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In celebrating the 10th anniversary of the Constitution, it is the occasion for us to advance and reflect on the values of the Constitution. In fulfilling our constitutional mandate, as the Department of Justice and Constitutional Development, we put emphasis on promoting access to justice for all especially the poor and the vulnerable, as well as enhancing operational efficiency.

In all our activities, as we seek to meet our constitutional mandate, we will be guided by the following strategic goals:

- Access to justice for all, especially by the poor and the vulnerable.
- Enhancing organisational efficiency.
- Transforming Justice, State and Society in line with the democratic values of our national Constitution.

The challenge of promoting access to justice is a shared responsibility by all those enjoined to do so by the Constitution. Therefore, within the justice family and in recognition of the responsibility with which we all have been entrusted, the Department, the judiciary, (high courts and lower courts), the prosecutorial authority and organs of civil society should work in an integrated fashion for the purpose of achieving this goal. The challenge of case backlogs, indefensible misdemeanors committed by officials, that have the effect of undermining access to justice, should be dealt with promptly.

If we are to improve overall efficiency with the Department of Justice and its associated institutions we have to develop greater capacity amongst officials and entrench a culture of good governance, ethics and BATHO PELE. We must encourage professionalism and commitment to service. We should expect and set higher standard for those who work within the justice family, against which the delivery of services to our people can be measured. In creating the appropriate framework to achieve our objectives and to improve efficiency, we will also strive to promote greater efficiency by rolling out the necessary technological infrastructure in the courts and in all the offices.

In the context of our constitutional development mandate, we will be promoting dialogue within society with regard to fundamental values embodied in our constitution. We will be doing so working with associations and institutions including the South African human Rights Commission, the Commission on Gender Equality and the Public Protector. Matters outstanding from the processes of the Truth and Reconciliation Commission (TRC) will also be dealt with in earnest. Appropriate capacity and infrastructure will be put in place to deal with all the matters that I have alluded to above.

In recognition of the 10th anniversary of the TRC, we held a seminar on the 15th of December 2005. The outcome

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of the seminar was to broaden discussion thus enabling the citizenry to explore issues that can contribute towards nation building. A follow up on this seminar will take place during next year.

In addition, during the period under review we had a robust discussion around the Bills dealing with the transformation of the judiciary and rationalisation of the courts.

While a number of commentators were critical of the process that led to the drafting of the Bills and many a legal scholar commented on matters of law, I believe that the Bills did stimulate debate within the legal sector. This is an important debate which should involve the citizenry at large because meaningful transformation should benefit the people of South Africa. It should be about providing and increasing access to justice and providing quality services to the people.

In order to enable greater participation in the debate of transforming the judiciary we will release a policy document on judicial transformation. I intend re-introducing to Parliament, the Judicial Service Commission Amendment Bill, which creates a procedure to deal with complaints against judges, by the first term in 2007. I am grateful to all the legal experts, who have made submissions on various aspects of the policies relating to judicial education, principles such as the separation of powers and the independence of the judiciary.

In 2004 we began consultations about the transformation of the legal sector. We have come a long way in this regard and I am grateful to the members of the Steering Committee for work done in the preparation of a discussion document on the legal services charter. I am confident that this work will be completed in 2007.

We are working very closely with other Departments and Non-Governmental Organisations to combat domestic violence in general, and rape in particular. From the justice perspective the lead unit is the Sexual Offences and Community Affairs (SOCA) Unit. In prioritizing gender justice in 2007, we will consider strategies for upscaling and institutionalising the Thuthuzela Care Centres, as a homegrown best practice model, as well as entrench multi-sectoral programmes.

We will continue to examine ways of conflict resolution and investigate other means and mechanisms of resolving cases that are restorative in nature and not purely punitive. We must always bear in mind that traditional leadership in addition to the formal justice system, contributes significantly to the administration of justice for many people. We need to further working with community leaders and traditional leadership that they contribute significantly in dispute management and conflict resolution within communities.

In conclusion, I would like to recognise the immense contribution of Deputy Minister Johnny De Lange, MP, for his insightful contributions in policy making, for his dedication in accelerating the finalisation of Bills including the Sexual Offences Bills. I also commend the Director-General, Advocate Menzi Simelane, the Chief Operations Officer, Dr Khotso De Wee, Deputy Directors-General, Chief Directors and Directors for their leadership in tackling huge transformation programmes within a short period of time.



Mrs B S Mabandla, MP

Minister for Justice and Constitutional Development

Part I

General Information



1.1 TO MRS BS MABANDLA MP, MINISTER FOR JUSTICE AND CONSTITUTIONAL DEVELOPMENT

I have the honour of submitting the 2005/06 Annual Report for the Department of Justice and Constitutional Development in terms of the Public Finance Management Act, 1999

1.2 INTRODUCTION BY THE HEAD OF THE DEPARTMENT

Since I joined the Department just over a year ago, I have had the opportunity to liaise with a substantial number of employees within the organisation, as well other stakeholders within the legal sector and government. What is apparent is that the public has a high expectation of service delivery in terms of the dispensation of justice to our diverse society. Furthermore, greater demands are being made in the face of limited resources. Against this backdrop, we are an organisation going through transformation ourselves.

During the year under review, it became apparent that transformation within the judiciary and the legal community has become an issue of critical importance. A prerequisite of the transformation process is the simultaneous transformation of legal services sector partners. It is for these purposes that we have embarked upon the process of drafting a Legal Services Sector Charter to deal with the transformation of legal services. Key issues to be addressed in the Charter include access to justice for all, skills development and the empowerment of previously disadvantaged individuals. Widespread consultation is currently taking place in view of the eminent publication of the draft Charter.

During the period under review we also published our Medium-Term Strategic Framework (MTSF). This to a great extent has focused our thoughts in mapping the way forward to achieving our strategic objectives. This document, if implemented, will also go a long way to create the required synergy and bring about lasting change within our Department. I am therefore of the view that transformation has now become an issue which should transcend mere race and gender, but

should also include business process re-engineering and the streamlining of operational systems to simplify our work and reduce red tape. Capacity challenges relating to Human Resources and IT-related infrastructure must continue to be addressed throughout the country. We need to see a high level of service delivery at every service delivery point. The Department is currently looking at innovative ways to facilitate simpler ways of accessing justice services. The Management of Monies in Trust (MMiT) has become a critical area of focus in this regard. We eagerly await the implementation of new processes to enhance service delivery, in particular, to recipients of maintenance money.

During the year under review, we received an audit qualification by the Auditor-General. This is mainly the result of the MMiT revenue that, in terms of the new standard applied during these audits, should be included in the vote account as a reflection of monies received by the Department.

With Government's commitment to the eradication and reduction of crime, I pledge my Department's support to these initiatives by expediting legal processes, especially in regard to criminal cases in the courts. The improvement of processes is a priority on our departmental agenda.

Our Department needs to focus on the manner in which we provide services to our people. We should at all times be informed by the principles of Batho Pele.

All in all, significant strides have been made to bring justice closer to the people. We wish to strengthen confidence in our justice system and look forward to serving our community and delivering on our promise of accessible, speedy and cost-effective justice services for all.



Adv Menzi Simelane
Director-General:
Justice and Constitutional Development

I.3 INFORMATION ON THE MINISTRY

The function of the Ministry for Justice and Constitutional Development is to execute the powers and perform the functions assigned to it by the President and the various Acts of Parliament. In short, the function of the Ministry is to establish and maintain, in the spirit of the Constitution and through a democratic process of transformation, an effective system for the administration of justice that is efficient, accessible, accountable, just, user-friendly and representative of the South African community.

The following institutions have been established to promote the objectives of our constitutional democracy:

- South African Human Rights Commission
- Public Protector
- Commission on Gender Equality
- Office for the Control of Interception and Monitoring of Communications
- Ministerial Coordinating Committee on the Directorate of Special Operations
- Criminal Assets Recovery Committee
- Judicial Service Commission
- Magistrates Commission
- South African Law Reform Commission
- Legal Aid Board
- National Prosecuting Authority
- Special Investigating Unit
- President's Fund
- Represented Political Parties' Fund
- Debt Collectors Council
- Rules Board for Courts of Law
- Board for Sheriffs
- Equality Review Committee
- Rules Board for the Labour Courts

During the period under review, the following Bills were promoted and approved by Parliament:

- Repeal of the Black Administration Act and Amendment of Certain Laws Act, 2005;
- Judicial Matters Amendment Act, 2005 (Act No. 22 of 2005);

- Constitutional Matters Amendment Act, 2005 (Act No. 15 of 2005);
- Constitution Twelfth Amendment Act of 2005; and
- Citation of Constitutional Laws Act, 2005 (Act No. 5 of 2005)

In addition to the above, a number of Bills which are at different stages of preparation, received the Department's attention.

- A considerable amount of time was devoted to the preparation of the draft legislation which impacts directly on the transformation of the judiciary and the rationalisation of the courts. These were the Superior Courts Bill and the Constitution Fourteenth Amendment Bill.
- The Criminal Law (Sexual Offences and Related Matters) Amendment Bill, into which has been incorporated the Compulsory HIV Testing of Sexual Offenders Bill; and certain provisions relating to the prohibition of trafficking in persons.
- The Magistrates' Courts Amendment Bill, which is intended to prohibit the disposal of immovable property of indigent persons in certain circumstances, e.g. sales in execution in respect of low cost housing.
- The State Liability Amendment Bill, which is intended to ensure that the State (government departments) comply with court orders made against them, particularly court orders sounding in money.

The following sets of regulations/subordinate legislation were finalised:

- (i) Amending regulations relating to debt collectors contemplated in the Debt Collectors Act, 1998 (Act No. 114 of 1998) dealing with fees and tariffs.
- (ii) Amending regulations relating to the promotion of access to information contemplated in the Promotion of Access to Information Act, 2000 (Act No. 2 of 2000) dealing with offences and the tabling of the training curricula of the judiciary.
- (iii) Numerous proclamations and supporting documentation contemplated in the Special Investigating Units and Special Tribunals Act, 1996 (Act No. 74 of 1996) in terms of which matters have been referred to the Special Investigating Unit for investigation.



General Information

- (iv) A proclamation to extend the application of sections 51 and 52 of the Criminal Law Amendment Act, 1997 (Act No. 105 of 1997) dealing with minimum sentences.

One of the most important Acts to be implemented during 2005 was the Regulation of Interception of Communications and Provision of Communication-related Information Act, 2002 (Act No. 70 of 2002). This Act, with the exception of a few provisions, came into operation on 30 September 2005.

The Judicial Matters Second Amendment Act, 2003 (Act No. 55 of 2003) was also implemented, requiring considerable consultation and coordination with role-players.

