(15)
Asset duplication		(12)
Assets not received from Department of Justice and Constitutional Development		(3)
Net effect		<b>(15)</b>

#### 31.5 Movable assets written off

##### 31.5.1 ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2016

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	653	-	653
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>653</b>	<b>-</b>	<b>653</b>

##### 31.5.2 MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2015

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	1 652	-	1 652
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 652</b>	<b>-</b>	<b>1 652</b>

#### 32. INTANGIBLE CAPITAL ASSETS

##### 32.1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Intangible assets	837	-	-	-	837
SOFTWARE	837	-	-	-	837
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>837</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>837</b>

##### 32.2 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Intangible assets	837	-	-	-	837
SOFTWARE	837	-	-	-	837
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>837</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>837</b>



### 33. PRIOR PERIOD ERRORS

	Note	2015/16 R'000
<b>NATURE OF PRIOR PERIOD ERROR</b>		
Revenue and expenditure		
Aid assistance rounding		1
Surplus for the year: Aid assistance		(1)
<b>Net Effect</b>		<b>(0)</b>
Irregular expenditure		
Irregular expenditure		(607)
<b>Net Effect</b>		<b>(607)</b>
Assets		
Receivables: Current		1 655
Receivables: Non-current		(1 655)
<b>Net Effect</b>		<b>(0)</b>
Expenditure		
Aid Assistance		1
<b>Net Effect</b>		<b>1</b>
Liabilities		
Bank Overdraft		1
Paymaster General Account		(1)
<b>Net Effect</b>		<b>(0)</b>
Minor Assets		
Correction of asset register		(15)
<b>Net Effect</b>		<b>(15)</b>
Correction of asset register (number of assets)		(11)
<b>Net Effect</b>		<b>(11)</b>
Major Assets		
Correction of asset register		(426)
<b>Net Effect</b>		<b>(426)</b>

The Note on Related Party Transactions was removed as it is now disclosed in the Accounting Officer's Report.

Note 35.2: Transfer of Function Note for the National Planning Commission was not disclosed in the 2014/15 financial statements.

#### Assets and liabilities transferred to the Department of Planning Monitoring and Evaluation:

CURRENT ASSETS	R'000
Receivables	16
Movable Tangible Assets	1 235
<b>Total Assets</b>	<b>1 251</b>
<b>Liabilities</b>	<b>R'000</b>
Commitments	49 195
Accruals	3 309
Employee benefits	1 926
Lease commitments: operating lease	3
Lease commitments: finance lease	266
<b>Total Liabilities</b>	<b>54 699</b>



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#### 34. TRANSFER OF FUNCTIONS

##### 34.1 Ministry

The Ministry was transferred from The Presidency to the Department Planning Monitoring and Evaluation during 2015/16, retrospectively from 1 April 2015, in terms of the National Macro Organisation of the State.

##### 34.1.1 Statement of Financial Position

	Balance per dept 2014/15 before transfer	Functions per dept (transferred)/ received	2014/15 Balance after transfer
	2014/15	2014/15	2014/15
	R'000	R'000	R'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Unauthorised expenditure	45 506	-	45 506
Cash and cash equivalents	89	-	89
Prepayments and advances	267	-	267
Receivables	6 686	-	6 686
<b>Non-Current Assets</b>			
Receivables	662	-	662
<b>TOTAL ASSETS</b>	<b>53 210</b>	<b>-</b>	<b>53 210</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Voted funds to be surrendered to the Revenue Fund	32 358	-	32 358
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	441	-	441
Bank Overdraft	2 115	-	2 115
Payables	555	-	555
Aid assistance unutilised	17 578	-	17 578
<b>TOTAL LIABILITIES</b>	<b>53 047</b>	<b>-</b>	<b>53 047</b>
<b>NET ASSETS</b>	<b>163</b>	<b>-</b>	<b>163</b>

##### 34.1.2 Notes

	Balance per dept 2014/15AFS before transfer	Functions per dept (transferred)/ received	2014 Balance after transfer
	2014/15	2014/15	2014/15
	R'000	R'000	R'000
Contingent liabilities	69 690	-	69 690
Commitments	18 748	(151)	18 597
Accruals	14 865	(2 344)	12 521
Employee benefits	28 334	(2 334)	26 000
Lease commitments – Operating lease	2 183	(1)	2 182
Lease commitments – Finance lease	6 838	(474)	6 364
Accrued departmental revenue	356	-	356
Irregular expenditure	13 554	-	13 554
Fruitless and wasteful expenditure	1 143	-	1 143
Provisions	730	-	730
Movable tangible capital assets*	63 005	(3 536)	59 469
Immovable tangible capital assets	837	-	837

\*The value of assets transferred excludes the following: Aid Assistance funded major assets (R364 000); and Child/Parent assets (R94 000)



## 34.2 National Planning

The National Planning Commission was transferred to the Department of Planning Monitoring and Evaluation during 2014/15 financial year, retrospectively from 1 April 2014, in terms of the National Macro Organisation of the State.