Draft regulations/subordinate legislation which received attention during 2005 and have reached an advanced stage of preparation include the following:

- (i) Regulations relating to the recommendations of the TRC, namely regulations dealing with exhumations and reburials.
- (ii) Regulations which are intended to promote equality as envisaged in the Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000).
- (iii) A Code of Good Administrative Conduct as envisaged in the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000).
- (iv) Regulations providing for the appointment/designation of maintenance investigators as envisaged in Section 5 of the Maintenance Act, 1998 (Act No. 99 of 1998).
- (v) Divorce Court rules in order to provide, *inter alia*, for the transfer of cases from the Divorce Court to the High Court.
- (vi) Regulations relating to debt collectors, e.g. regulations that deal with the keeping of registers of debt collectors by the Council for Debt Collectors and regulations dealing with trust accounts of debt collectors.
- (vii) Regulations dealing with the right of access to information contemplated in sections 15 and 52 of the Promotion of Access to Information Act, 2000 (Act No. 3 of 2000).
- (viii) A Guide on Protected Disclosures as envisaged in the Protected Disclosures Act, 2000. (Act No. 26 of 2000).

I.4 MISSION AND VISION STATEMENT

Vision: Accessible and transformed justice services committed to the promotion of constitutional values for all.

Mission: Together we provide accessible, fair, speedy, cost-effective and quality justice for all.

I.5 LEGISLATIVE MANDATE

The core function of the Department of Justice and Constitutional Development is to give effect to the constitutionally mandated requirement that South Africa has a fair, equitable and accessible system of justice. In addition, the Department provides legal services to Government.

This mandate has been translated into five organisational objectives, namely to:

- maintain, improve and streamline a system of courts in which legal proceedings of a criminal, civil, family and administrative nature are processed efficiently and effectively;
- investigate certain crimes and prosecute all criminal offenders;
- provide legal services to Government and represent it in legal proceedings;
- research, draft and promote legislation; and
- facilitate the delivery of additional services linked to the administration of justice, including services delivered by constitutionally independent institutions.

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The activities of the Department are organised into five programmes:

- **Administration**, which provides for the overall policy and organisational management of the Department.
- **Administration of Courts**, which establishes and maintains the system of courts and supports their management and administration.
- **State Legal Services**, which provides legal and legislative services to Government and facilitates constitutional amendments, as well as the administration of estates, liquidation of companies and the supervision of the administration of trusts and property of minors deposited in the Guardian's Fund and that of persons under curatorship.
- **The National Prosecuting Authority**, which provides a coordinated prosecutorial service, protects certain witnesses and investigates serious organised crime.
- **Auxiliary and Associated Services**, which renders a variety of auxiliary services associated with the Department's aims.

Part 2

Programme Performance



Programme Performance annual report

2.1 VOTED FUNDS (R)

Appropriation	Main Appropriation	Adjusted Appropriation	Actual Amount Spent	(Over)/Under Expenditure
Amount Appropriated	5 072 061 000	5 185 733 000	4 883 241 000	302 492
Statutory Appropriation	849 977 000	849 977 000	1 040 097	-190 120
Responsible Minister	Minister for Justice and Constitutional Development			
Administering Department	Justice and Constitutional Development			
Accounting Officer	Director-General of Justice and Constitutional Development			

2.2 AIM OF VOTE

The aim of the Department of Justice and Constitutional Development is to uphold and protect the Constitution and the rule of law and to render accessible, fair, speedy and cost-effective administration of justice in the interests of a safer and more secure South Africa.

2.3 KEY MEASURABLE OBJECTIVES, PROGRAMMES AND ACHIEVEMENTS

2.3.1 Key Measurable Objectives

The Department's key strategic objectives include capacitating and restructuring the courts, integrating processes within the justice system, catering for the needs of vulnerable groups and improving the maintenance payment system, thereby improving the standard of service delivery to the public, broadening access to justice. In addition, it includes improving the efficiency of the National Prosecuting Authority (NPA) and its specialised units.

2.3.2 Programmes

2.3.2.1 Programme 1: Administration

Administration concerns the development of departmental systems, strategies and policies. It includes human resources, communications and financial management, and other central support services, as well as policy formulation by the Ministry and the Head of the Department. This programme also provides for researching, preparing and promoting legislation related to the Department's functions. Included in this programme are advisory and drafting services to the relevant parliamentary committees related to changes to the Constitution and to Acts of Parliament, the administration of which is the Department's responsibility.

2.3.2.2 Programme 2: Court Services

Court Services provides for the range of services of the various courts in terms of Chapter 8 of the Constitution.

2.3.2.3 Programme 3: State Legal Services

State Legal Services provides government with legal services and where necessary facilitates constitutional amendments. Activities include providing for the work of the State Attorney and State Law Advisors, and the Master of the High Court, and promoting, maintaining and developing the Constitution and its values by researching, developing and promoting appropriate legislation.

2.3.2.4 Programme 4: National Prosecuting Authority

The National Prosecuting Authority provides for prosecution services guided by the Bill of Rights, witness protection, particularly in serious criminal cases, and the investigation of serious, complex and organised crime through the Director of Special Operations.

2.3.2.5 Programme 5: Auxiliary and Associated Services

Auxiliary and Associated Services provides for services associated with the Department's aim through 11 sub-programmes. Of these, three are focused on the needs of constitutional institutions (the South African Human Rights Commission, the Commission on Gender Equality and the Public Protector) and two are Schedule 3A public entities (the Legal Aid Board and the Special Investigating Unit). The other sub-programmes advise government on the administration of justice, give effect to the reparations policy flowing from the Truth and Reconciliation Commission, and make provision for funding political parties represented in Parliament and the provincial legislatures, among other activities.

2.3.3 Achievements

The following highlights can be reported for the year under review:

The approval of the Department's MTSF in August 2005 was a major development. The MTSF outlines how the Department will enhance its organisational efficiency to deliver on its mandate. As such it provides clear strategic direction. The MTSF also informed the Department's processes for the review of its organisational design. This is designed to give optimal effect to the MTSF.

Substantial progress was made in respect of capacitating the Offices of the Director-General and Chief Operations Officer respectively. The process included the filling of key posts such as that of Chief Litigation Officer and a number of Regional Heads. In addition, Court Managers were appointed countrywide to enhance the management of courts and officials in order to create a conducive environment for the delivery of services and the performance of judicial functions.

The Department has also introduced an Internship Programme with a view to not only enhancing capacity in the short-term, but also to expose students, particularly those from previously disadvantaged communities, to the legal environment and to facilitate professional training prospects. Thus the pool of legal professionals is increased in the long-term.

From a policy perspective, much progress has been made with regard to the improvement of the court system and the enhancement of judicial independence. A Legal Services Sector Charter Steering Committee, comprising legal experts from the legal profession and academic institutions, has been established to draft the Legal Services Charter. A draft Charter has been produced for public consultation and it is envisaged that the final product will be finalised in the next financial year.

The Internal Audit Unit's operations are based on the internal audit annual plan. During the year under review, the Internal Audit Unit was able to complete more than 95% of the targets set in the annual audit plan approved by the Audit Committee. The Unit, through reports that are tabled at Audit Committee meetings, highlighted significant

issues that impact on the Department. The most important of these are highlighted in the Audit Committee report.

A Forensic Audit section, established within the Internal Audit Unit, has continued to investigate cases involving fraud and corruption against the Department. Donor funds were still being utilised to build capacity through the acquisition of equipment. In addition, donor funds also enabled the Unit to acquire a data capturing service to support the investigation processes. Various matters have been investigated. Some were resolved and others are in various stages of completion.

Court Services achieved substantial successes in respect of the functioning of the High Courts. An 87% conviction rate was achieved by the NPA, exceeding the target set, by 2%. The number of cases finalised per month has also increased steadily during the past four financial years, namely from an average of 181 cases in 2002/03 to an average of 239 cases. This was achieved despite a 25% increase in new trial cases.

The conviction rate in the Lower Courts has improved with 3% during the past two financial years. In an effort to manage the high influx of cases in the Lower Courts, the diversion process has been employed with great success. The number of cases diverted during this financial year increased by 102% from the previous financial year. Taking the number of diverted cases into account, the Lower Courts have managed to improve the finalisation rate of cases by 4% since the previous financial year.

The launch of Operation *Isondlo* in December 2005 has impacted significantly on awareness about maintenance among the general public. Operation *Isondlo* is also aimed at access to justice and transforming the maintenance system to foster positive relationships with communities and stakeholders, as well as contributing to family regeneration and poverty alleviation. The campaign has been running countrywide and has yielded substantial successes in the tracing of maintenance defaulters and the payment of monies in arrears. In addition, a task team has been established within Court Services to examine the systemic problems surrounding maintenance. Various solutions are being implemented in this regard.



Programme Performance

On the legislative front, various pieces of legislation were enacted to further the cause of transformation of the legal system, none more so than the Repeal of the Black Administration Act and Amendment of Certain Laws Act, 2005 (Act No. 28 of 2005). This Act is intended to repeal the discriminatory and obsolete Black Administration Act, 1927, on an incremental basis.

The reform and modernisation of the administration and delivery of justice progressed substantially during the relevant reporting period. The implementation of the Digital Nervous System (DNS II) project was successfully completed, allowing for greater network connectivity and laying the foundation for the deployment of other systems. The DNS III project was also launched with a view to bring about proper Information and Communication Technology (ICT) infrastructure to all the courts in the country in particular those in the rural areas.

Of great significance this financial year was the Department's participation in the African Peer Review Mechanism (APRM). The Department contributed significantly in the compilation and finalisation of the Country Self-Assessment Report (CSAR).

2.4 OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT FOR 2005/06

The primary responsibilities of the Department include ensuring an efficient court system; finalising deceased and insolvent estates; managing the Guardian's Fund; and rendering legal services on behalf of the State. The Department is furthermore responsible for the promulgation of legislation pertaining to its legislative mandate and giving effect to the development of our Constitution.

The Court Services Branch manages more than 751 courts nationally. The Courts include the Constitutional Court, the Supreme Court of Appeal, 11 divisions of the High Court, the Labour Appeal Court, Labour Courts, 751 Magistrates' Court Centres (366 main offices, 51 detached courts, 104 branch courts and 230 periodical courts).

In terms of access to the District Courts, each of the above main, detached and branch courts serves 95 361 people

on average. Furthermore, there is one court per 1 176 square kilometre.

Providing justice services to the people of South Africa implies:

- establishing and maintaining courts and other service delivery points;
- ensuring the provision of appropriate human resource capital to the justice service delivery points;
- providing operational security; and
- the effective management of the flow of cases through the court system.

Concerted efforts are made to provide more capacity for the Department at court level. A great number of Court Managers have been appointed. This process is to continue through the next financial year, and should yield positive results through the efficient management of the courts.

Proper case-flow management is regarded as key to enhancing access to justice, as it will result in quicker turnaround times for the adjudication of both criminal and civil matters. The current average for the finalisation of a civil case is between 10 and 22 months, whereas it takes 157 days for a criminal case to be finalised. The target set for the next three years is nine to 12 months.

Concerted efforts are being made to enhance service delivery at court level. The Department has as one of its strategic objectives the transformation of justice, state and society. Transformation transcends issues of race and gender, and is designed to review procedures and systems. Operation *Isondlo*, the maintenance turnaround programme, has already yielded positive results. The appointment of maintenance investigators has greatly increased access to justice for women and children. Previously, the finalisation of maintenance matters under investigation was characterised by delays of up to a year in an effort to trace defaulters. Currently this period has been reduced to almost three months.