### 34.2.1 Statement of Financial Position

Note	Balance per dept AFS 2013/14 before transfer	Functions per dept (transferred)/ received	2013/14 Balance after transfer
	2013/14	2013/14	2013/14
	R'000	R'000	R'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Unauthorised expenditure	45 506	-	45 506
Cash and cash equivalents	83	-	83
Prepayments and advances	1 363	-	1 363
Receivables	1 991	(16)	1 975
Aid assistance receivable	4 289	-	4 289
<b>Non-Current Assets</b>			
Receivables	5 548	-	5 548
<b>TOTAL ASSETS</b>	<b>58 780</b>	<b>(16)</b>	<b>58 764</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Voted funds to be surrendered to the Revenue Fund	13 727	-	13 727
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	-	13
Bank Overdraft	44 679	-	44 679
Payables	230	-	230
<b>TOTAL LIABILITIES</b>	<b>58 649</b>		<b>58 649</b>
<b>NET ASSETS</b>	<b>131</b>	<b>(16)</b>	<b>115</b>

### 34.2.2 Notes

Note	Balance per dept 2013/14 AFS before transfer	Functions per dept (transferred) /received	2013/14 Balance after transfer
	2013/14	2013/14	2013/14
	R'000	R'000	R'000
Contingent liabilities	5 127	-	5 127
Commitments	54 954	(49 195)	5 759
Accruals	10 787	(3 309)	7 478
Employee benefits	28 322	(1 926)	26 396
Lease commitments – Operating lease	3 494	(3)	3 491
Lease commitments – Finance lease	7 364	(266)	7 098
Accrued departmental revenue	109	-	109
Irregular expenditure	16 238	-	16 238
Fruitless and wasteful expenditure	1 379	-	1 379
Provisions	150	-	150
Movable tangible capital assets	57 352	(1 235)	56 117
Immovable tangible capital assets	837	-	837

The value of assets transferred excludes Child/Parent assets (R105 000)



## ANNUAL FINANCIAL STATEMENTS

### ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

#### ANNEXURE 1A STATEMENT OF OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	TRANSFER ALLOCATION				TRANSFER		2014/15
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
City of Tshwane	4	-	-	4	4	100%	9
<b>TOTAL</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>100%</b>	<b>9</b>

## ANNEXURE IB

### STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2014/15
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Brand South Africa	-	-	-	-	-	-	167 686
SABC (TV Licence)	50	-	-	50	3	6%	2
PSETA	-	-	-	-	-	-	995
<b>TOTAL</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>50</b>	<b>3</b>	<b>-</b>	<b>168 683</b>



## ANNUAL FINANCIAL STATEMENTS

### ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

#### ANNEXURE IC STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2014/15
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>TRANSFERS</b>							
Employee Social Benefit: (leave Gratuity)	687	-	112	799	799	100%	707
Claims against state	137	-	103	240	240	100%	2 386
Social Security	-	-	10	10	10	100%	-
<b>TOTAL</b>	<b>824</b>	<b>-</b>	<b>225</b>	<b>1 049</b>	<b>1 049</b>	<b>100%</b>	<b>3 093</b>



**ANNEXURE ID**  
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2015/16	2014/15
		R'000	R'000
<b>RECEIVED IN CASH</b>			
Cell C	Tupperware lunch boxes for children for take a girl child to school	-	5
Wandies Restaurant	Kiddies packs	-	1
South Africa-China People's Friendship Association	SA-China Dinner	418	-
<b>TOTAL</b>		<b>418</b>	<b>6</b>



## ANNUAL FINANCIAL STATEMENTS

### ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

#### ANNEXURE IE STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	Opening Balance	Revenue	Expenditure	Closing Balance
		R'000	R'000	R'000	R'000
<b>RECEIVED IN CASH</b>					
EU	Programme to support Pro-Poor Policy Development Phase II	17 578	981	(981)	17 578
EU	Programme to Support Pro-Poor Policy Development-Paid to the RDP Fund	-	-	(17 578)*	(17 578)
<b>TOTAL</b>		<b>17 578</b>	<b>981</b>	<b>(18 559)</b>	<b>-</b>

\*Note: The amount of R17,578 million was surrendered to the RDP Fund, although shown as expenditure.

## ANNEXURE IF

### STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2015/16	2014/15
	R'000	R'000
<b>REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE</b>		
Cash donation (Honorarium)	-	2
Donation of redundant furniture to Mabafeng Primary School	-	46
Donation of redundant furniture to Emasangweni Primary School	-	27
Donation of redundant furniture to Lesego Primary School	-	19
Donation of redundant furniture to Bud-Mbelle Primary School	-	21
Donation of redundant furniture to Esikhishini Primary School	-	164
Donation of redundant furniture to Masizani Primary School	-	65
Ms D Ranthako - Employee	1	-
Mr R Nemalili - Employee	1	-
Ms S Mudau - Employee	1	-
Youth for Survival	27	-
North Gauteng Mental Health	19	-
Heaven's Defence Force Ministry	151	-
Onderstenning straat	47	-
Phadima-Gape Organisation	119	-
Hope of life	26	-
Child Welfare Tshwane	12	-
Children on the Move	49	-
Akashosa	44	-
Contribution towards employees funeral	10	-
<b>TOTAL</b>	<b>507</b>	<b>344</b>



## ANNUAL FINANCIAL STATEMENTS

### ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

#### ANNEXURE 2A

#### STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2016

NATURE OF LIABILITY	Opening Balance	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance
	1 April 2016				31 March 2016
	R'000	R'000	R'000	R'000	R'000
<b>CLAIMS AGAINST THE DEPARTMENT</b>					
Pending cases	528	-	528	-	-
Pending cases*	66 944	200	66 944	-	200
New case (Disputed invoices)	-	595	-	-	595
New Case (Disputed invoices)	-	2 316	-	-	2 316
New Case (Disputed invoices)	-	43	-	-	43
New Case (Disputed invoices)	-	386	-	-	386
<b>TOTAL</b>	<b>67 472</b>	<b>3 540</b>	<b>67 472</b>	<b>-</b>	<b>3 540</b>

\*A claim was made against The Presidency and the contingent is for both the claim and the cost of litigation

The quantum of the legal costs relating to a court case has yet to be determined by the taxing master; in terms of Rule 45(2) of the Uniform Rules of the High Court which execution provides that " No process of execution shall issue for levying and raising of any costs awarded by the court to any party, until they have been taxed by the taxing master or agreed to in writing by the party concerned in a fixed sum."



### ANNEXURE 3 CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2015/16	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>DEPARTMENT</b>								
International Relations and Cooperation (DIRCO)	-	-	2 335	3 780	2 335	3 780	-	-
Performance, Monitoring and Evaluation	-	65	640	42	640	107	-	-
Office of the Premier	-	-	-	-	-	-	-	-
SAPS	-	-	-	5	-	5	-	-
Woman Ministry	-	90	-	14	-	104	-	-
Tourism	-	-	-	-	-	-	-	-
DPSA	-	4	-	-	-	4	-	-
Home Affairs	-	-	20	-	20	-	-	-
<b>Subtotal</b>	-	<b>159</b>	<b>2 995</b>	<b>3 841</b>	<b>2 995</b>	<b>4 000</b>	-	-
<b>OTHER GOVERNMENT ENTITIES</b>								
SARS (VAT Clearing ACC)	-	-	-	302	-	302	-	-
State Security Agency	-	-	-	7	-	7	-	-
<b>Subtotal</b>	-	-	-	<b>309</b>	-	<b>309</b>	-	-
<b>TOTAL</b>	-	<b>159</b>	<b>2 995</b>	<b>4 150</b>	<b>2 995</b>	<b>4 309</b>	-	-