Substantial progress has been made with regard to establishing the proclamation of Equality Courts. The Department is committed to continuously raising public awareness on the constitutional right to equality and human dignity and the

legal and constitutional remedies and instruments that are available for the realisation of these rights. To meet this objective, the Department aims to ensure that Equality Courts operate efficiently in redressing inequalities in society. Equality Courts have been designated at 220 Magistrates' Courts and court officials have received substantial training on equality matters.

In terms of the Master of the High Court, a right-sizing project has been embarked upon that will substantially increase the number of posts within this branch. Of particular concern is the current number of temporary workers within this branch. This is due to the ever-increasing work volumes, without commensurate increases in the staff to deal with such volumes. There is also concern about the impact of HIV/AIDS on the workload of the Office of the Master.

2.5 OVERVIEW OF THE ORGANISATIONAL ENVIRONMENT FOR 2005/06

There are a number of challenges relating to improvement of the governance framework and systems. The Department has generally managed to address cases involving corruption and fraud. However, these cases remain a part, albeit small, of the Department's legacy. We draw comfort from the fact that officials of the Department have been sensitised on issues of governance.

The number of corruption cases involving justice officials can be divided into sub-categories: 58 fraud cases, 44 cases of theft and 19 cases of corruption. Corruption cases have increased due to improved systems of detection. The turnaround time for disciplinary cases has also been reduced to below six months of the occurrence of such cases.

2.6 STRATEGIC OVERVIEW AND KEY POLICY DEVELOPMENTS FOR 2005/06

During the year under review, the Department developed and published its MTSF. This framework outlines how the Department will enhance its organisational efficiency to

deliver on its mandate. The MTSF focuses on three strategic objectives that will transcend all activities up to 2009:

- access to justice;
- enhancing organisational efficiency; and
- transforming justice state and society.

Employing officials with the right skills to render quality professional services will be a key drive, as will be the need to take full advantage of information technology to integrate, simplify and speed up our work processes. All this will be achieved with the highest standards of governance principles and with strict observance to fiscal discipline. Substantial internal communication has been undertaken, which is directed at informing officials at all levels of the strategic direction of the Department.

In respect of the modernisation of courts, substantial progress has been made with the implementation and deployment of IT-related infrastructure. This will go a long way in modernising justice services and office systems. The development of the e-Scheduler, a tool to facilitate the scheduling of and management of court cases, has been deployed in various courts. This has proven to be of great assistance and will be further deployed during the next financial year.

In some instances policy changes were occasioned through draft legislation. Amendments to the Constitution (the fourteenth Amendment Bill) and the Superior Courts Bill, if promulgated, will facilitate transformation of the judiciary. The Department has furthermore developed a draft White Paper on the transformation of the judiciary to stimulate debate around this important topic. Similarly, the Sexual Offences Bill, when passed, will go a long way in combating violence against women and children in particular. The latter is in line with Government's commitment to eradicate all forms of violence directed at women and children.

2.7 DEPARTMENTAL REVENUE AND EXPENDITURE AND OTHER SPECIFIC TOPICS

2.7.1 Collection of departmental revenue (R'000)

	2002/03 Actual	2003/04 Actual	2004/05 Actual	2005/06 Target	2005/06 Actual	% deviation from target
Sale of goods and services produced by the Department (excluding capital assets)	2 291	2 864	11 161	8 712	14 639	68
Fines, penalties and forfeits	2 577	1 527	90 573	63 471	192 642	204
Interest, dividends and rent on land	52 643	23 361	29 080	24 963	88 498	255
Sales of capital assets (capital revenue)	99	303	5	987	-	-100
Financial transactions (recovery of loans and advances)	53 564	153 214	42 497	28 751	21 653	-25
Total departmental receipts	111 174	181 269	173 316	126 884	317 432	150

2.7.2 Departmental expenditure (R'000)

Programmes	Voted for 2005/06	Roll- overs and adjustments	Virement	Total voted	Actual expenditure	Variance
Programme 1. Administration	389 279	0	-9 756	379 523	330 412	49 111
Programme 2. Court Services	2 289 577	0	-100 774	2 188 803	1 992 706	196 097
Programme 3. State Legal Services	313 824	0	-5 180	308 644	299 594	9 050
Programme 4. NPA	1 354 810	0	92 881	1 447 691	1 399 923	47 768
Programme 5. Auxiliary and Associated Services	838 243	0	22,830	861 073	860 606	467
Total	5 185 733	0	0	5 185 733	4 883 241	302 492

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2.8 TRANSFER PAYMENTS

Transfers were made to various institutions listed below. These institutions also receive income from other sources:

Name of institution	Amount transferred R'000	Estimate expenditure R'000
South African Human Rights Commission	41 774	41 774
Commission on Gender Equality	26 469	26 469
Special Investigating Unit	48 851	43 852
Legal Aid Board	453 208	440 008
Public Protector	58 628	55 127
Represented Political Parties' Fund	74 883	74 891
Total	703 812	682 120

2.9 CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

Major capital works projects completed during the 2005/2006 financial year

Centre	Office	Service	Project Cost
Benoni (GP)	Magistrate's Office	Extension of building	R57 400 679
Vredendal (WC)	Magistrate's Office	Additional accommodation	R4 324 508
Brixton (GP)	Branch Court	Additional accommodation	R4 609 824
Uitenhage (EC)	Magistrate's Office	Additional accommodation	R4 194 243
Atteridgeville (GP)	Magistrate's Office	New building	R20 227 786
Pretoria-North (GP)	Magistrate's Office	Additional accommodation	R41 669 381
Mthatha (EC)	High Court	Additional accommodation	R756 848
Heidelberg (GP)	Magistrate's Office	Additional accommodation	R3 979 908
Sasolburg (FS)	Magistrate's Office	Additional accommodation	R10 417 405

Major capital works projects under construction during the 2005/2006 financial year

EASTERN CAPE

Centre	Office	Service	Project Cost
Motherwell	Branch Court	New building	R32 700 251
Nerina Place of Safety	Child Justice Centre, Port Elizabeth	Additional accommodation / Courts	R35 307 410

FREE STATE

Centre	Office	Service	Project Cost
Bloemfontein	Supreme Court of Appeal	Additional accommodation / Courts	R99 571 755
Theunissen	Magistrate's Office	Additional accommodation	R3 220 020

Programme Performance

GAUTENG

Centre	Office	Service	Project Cost
Daveyton	Branch Court	Additional accommodation	R12 216 672
Tsakane	Branch Court	New building	R12 844 920

KWAZULU-NATAL

Centre	Office	Service	Project Cost
Stanger	Magistrate's Office	Additional accommodation	R22 403 748
Madadeni	Magistrate's Office	New building	R42 842 158
Pomeroy	Periodical Court	Additional accommodation	R2 023 213

LIMPOPO

Centre	Office	Service	Project Cost
Sekgosese	Magistrate's Office	Relocation to Soekmekaar	R19 805 090
Polokwane	High Court	Conversion and refurbishment of the Old Landdros Buildings	R10 307 319
Phalaborwa	Magistrate's Office	Additional accommodation and security measures	R3 777 676

WESTERN CAPE

Centre	Office	Service	Project Cost
Ceres	Magistrate's Office	Additional accommodation	R13 167 735

Major capital works projects in planning

- Kagiso (New court building)
- Pietermaritzburg (Additional accommodation)
- Colesburg (New court building)
- Ekangala (New court building)
- Butterworth (Additional accommodation)
- Mitchells Plain (Additional court accommodation)
- Galeshewe (Community Court)
- Cape Town (Accommodation for the Serious Commercial Crime Court)

Site acquisition for future planning for the following major capital works projects:

- Orlando Magistrate's Office (New Magistrate's Office building)
- Mamelodi Branch Court (New Branch Court building)
- Kathlehong Magistrate's Office (New Magistrate's Office building)
- Ntuzuma Branch Court (New Branch Court building)
- Dimbasa Periodical Court (New Periodical Court building)
- Bityi Periodical Court (New Periodical Court building)

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- Soshanguve Magistrate's Office (Additional accommodation)
- Ladysmith Magistrate's Office (Additional accommodation)
- Ashton Periodical Court (New Periodical Court building)
- Vulindlela Branch Court (New Branch Court building)
- Bredasdorp Magistrate's Office (Additional accommodation)
- Inkanyezi Magistrate's Office (New Magistrate's Office building)
- Chrissiesmeer Periodical Court (New Periodical Court building)
- Davel Periodical Court (New Periodical Court building)
- Gilead Periodical Court (New Periodical Court building)
- Lothair Periodical Court (New Periodical Court building)
- Grootvlei Periodical Court (New Periodical Court building)

Ramp: Project Progress as at 31 March 2006

Projects in Maintenance Phase	48
Projects in Repair Phase	33
Projects on Tender/ in Tender Adjudication Phase	10
Projects in Design Phase	5
Status Quo surveys	42
Projects on hold	45
New projects not activated	80
Total	263

Building Maintenance

The normal maintenance of court buildings is undertaken by the Department of Public Works (DPW) and funded from its budget for planned maintenance. The allocation for Justice on DPW's budget for planned maintenance was R39 138 029, of which an amount of R35 844 001 was spent — an 8% underspending. In addition an amount of R11 million was spent on urgent repairs and day-to-day maintenance.

In view of the above, the actual expenditure on normal maintenance (repairs and renovations) spent by DPW from its budget was 92%.

Good progress was made in addressing the maintenance backlog of our buildings during the year under review — the backlog has indeed been reduced. However, more funds are needed so as to ensure that real progress is made and maintained.

Asset Management

The Department initiated a national project at all of its 751 offices to identify, barcode tag and capture asset details as per Treasury requirements. This detail was then transferred to its Asset Management System. Because of this take-on exercise the Department is able to show all movements in its asset base. However, some assets were disposed of (furniture at 48 offices and equipment at 45 offices) and losses to the value of R573 901.22 were detected.

Once all records had been transferred to the Asset Management System, all the assets were valued on the generally accepted principles of fair valuation. The fair valuation process was adopted because it was deemed not financially feasible to attempt to locate and reconcile old purchasing documents to physical assets, as the Department has a large quantity of assets that are very old and were procured on PAS and thereafter on FMS; and neither of these systems' records are accessible to the Department any more.



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As part of the above exercise the Department's assets have also been classified on the basis of Good, Satisfactory and Poor, where Good relates to assets that have greater than 75% of its useful lifespan left, Satisfactory has 50% useful lifespan left, and Poor means less than 25% useful lifespan available is left.

The Department's assets under this classification reflect as follows:

Condition	Quantity	%
Poor	29 408	7.6
Satisfactory	79 974	20.9
Good	273 916	71.5
Total	383 298	100.0

There are no asset-related projects envisaged for the forthcoming financial year.

The control of acquisition of assets requiring bidding or quotes is achieved through the enforced utilisation of the Department's automated procurement and asset management system, known under the acronym of JYP. This system triggers RFB and/or RFQ processes as required and provides for electronic adjudication of same.

2.10 PROGRAMME PERFORMANCE

2.10.1 Programme I: Administration

Purpose: Manage the Department, develop strategies and policies, and do research, including improve legislation and make amendments to the Constitution.