## ANNUAL FINANCIAL STATEMENTS

### ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

#### ANNEXURE 4 INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2015/16	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>DEPARTMENTS</b>								
<b>Current</b>								
Higher Education and Training	-	-	5	4	5	4	-	-
Premiers Office: Western Cape	-	-	-	8	-	8	-	-
SAPS	-	-	-	28	-	28	-	-
Gauteng Province: Roads and Transport (G-Fleet)	-	-	-	1 850	-	1 850	-	-
Secretary Defence	-	-	-	328	-	328	-	-
DPME	-	-	19	-	19	-	-	-
Science & Technology	88	-	-	-	88	-	-	-
Department of Home Affairs	-	-	-	-	109	-	-	-
Justice and Constitutional Development	2 938	-	1 275	-	4 213	-	-	-
Department of International Relations and Co-operation	-	-	6 229	-	6 229	-	-	-
<b>TOTAL</b>	<b>3 026</b>	<b>-</b>	<b>7 637</b>	<b>2 218</b>	<b>10 663</b>	<b>2 218</b>	<b>-</b>	<b>-</b>



## ANNEXURE 5 MOVEMENT IN CAPITAL WORK IN PROGRESS

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

	Opening balance	Current Year Capital WIP	Completed Assets	Closing balance
	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	1 396	27 831	-	29 227
Computer equipment	818	27 456	-	28 274
Furniture and office equipment	578	375	-	953
<b>TOTAL</b>	<b>1 396</b>	<b>27 831</b>	<b>-</b>	<b>29 227</b>



## ANNUAL FINANCIAL STATEMENTS

### ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

#### ANNEXURE 6A INTER-ENTITY ADVANCES PAID (Note 13)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015
	R'000	R'000	R'000	R'000	R'000	R'000
<b>NATIONAL DEPARTMENTS</b>						
DIRCO	398	55	-	-	398	55
<b>TOTAL</b>	<b>398</b>	<b>55</b>	<b>-</b>	<b>-</b>	<b>398</b>	<b>55</b>

Note: Advances were paid by The Presidency, hence the disclosure under Confirmed Balances.  
The recipients have yet to confirm receipt of the payments.  
The comparative figures were changed for the same reason.



## ABBREVIATIONS AND ACRONYMS

AFS	Annual Financial Statements
AU	African Union
B-BBEE	Broad-based Black Economic Empowerment
BEEAC	Black Economic Empowerment Advisory Council
BRICS	Brazil, Russia, India, China and South Africa
CFO	Chief Financial Officer
COO	Chief Operations Officer
DG	Director-General
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service and Administration
DIRCO	Department of International Relations and Cooperation
FMPPI	Framework for Managing Programme Performance
FOSAD	Forum of South African Directors-General
G20	Group of 20
GCIS	Government Communication and Information System
GDP	Gross Domestic Product
HOD	Head of Department
HRDC	Human Resource Development Council
IMC	Inter-Ministerial Committee
LOGB	Leader of Government Business
MPAT	Management Performance Assessment Tool
MPSA	Ministry of Public Service and Administration
MRM	Moral Regeneration Movement
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NDP	National Development Plan
NEDLAC	National Economic Development and Labour Council
NHTL	National House of Traditional Leaders
NPC	National Planning Commission
NYDA	National Youth Development Agency
OSD	Occupation Specific Dispensation
PFMA	Public Finance Management Act
PICC	Presidential Infrastructure Coordinating Commission
PoA	Programme of Action
SADC	Southern African Development Community
SALGA	South African Local Government Association
SANAC	South African National AIDS Council
SCM	Supply Chain Management
SEIAS	Socio-Economic Impact Assessment System
SIP	Strategic Integrated Project
SMS	Senior Management Service
SOEs	State-owned Enterprises
SOP	Standard Operating Procedure
SONA	State of the Nation Address
TB	Tuberculosis
TVET	Technical Vocational and Education Training
UN	United Nations
UNGA	United Nations General Assembly



## OFFICE GENERAL INFORMATION

### CONTACT PERSONS:

Ms Nombongo Zwelibanzi  
Mr Justice Hlungwani

### PHYSICAL ADDRESS:

**Union Buildings**  
Government Avenue  
Pretoria

**Tuynhuys**  
Plein Street  
Cape Town

### POSTAL ADDRESS:

Union Buildings  
Private Bag X1000  
Pretoria  
0001

### TELEPHONE NUMBER(S):

Union Buildings: +27 (0)12 300 5200  
Tuynhuys: +27 (0)21 464 2100

### FAX NUMBER:

Union Buildings: +27 (0)12 323 8246  
Tuynhuys: +27 (0)21 462 2838

### EMAIL ADDRESS:

COO@presidency.gov.za

### WEBSITE:

[www.thepresidency.gov.za](http://www.thepresidency.gov.za)



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