2.10.1.1 Service delivery objectives and indicators

Office of the Director-General

Administration concerns the development of departmental systems, strategies and policies. It includes human resources, communications and financial management, and other central support services, as well as policy formulation by the Ministry and the Head of the Department. This programme also provides for researching, preparing and promoting legislation related to the Department's functions. Included in this programme are

advisory and drafting services to the relevant parliamentary committees related to changes to the Constitution and to Acts of Parliament, the administration of which is the Department's responsibility.

The Policy Coordination and Internal Audit components form Sub-programmes of Programme I. The Policy Coordination sub-programme is responsible for coordinating the development, monitoring and evaluation of all departmental policies, as well as ensuring that policies of the Department are consistent with Government's policy. Branches are responsible for the implementation of policies relevant to their individual mandates. The Department has adopted a more centralised approach to policy formulation than it has in the past, where line function branches initiated, developed and monitored policies applicable to their area of work. The centralisation of policy formulation and monitoring is done with a view to ensuring uniform policy standards and coordinating policy formulation processes for the efficient functioning of the organisation. The line function branches continue to play a major role in the initiation and development of policy, while this sub-programme coordinates and enhances the qualitative research to support these policy initiatives. Policy development on the transformation of the judiciary and the legal profession has been the main focus of the component for the 2005/6 financial year.

The Internal Audit Unit has as its main responsibility the provision of consulting and assurance services to management and the Audit Committee on risk management, controls and governance processes. The Unit has adopted a risk-based auditing approach and methodology and has a Charter, a three-year strategic plan and an annual plan, which drive its audit operations to ensure that all material risks that could impede the achievement of the Department's strategic objectives, are mitigated on a continuous basis; and which ensure that the Department receives adequate audit coverage. The Unit reports administratively to the Accounting Officer and functionally to the Audit Committee. Throughout the year, the Audit Committee has relied on the assurance services provided by the Unit. Together with the reviews done by the Office of the Auditor-General, this has served as a basis for the Audit Committee to develop its report on the Annual Financial Statements of the Department.

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Office of the Chief Operations Officer

The Office of the Chief Operations Officer (COO) was established during 2005. The purpose of this office is to manage the delivery of the key strategic, operational, transactional and administrative processes necessary for the daily functioning of the Department; and to enhance effective administration of the justice system and service delivery.

To enable the COO to deliver on these functions, four Chief Directorates were established:

- The Chief Directorate: Programme Support and Administration provides administrative support to the Office of the COO and provides a monitoring and support function to the wider Department, by monitoring service delivery standards. It reports on and solves problems in respect of daily operational matters through the National Operations Centre.
- The Chief Directorate: Strategy provides a framework for the implementation of strategy and monitors implementation.
- The Chief Directorate: Risk Management identifies and manages risks, and facilitates security services within the Department.
- The Chief Directorate: Truth and Reconciliation Commission audits, monitors and coordinates the implementation of TRC recommendations.

Corporate Services

Office of the Chief Financial Officer

Financial Management Improvements

Financial management capacity was enhanced during the year under review through capacity-building programmes such as the University of Cape Town Executive Programme in Management Accounting, and the honours degree course in Cost Management. In addition, 3 215 finance functionaries at court level were presented with financial management courses. This included classroom training and video training footage in different languages.

The Office of the Chief Financial Officer (CFO) was faced with a significant vacancy rate due to work study and related processes not being finalised. It had to continue to rely on consultants and contract workers for financial support services.

The CFO, in terms of the organisational redesign process, now reports to the Deputy Director-General: Corporate Services.

Progress on the Management of Monies in Trust is covered in the Report of the Accounting Officer.

Human Resources

Management and Leadership Development

Following the skills gap analysis survey conducted throughout the Department, basic management principles (planning, organising, leading and control) were found to be lacking across the spectrum of management and supervision echelons. Moreover, the Department is undergoing major transformation with regard to strategy and technology. This has, therefore, necessitated a new way of thinking in terms of management and leadership.

It is against this background that the Department, through its Human Resources Branch, and in particular the Learning and Development Directorate, identified a Management and Leadership Development Programme (MLDP) for its Senior/Executive Managers and Middle Managers. A total of 37 managers graduated from the MLDP. Preparations for Part 2 of the programme are under way.

Modernisation of Human Resources

The strategy of the Customer Management Centre (CMC), as a support function, is to provide efficient and consistent HR administration and transactional services that meet the time and quality requirements of our departmental clients.

Communication Services

Communication Services is experiencing problems that may impact on performance. These include inadequate funding for some operations and the filling of posts in its approved structure. Although substantial progress has been made, some key posts remained vacant during the period under review. Despite these obstacles, the Unit managed to successfully carry out its mandate. A draft communication strategy has been developed. As part of its work the Department participated in the JCPS cluster media briefings. Community outreach campaigns on various justice-related matters were conducted on an ongoing basis, and reached disadvantaged



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communities in the most remote areas of the country. The Unit also participated in various interdepartmental Justice Services fairs, bringing JCPS-related services closer to the communities. Fairs included exhibition material, the dissemination of information and general networking with the public at large. In addition, the Events Management team handled numerous high-profile events, such as the Child Support Week, the 16 Days of Activism on No Violence against Women and Children Campaign and the National Day of Reconciliation celebrations at Freedom Park, as well as the Conference on Racism, Racial Discrimination, Xenophobia and Related Intolerances. Throughout the period under review, dissemination of departmental information took place on a large scale in the form of, among others, printed material, participation in community radio stations, magazine articles, the departmental website and intranet. One of the flagship communication projects, Operation *Isondlo*, yielded marked success in the creation of greater levels of public awareness around maintenance-related issues. Media Services also reached its goal of developing and improving relationships with the media and advising management on key media-related issues. A newsroom has also been established. Several communication strategies were furthermore developed and are in various stages of implementation. This Unit has also been responsible for the management of the Office Services component, comprising Registration, Messenger, Telephone, Archives and Reproduction Services.

Justice College

The Justice College is the official training arm of the Department. During the reporting period the College trained the following target groups:

- Judicial officers of the Lower Court;
- Prosecutors;
- All officials from the Masters' Branch;
- Interpreters;
- Clerks of the Court;
- Registrars of the High Court; and
- Family Advocates, family counsellors and intermediaries

The Justice College is being transformed as part of the broader transformation agenda of the Department. In future, the training for judicial officers will be provided at a separate

institution for the education of judicial officers. Processes to establish this institute are underway.

In view of the mandate of the College, the total budget received by the College was used for training purposes. The budget amounted to R31 003 000.

All course-related expenditure, including the travel and subsistence costs of delegates, is defrayed from funds ring-fenced under the Courses of Justice College budget.

The budget breakdown is as follows:

Chief Director: Justice College	: R 828 000
Private Law/Public Law (operational budget)	: R15 471 000
Courses of Justice College	: R21 704 000
Total	: R31 003 000

In addition to the above, funding was also made available for *ad hoc* courses. In this regard, an amount of R46 961 was made available for the training of Traditional Leaders in Judicial Decision-making. An amount of R1 135 837 was made available for the training of Equality Court Magistrates and Clerks of the Court. These monies were not transferred to the Justice College, but the relevant Directorates' budget codes were utilised to defray the costs.

The Justice College, in terms of its structure, has two Directorates: Judicial Training and General Training.

Judicial Training has three Sub-directorates: Criminal Court, Civil Court and Family Court. It is responsible for the training of Magistrates, as well as court staff (the Clerks of the Court and Registrars of the High Court). Judicial Training has also assumed responsibility for the training of the staff of the Family Advocates' Office, and has initiated interventions for the training of Traditional Leaders in Judicial Decision-making.

General Training is responsible for the training of officials from the Masters of the High Court, prosecutors and interpreters.

The training conducted is in nature predominantly legal training, but some generic training is also conducted. Sometimes guest lecturers are utilised where expertise does not reside within the Justice College.

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2.10.1.2 Service delivery achievement

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Office of The Director-General					
Policy Coordinating Unit	Contributing to the transformation of the legal profession	Development of a Legal Services Charter to facilitate access of legal services to all	Concept was discussed and adopted by members of the Reference Group in August 2005	Acceptance of the concept framework for the draft Charter in November 2006	Substantial research was required to determine the aim of the Charter
		Development of a framework for the White Paper	Comparative analysis and benchmarking: August 2005	Adopted a White Paper framework in line with other White Paper processes in other departments	
		Dialogue and consultations	Stakeholder analysis: September 2005	Critical stakeholders identified	
		Research done on the conceptual framework of the White Paper	November 2005	Research was required on various aspects of the White Paper	Lack of capacity
	Equality Review Secretariat (ERS)	Training of court personnel on equality	December 2005 – March 2006	Improvements in equality training processes	
	Implementation of the Victims' Charter	Implement communication and campaigns for public awareness	Conducted public education seminars and hosted radio talk shows to sensitise the public on the Charter	Achieved	
		Training of cluster department and provincial departments involved in court process, including court personnel, on the implementation of the Charter	Train 9 000 officials from different departments	Trained 4 237 trainers to extend training to all other officials by 2006 Some 6 300 justice personnel trained by 31 March 2006	
Internal Audit	Annual internal audit coverage plan	Completion of annual internal audit coverage plan	A 100% completion rate: equivalent to 240 audit projects	A 95% completion rate: equivalent to 228 audit projects	Resignation of staff and budget constraints

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Cluster Coordination	Coordination of the Justice, Crime Prevention and Security (JCPS), International Relations, Peace and Security (IRPS), Governance and Administration (G&A) and Economic and Social (ES) clusters	Coordination of the Department's participation in Cluster activities	As determined on the Government Programme of Action and Cluster priorities	Regular monitoring and evaluation of the implementation of the Government Programme of Action	
Justice College	Research, curriculum development, development of training material and presentation of courses	Percentage of courses conducted as per the official work programme under review	At least 80% of courses as per the work programme	Cancelled courses: five	Generally these courses were cancelled because of insufficient nominations received from the Courts
	Management and quality control	Effective management and cost-effective office support services	Logistical support in respect of the presentation of centralised and decentralised courses A 100% utilisation of voted budgets	Target achieved in terms of work programme and budget parameters A 10% under-expenditure	Vacancies, work programme not aligned to financial year
	Transformation and restructuring	Fulfill initial phase of the transformation and restructuring mandate in terms of the MTSF	Prepare concept document for the transformed and restructured Justice College for the Minister's approval	Concept document finalised and submitted to the Minister for approval	
Judicial Training	Knowledgeable and informed staff	Some 114 training interventions planned, training material updated and developed Course reports completed	At least 80% of courses conducted as per the work programme	Some 109 (96%) training interventions conducted Cancelled courses: five	Insufficient nominations received Lack of proper communication

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
	<i>Ad hoc</i> courses as per request	Some 35 requests received to conduct such courses		Some 2 794 persons trained Some 35 <i>ad hoc</i> courses conducted Some 878 persons trained	Staffing at the Courts did not allow attendance because of the disruptions it would have caused Magistrates Commission requesting a postponement
Civil Section	Civil courses presented and training material developed and updated	Some 53 training interventions planned Three <i>ad hoc</i> training interventions requested	At least 80% of courses conducted as per the work programme	Some 52 (98%) training interventions conducted Some 1 438 persons trained Three <i>ad hoc</i> training interventions conducted	
Criminal Section	Criminal courses presented and training material developed and updated	Some 21 training interventions planned Some 35 <i>ad hoc</i> training interventions requested Some 878 persons trained	At least 80% of courses conducted as per the work programme	Some 20 (95%) training interventions conducted Some 418 persons trained Some 35 <i>ad hoc</i> training interventions conducted Some 878 persons trained	
Family Law Section	Family Law and Quasi-Judicial courses presented and training material developed and updated	Some 40 training interventions planned	At least 80% of courses conducted as per the work programme	Some 37 (93%) training interventions conducted	Some 938 persons trained

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Master's Section	<p>Courses presented for Master's Office and Magistrate's Office personnel</p> <p>Training provided outside Master's authority</p> <p><i>Ad hoc</i> training interventions requested</p>	<p>Some 11 training interventions planned</p> <p>Three training interventions planned</p> <p>As per request</p>	<p>Some 80% of courses as per work programme</p> <p>Some 80% of scheduled courses</p> <p>As per request</p>	<p>Some 90% of scheduled courses conducted</p> <p>Only one course cancelled</p> <p>Ten courses conducted</p> <p>Some 232 persons trained</p> <p>Some 100% of scheduled courses conducted</p> <p>Three courses conducted</p> <p>Some 46 persons trained</p> <p>Six requests received</p> <p>Some 497 persons trained</p>	<p>The interrogations course had to be rescheduled due to the election date – guest lecturer not available for any alternative dates.</p>
Prosecutors Section	<p>Courses presented for Prosecutors</p> <p>Training material developed and updated</p>	<p>Some 27 training interventions planned</p> <p>Some 56 <i>ad hoc</i> training interventions requested</p>	<p>At least 80% of courses conducted as per the work programme</p>	<p>Some 27 (100%) training interventions conducted</p> <p>Some 833 persons trained</p> <p>Some 56 (100%) <i>ad hoc</i> training interventions conducted</p> <p>Some 1 724 persons trained</p>	

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Interpreters Section	Courses presented for interpreters	Nine training interventions planned	At least 80% of courses conducted as per the work programme	Eight (88%) training interventions conducted Some 228 persons trained	
Office of the Chief Operations Officer					
	Strategy monitoring and evaluation Manage the internal coordination of the Department's strategic plan and oversight over the Department's performance and strategic programmes	Development of the Medium-Term Strategic Framework (MTSF) 2005/06 – 2008/09	MTSF in place by 2005/06	MTSF was approved by the Minister on 22 August 2005, as the official strategic operational plan for 2005/06 – 2008/09	
		Establishment of Strategy Monitoring and Evaluation Unit	Approved structure	The departmental organisational redesign resulted in the Strategy Monitoring and Evaluation Unit being relocated to the Office of the Chief Operations Officer. The Chief Director for the Unit was appointed as Head of Strategy A memorandum was prepared for submission for approval of the proposed establishment of the Unit	
		Performance reporting	Monthly reports on the status of branch progress on the implementation of the MTSF	Following the approval of the MTSF monthly reports for September, October and November were submitted to the EXCO for approval on 12 December 2005	



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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
			Monitoring and evaluation of the MTSF	<p>A Performance Indicator Metric (PIM) was developed to measure the achievement of key performance indicators (KPI) for 2005/06 and those KPIs not specifically dated as contained in the MTSF</p> <p>A workshop with branches was held on 6 March to discuss the PIM, which was subsequently approved by EXCO on 13 March 2006</p> <p>Submissions from branches and regions were received in March</p> <p>The data was then analysed</p>	
			Annual reporting on the implementation of the MTSF	<p>A draft report of the MTSF implementation of all 2005/06 and non-dated KPIs was produced during March 2005 and presented to the EXCO and Senior Management Forum</p>	

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
		Decision-support services to EXCO and management forums	Secretariat services to all EXCO meetings	Secretariat services are continually provided to all EXCO, joint EXCO, extended and joint extended EXCO meetings. EXCO minutes and decisions are consistently evaluated to improve the execution of decisions taken by the EXCO	
	Risk Management	Facilitation of the integrated Risk Management Plan	A 100% management involvement in risk management	A draft Risk Management Policy and draft Risk Management Strategy was drafted. Briefing sessions to all Senior Managers and regional offices have been conducted to introduce the concept of risk management and how it impacts on their daily activities	
		Established Risk Management Unit	Approved structure	Chief Director appointed. A micro-structure has been developed with HR. Establishment of micro-structure under way	
		Improved security at Magistrates' Courts	A total of 180 Magistrates' Offices	Some 180 Magistrate's Offices have been identified for the installation of burglar bars to the amount of R60m within the 2005/06 financial year	



Programme Performance

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
	Transformation Facilitate the cultural transformation and change initiatives that support the strategic objectives	Monitoring and Implementation of TRC recommendations	Successful monitoring and implementation of the TRC recommendations: President's Fund	<p>Payment of individual reparations to victims is ongoing. During the reporting period 502 victims were traced and received payment from President's Fund. Some 1 201 victims/beneficiaries remain untraced and therefore have not been paid their individual grants.</p> <p>The amount spent on this form of reparation is as follows:</p> <p>Urgent Interim reparations: R 50 million (R2 000 – R5 705)</p> <p>Once-off individual grants: R 460 million (R30 000)</p> <p>Total: R 510 million</p>	
			Successful monitoring and implementation of the TRC recommendations: Legislation and Community Rehabilitation	A Missing Persons Task Team has been established by the NPA to enhance the TRC implementation process. This task team conducted 23 exhumations in the reporting period. A policy is currently being developed to regulate the exhumation and reburial process.	

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
				<p>In conjunction with the SAPS, a process was developed and put in place to expunge the criminal records of persons who received amnesty.</p> <p>Legislation was adopted to reinstate the names of deceased legal practitioners who had been struck from the roll due to their political activities</p>	
	Established TRC Unit	Approved structure	Chief Director appointed.	The establishment process is currently under way.	
	<p>Operations Management</p> <p>Relationship Management</p> <p>Establishment of mechanisms for continuous improvement and monitor internal and operational processes to promote good governance and service excellence</p>	Manage the Justice Precinct Project	Public Private Partnership (PPP) initiated by 2005/06	<p>A Justice Precinct Committee was duly constituted to manage the process with representatives from National Treasury's PPP Unit, National Department of Public Works (NDPW), architects appointed by NDPW and internal DoJ&CD role-players. The needs analysis for all justice entities has been completed and the option analysis process has started. Ernst and Young has been appointed as the transaction advisor. The proposed finalisation date for the project is within the 2008/09 financial year.</p>	



Programme Performance

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
	Programme Support and Administration	Mechanisms to monitor the Service Delivery Improvement Plan	Directorate dealing with service delivery improvement established	A concept document proposing various mechanisms for monitoring service delivery and motivating the establishment of a Service Delivery Improvement Unit has been approved by the Director-General. HR has commenced with the establishment process.	
		Establish a central point for collection, analysis and dissemination of operational data for the Department	Established National Operations Centre (NOC)	After a broad consultative process, the establishment of the NOC has been approved by the Director-General. The NOC's function is to collect and analyse data on operations to provide decision-making support to management. The establishment process is currently under way.	
		Administrative support to newly re-established regional offices	Fully functional and mandated regional offices	Due to organisational redesign, the Regional Heads now report to the COO. Regional offices are continuously supported and open lines of communication have been established through monthly meetings and communiqués by the Directorate: Programme Support and Administration	

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Human Resources					
Key Accounts Management	Project Hub	Project management capability	Establish component	Ongoing	
	Decentralised Key Accounts	Efficient HR services delivered to clients	Establishment of Key Accounts capacity		
			Improved client relations	Client relations have been established with branches	
	Value-Added Services: Employment Relations	Effective workplace relations	Capacity-building of Misconduct Unit	Presiding Officers and Investigating Officers are being trained	
			Alternative dispute resolution	In progress	
	Business Process Improvement	Optimised business processes	Job evaluation	Ongoing	
			Job profiles	Ongoing	
	Learning and Development	A competent workforce empowered through skills development	Developed Skills Plan and HRD Strategy by June 2006	Completed by March 2006	
	Organisational Development	Effective workforce planning	Develop HRD plan	In progress	
		Increased change management	Develop Change Management Strategy	Change agents have been identified and trained	
		Facilitated employee wellness programmes	Tender to be awarded to suitable provider for EAP programmes	Tender was awarded to various providers appointed in the various provinces	
		Culture Audit Survey	Results presented to branches	In progress Interventions emanating from results	
	Customer Management Centre	Leave automation pilot project	Roll-out plan completed	Ongoing	
		Administrative Quick-Wins Project	September 2006	Ongoing	
		Customer Relations Management	January 2007	Ongoing	
		Service Benefits policy and procedure development	November 2006	Ongoing	

Programme Performance

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
		Leave audit process	November 2006	Ongoing	
		Management of branches' establishments	September 2006	Ongoing	
	Specialist Hub	Recruitment	Improve turn-around time	Outsource response handling	
		Bursaries Management	Effective recruitment and selection process	Ongoing	
	Customer Management Centre	Bursaries Management	Progress analysis on bursary holders	Ongoing	
Communication Services					
Corporate Affairs	Internal Communication: communicate Government and departmental programmes to staff, e.g. State of the Nation Address, Access to Information, Equality Courts, Maintenance (including Operation <i>Isondlo</i>), Domestic Violence, 16 Days of Activism for No Violence Against Women and Children	Well-informed staff on Government and departmental policies and programmes Organise various events to share information with staff	Some 20 information sessions	Achieved	
	External Communication through:				
	Marketing and promoting the Department	Organising open court days	Presidential Imbizo, Ministerial Izimbizo, school visits and 12 exhibitions and open court days	Achieved	
	Events Management	Organising of functions/activities as and when required	Five Justice Services Fairs	Achieved	

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
	Raising awareness on justice-related matters Exhibitions	Distribution of information to different individuals, organisations and tertiary institutions and information sessions Inter-sectoral marketing of services of JCPS Cluster and stakeholders to members of the public	Dissemination of publicity material at information sessions on, among others, the Constitution, Maintenance, Domestic Violence, Equality Legislation, the Guardian's Fund, estates and wills, etc.	Achieved	
Media Services	Newspaper clipping service	News clippings daily	Daily	Achieved	
	Media trends Strategic analysis of media news with the objective of servicing our principals	Repackage publications and improve on the design in line with our new logo	Monthly Informed principals on the consequences of media coverage, both positive and negative and advise on possible action	Achieved Ongoing	
	Media enquiries: Develop one-on-one relationships with members of the media	Exchange of information with the media Target a particular group of journalists who deal with justice-related issues	More enquiries from the media handled effectively	Some 550 enquiries dealt with Ongoing	
	Press statements, press conferences, seminars, radio and television interviews	Improve on tailor-made packages for conferences and seminars	More requests from our customers for assistance Customers' knowledge of our business More enquiries from our external customers	Some 48 press statements Six media conferences Some 32 radio and television interviews	
	Feature articles: Large penetration of the existing markets	Submission of articles to various publications on a regular basis	Develop our relationships with journalists to ensure placement of articles Target magazine editors to ensure appearance of articles	Some 15 featured articles, Some 35 adverts/ advertorials placed	

Programme Performance

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Publications (electronic)	Restructuring, maintaining and updating of departmental website	Constant updating of site with new and relevant information in user-friendly manner	User-friendly website Improved hits on site	Completed additional sites for the Supreme Court of Appeal and the departmental contribution to the Government Gateway Portal	
	Content management of Intranet and design, drafting of further specifications	Design of intranet web pages to facilitate and enhance free flow of information. Compiling of branch specifications	Interactive intranet site (DJINI)	Intranet rolled out to all active DNS sites in the Department	
Publications (printed)	Annual reports: DoJ & CD, South African Law Reform Commission (SALRC) and Judicial Service Commission. (JSC) Monies in Trust, Guardian's Fund, Criminal Asset Recovery Account (CARA) and the President's Fund	Copywriting, layout and publication and distribution to Parliament of attractive and user-friendly annual reports	Some 1 500 of each tabled in Parliament	Achieved	
	Compilation of copy for SA Yearbook	Copywriting of inputs and forwarding of information to the Government Communication and Information System (GCIS) for publication	Input approved by the Government Communication and Information System	Achieved	
	Public awareness of departmental initiatives and human rights issues	Development and production of exhibition material for community outreach programmes	Exhibitions, e.g. on human rights, maintenance, etc.	Achieved	
	Merchandising and production of material for conferences/ workshops/ symposia	Development of artwork, printing and sourcing of merchandising and conference material Delivery of all products to Events Management Team	Material for the National Day of Reconciliation; Conference on Racism, Racial Discrimination, Xenophobia and Related Intolerances	Achieved	

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Public Education and Liaison through: Community Education with organisations	To build public confidence in the administration of justice by uplifting communities and educating members of the public on legal and constitutional matters and the services offered by the Department	Workshops, information sessions, presentations, youth camps on topics relating to the Constitution, legislation and services provided by this Department	Conduct information sessions with the Non-governmental organisations (NGOs) Present workshops organised by NGOs at their communities Conduct monthly outreach sessions with previously marginalised communities	Some 60 information sessions Some 20 workshops conducted with various NGOs Achieved	
		Outreach to be conducted in the previously disadvantaged areas with the previously marginalised communities, e.g. women, children, the rural poor, etc.			
Community education targeting the youth	To build public confidence in the administration of justice by uplifting communities through education on justice-related matters and Children's Rights Awareness	Workshops, information sessions, presentations, open court days, school visits, youth camps on topics relating to the Constitution, legislation and services provided by this Department	Visits to schools to inform children of maintenance and domestic violence procedures (Child Protection Week)	Five youth camps Some 500 school visits Workshops conducted with children/youth (primary and high school and tertiary institutions)	
Community Outreach	Marketing of Court services: Community involvement with Court procedures to achieve an effective system of justice Raising awareness on justice-related matters	Arranging open court days to view Sexual Offences Courts, Family Courts and the functions of the Master of the High Court	Four open days per year	Achieved	

Programme Performance

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
		<p>Hosting of and participating in outreach events to celebrate the following commemoration days :</p> <p>Women's Day, Children's Day, International Human Rights Day, Human Rights Day and 16 Days of Activism for No Violence Against Women and Children, Child Protection Week</p>	<p>Some 26 events to mark the celebration of 16 Days of Activism for No Violence Against Women were held at KwaDesi (Magxaki Hall), Walmer (Ekunyamezeleni Centre), Algoe Park (Mission Valley Centre), Swartkops (Coega Primary School), Humewood (City Hall), Motherwell (Great Centenary Hall), Refilwe (Cullinan), Kotlehong (Sports Ground), Thembalethu (George), Phillipi (2), Tembisa, Thaba Nchu, Cofimvaba (Qamata Great Place), Queenstown (Town Hall), Cala (Municipal Hall), Cala (Mbewuleni JSS), Lady Frere (Town Hall) and East London (Mdantsane Taxi Rank), Lichtenburg (Sports Centre), Lochiel, Phongola, Embazwana, Maile Village, Winterfeld and Vezubuhle (one event per day of commemoration)</p>		

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
	Informed communities Utilise community radio programmes	Education on court services, relevant legislation, etc.	Fifty radio programmes on the following community radio stations: Lesedi FM, Legwalagwala Phalaphala and PM Live	Achieved	

2.10.2 Programme 2: Court Services

Purpose: Provide and manage efficient court facilities, and facilitate the resolution of criminal, civil and family law matters in South Africa.

Measurable Objective: Ensure that justice proceedings are prompt by maintaining the court system in a way that leads to a reduction in backlogs.

2.10.2.1 Service delivery objectives and indicators

National Performance Overview: High Courts

Reduction in case cycle times

Only 8% of the outstanding cases on the High Court rolls had been on the High Court roll for longer than 12 months at the end of March 2006. Apart from the Transkei Division of the High Court (with 180 days on average), all other divisions managed to finalise the average of their trials in the High Courts within 100 days from the start of the trials until sentencing. The national average number of days from

the start of the trials until sentencing was 64 days compared to 51 days during the previous financial year of 2004/05. The cycle times of cases referred to the High Courts for passing of sentence (life imprisonment) have decreased from a national average of 332 days to 258 days from the date of conviction in the Regional Court until the passing of sentence in the High Court.

Improvement in conviction rate

The High Courts were able to improve their conviction rate in trial cases conducted in the High Courts by accomplishing an 87% conviction rate. The target was set at 85% and was reached for the past four financial years – see Figure 1 *infra*. The cases in which minimum sentences are applicable and which are convicted in the Regional Courts but referred to the High Court for the passing of sentence, are excluded from the 87%. The convictions of the Regional Courts were confirmed in 90% of the minimum sentence matters referred to the High Court.

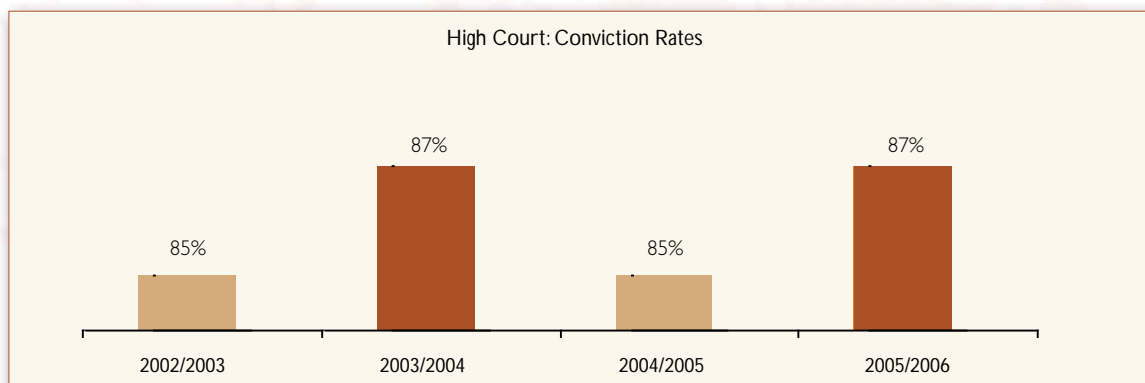


Figure 1

Programme Performance

The information on minimum sentence matters was changed during the current financial year to make provision for the monitoring of the number of cases sentenced, number of convictions overturned, and the number of cases referred back to the Regional Courts. Minimum sentence matters comprised 46% of all criminal cases finalised in the High Courts. Only 5% of cases referred to the High Court for the passing of minimum sentences were sent back to the Regional Courts. A sentence of life imprisonment was

imposed in 22% of the cases referred to the High Court, whilst a sentence of more than 15 years imprisonment was imposed in 41% of the cases.

Increase in the number of cases finalised

The average number of cases finalised per month has increased from 2002 with an average of 58 cases per month (see Figure 2).

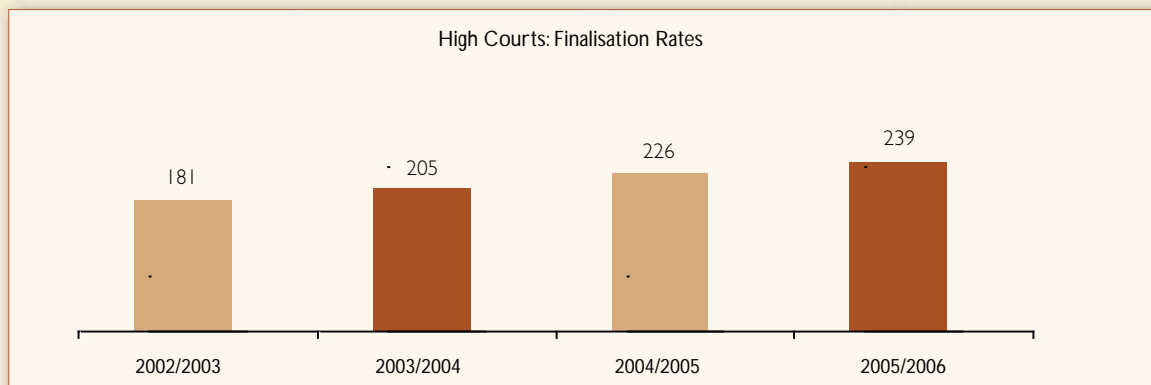


Figure 2

Improvement of court hours

The average court hours in the High Courts decreased from 3h32 during the previous financial year (2004/05) to 3h19 in the current financial year (2005/06). The Free State Provincial Division attained the highest average in court hours during the year (3h55), whilst the lowest hours were recorded by

the Western Cape Provincial Division (2h48). It should be noted that this is not a proper picture of work performed and hours spent on other court work. Valuable court time is spent on appeals, motion applications, reviews and bail applications, but is currently not included in the calculation of actual hours spent in court.

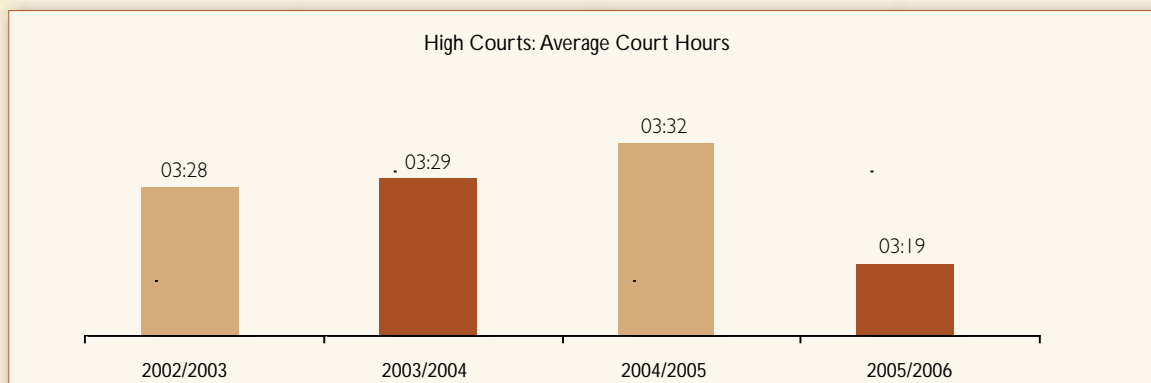


Figure 3

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New cases

The average number of new cases received by the High Courts per month has increased from an average of 163 (a total of 1 955 cases) in the 2003/04 financial year to an average of 183 (a total of 2 190) cases during 2004/05 and an average of 243 cases (a total of 2 918) during 2005/06. This represents a 25% increase in the new trial cases received during the current financial year. Previously, the number of new minimum sentence matters was not indicated, as it was

seen to be mere sentences. However, it was discovered that in most instances evidence needs to be presented in the High Court to determine the possible presence of exceptional circumstances. The inclusion of the data was therefore necessitated and the impact is illustrated in Figure 4. Data of 2002 – March 2005 reflects only incoming trial cases as opposed to the data of the current financial year, which reflects both incoming new trial cases and minimum sentence matters.

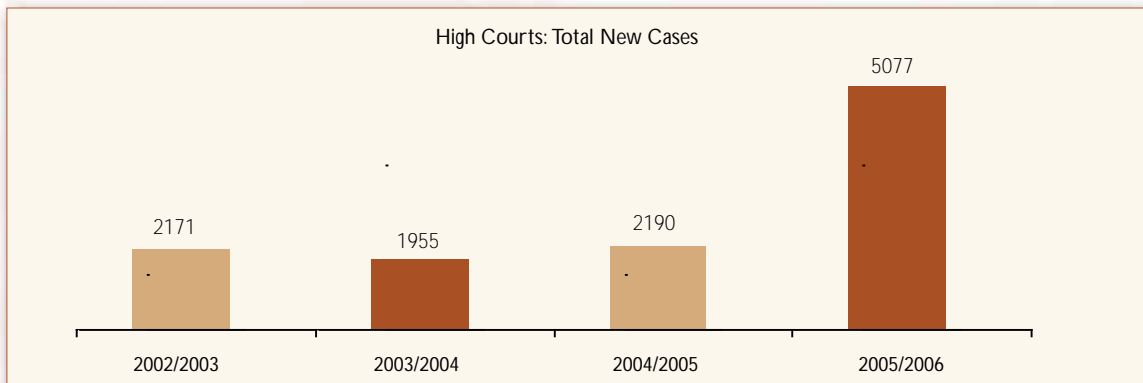


Figure 4

National Performance Overview

Lower Courts

Reduction in case cycle times

The target set for case cycle times provides an indication of the bulk of backlog cases currently on the roll. The backlog

of cases is defined as the number of cases that exceed their cycle time, which comprised in the Lower Courts a total of 36 915 cases (19% of the outstanding roll of 197 404 cases) at the end of March 2006. The backlog has therefore increased with 10% in relation to the total of 33 595 at the end of March 2005 (See Figure 5).

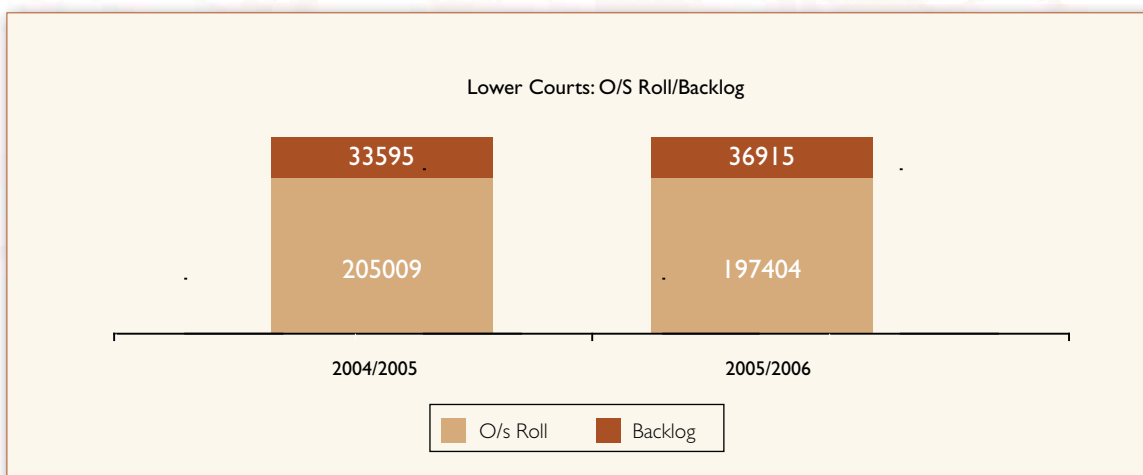


Figure 5

Programme Performance

At the end of March 2005, the backlog in the District Courts comprised 9% (14 763) of the total of 158 120 outstanding cases. The backlog increased to 11% at the end of March 2006. Some 16 663 of the total of 149 591 outstanding cases comprised cases on the roll for a period longer than Six months. Although the number of outstanding cases has been reduced, the case cycle times have increased.

The backlog in the Regional Courts has also increased with 2% from 40% (18 832) of the total of 46 889 outstanding cases at the end of March 2005 to 42% (20 252) of the total of 47 813 outstanding cases at the end of March 2006.

Various factors contributed to an increased backlog, which could mainly be ascribed to:

- The high level of non-attendance of court proceedings by accused. The number of warrants issued by the courts has been increased from an average of 14 574 warrants per month issued during the previous year to a current average of 15 155 per month. The negative impact of warrant cases is also noted in an increased

number of recycled cases – from an average of 6 864 recycled cases to a current average of 7 552 cases per month.

- The unavailability of some role-players in the criminal justice system has also contributed to the increased backlog of cases, together with a lack of commitment to proper implementation of the case-flow management principles.
- Incomplete investigations causing unnecessary delays are furthermore detrimental to the backlog of cases.

Improvement in conviction rate

Lower Courts managed to improve their conviction rate with 3% compared to the rate of 2003/2004. This outstanding achievement could be ascribed to proper screening procedures applied, to ensure that cases are trial-ready at enrolment thereof. The District Courts managed to exceed their conviction rate target with 2%. An average of 87% was maintained during this financial year (See Figure 6).

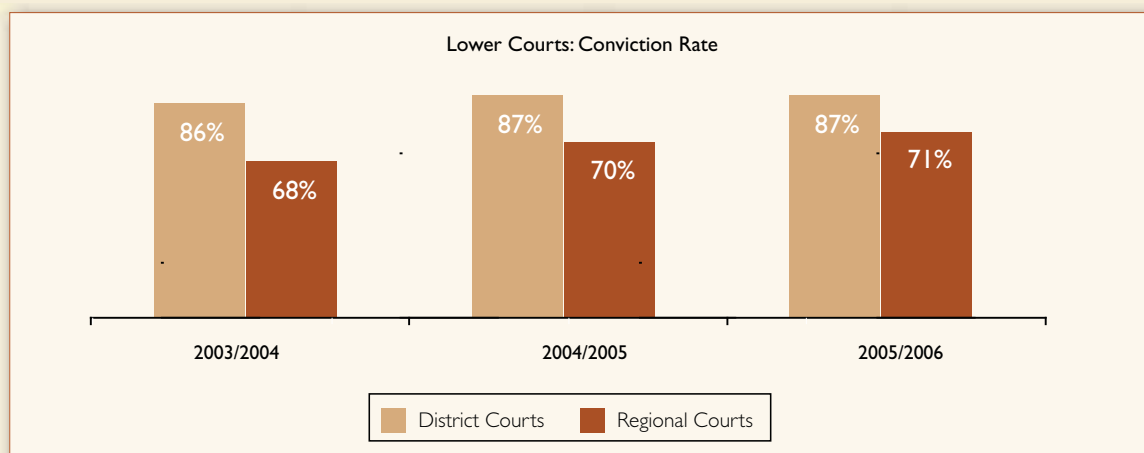


Figure 6

The Regional Courts have not only managed to exceed their target of 70%, but have also managed to achieve the highest rate (71%) in the past three years. This is an improvement of 5% compared to the average of 68% achieved during 2003/2004.

Increase in the number of cases finalised

The high influx of cases in our Lower Courts, especially in the District Courts, necessitated the consideration of alternative methods to reduce trial cases. One of the alternative dispute resolution processes applied with great success in our Lower Courts is the diversion process. This process is a very effective

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method to deal with first time offenders in less serious matters. The Lower Courts managed to improve the number of cases diverted with 102% compared to the total number of cases diverted during the previous financial year. A total of 18 925 more cases were diverted during 2005/2006 than the total of 18 918 cases diverted during 2004/2005.

As the offender admits guilt before the case is diverted via the attendance of a suitable diversion programme, the case is regarded as finalised and it was decided to analyse it as such.

The Lower Courts have therefore managed to finalise a total of 372 644 cases - 335 028 cases were finalised with a verdict and a total of 37 616 cases were diverted. Compared to the previous year 4 281 fewer cases were finalised with a verdict during 2005/06, but due to the increased diversion rate (18 925 more cases diverted) the Lower Courts have still managed to improve their finalisation rate with 4% (See Figure 7).

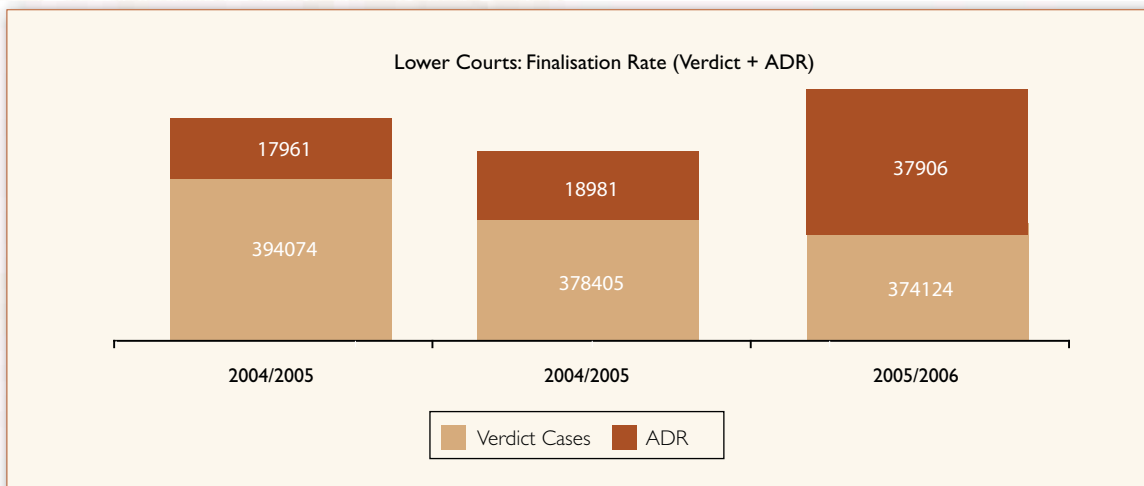


Figure 7

The District Courts have achieved their finalisation rate target by finalising 5% more cases than in the previous financial year. A total of 372 644 cases were finalised

compared to the total of 355 236 cases finalised during 2004/2005 (See Figure 8).

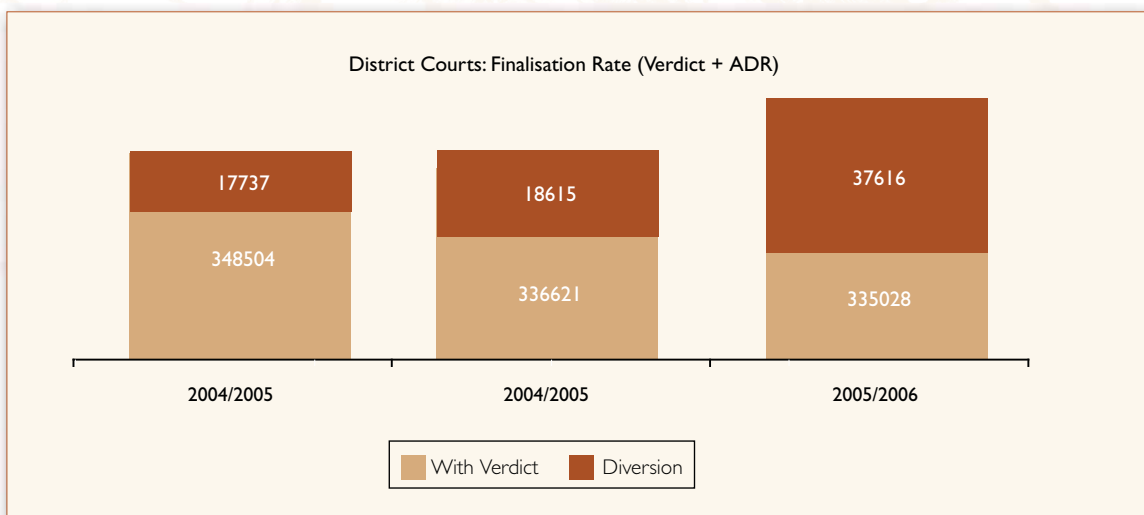


Figure 8

Programme Performance

The Regional Courts finalised a total of 39 390 cases, which constitutes a reduction of 7% compared to the

total of 42 150 cases finalised during 2004/2005 (See Figure 9).

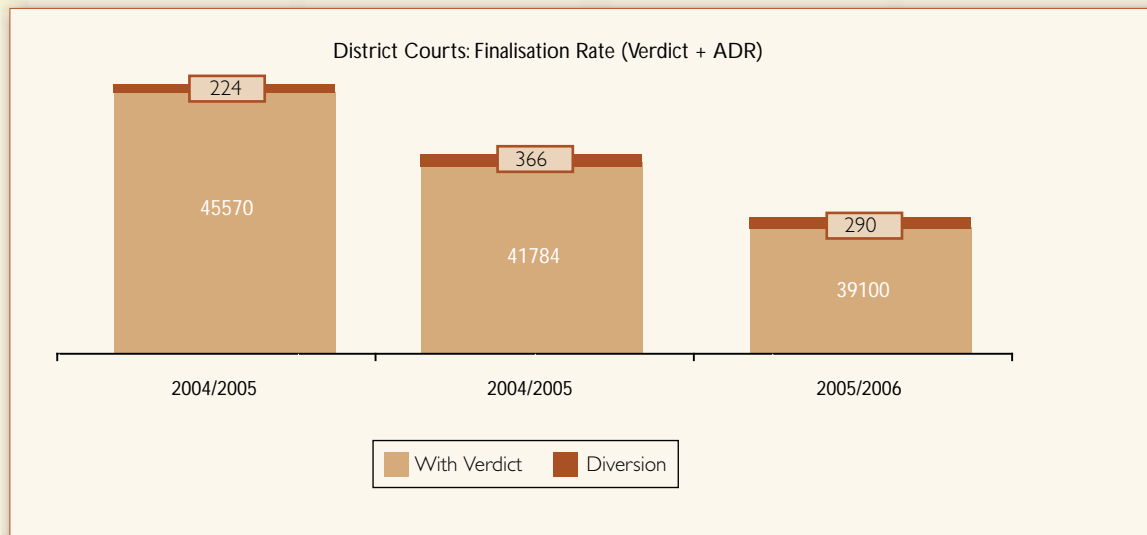


Figure 9

Plea and sentence agreements

Plea and sentence agreements were reached on 2 164 offences. The increase in plea and sentence agreements is illustrated in Figure 10. Although this procedure may be lengthy, a lot of court time was saved in matters such as in *S v Damaradzki*, where the accused was charged with 47 counts of fraud. The accused was sentenced by agreement to the following:

Counts 1 - 11 taken together: 6 years' imprisonment;

Counts 12 - 28 taken together: 6 years' imprisonment;

Counts 29 - 33; 35 and 37 - 45 taken together: 12 years' imprisonment (3 years suspended for 5 years);

Count 34: 12 years' imprisonment (3 years suspended for 5 years);

Count 36: 12 years' imprisonment (3 years suspended for 5 years);

Count 46: 12 years' imprisonment (3 years suspended for 5 years); and

Count 47: 12 years' imprisonment (3 years suspended for 5 years).

MAIN CRIME CATEGORIES	2004/2005	2005/2006
Fraud	872	853
Possession of abalone	156	148
Theft	137	437
Transportation of abalone	65	-
Culpable homicide	53	93
Dealing in narcotics	38	67
Rape	30	23
Drunken driving	27	67

MAIN CRIME CATEGORIES	2004/2005	2005/2006
Corruption	26	8
Housebreaking	25	56
Robbery	23	122
Possession of firearm without license	21	84
Murder	19	72
Total cases (agreements):	703	1 202
Total counts:	1,993	3 234
Percentage of custodial sentences:	20,7%	35,6%

Figure 10

Reduction of awaiting trial detainees and children in custody

The reduction of the number of awaiting trial detainees (ATDs) and children in custody were prioritised objectives for the year under review. The figures received from the Department of Correctional Services (DCS) indicated that a reduction in the numbers of ATDs was achieved, from 52 326 detainees during January 2005 to 48 807 detainees during March 2006. A 7% reduction was therefore achieved.

A reduction of 20% was achieved in the numbers of unsentenced children in custody - from 1 462 during March 2005 to 1 169 during March 2006.

Improvement of court hours

During 2005 the focus was placed on the finalisation rate of a court as opposed to the average court hours per court. However, average court hours still remain a good indicator of the effective utilisation of court time. In Figure 11, a comparison of the average court hours achieved during three financial years is illustrated.

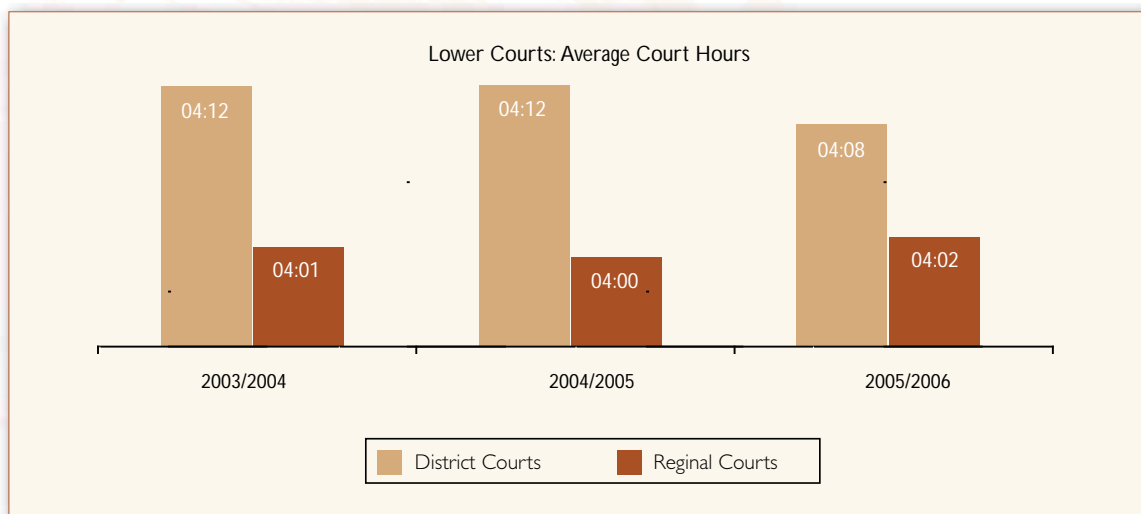


Figure 11

Programme Performance

The national average hours maintained by the District Courts decreased with 1.5% compared to the achievements of the previous year. From an average of 4h12 maintained during the two previous financial years to an average of 4h08 during 2005/2006 (See Figure 6).

In Figure 12 the average hours during the past financial year are compared to that achieved during 2004/2005. A reduction in the court hours is noted from June 2005. The highest average of 4h17 was achieved during May 2005.

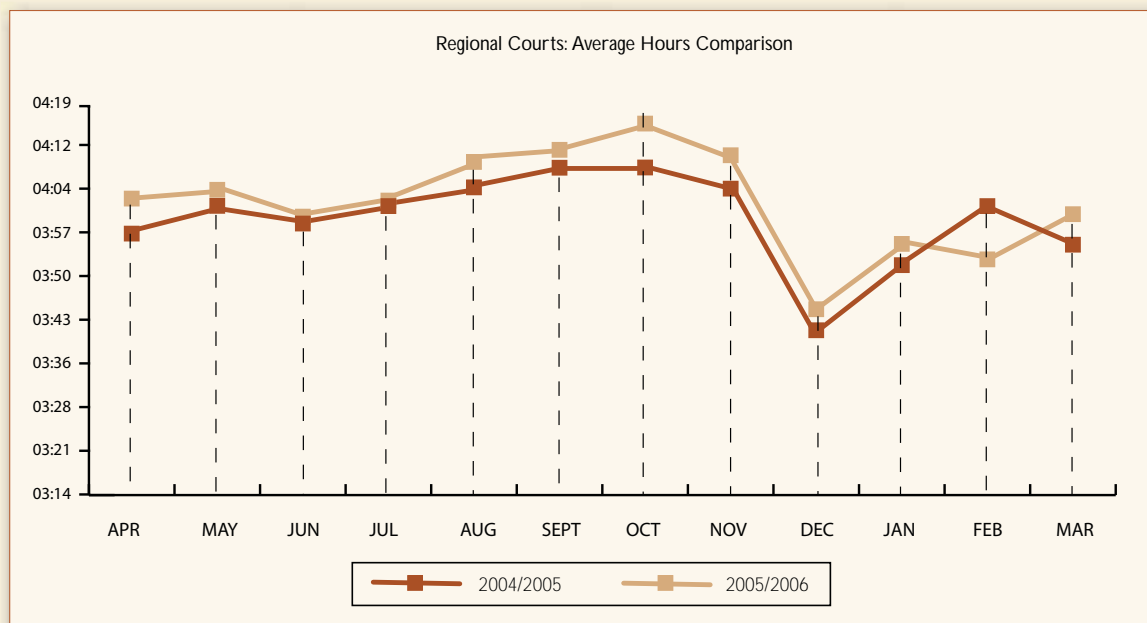


Figure 12

If the average court hours achieved (4h08) are measured against the target hours of 4h45 set for all District Courts, it is evident that there is room for improvement. At the end of the year under review, the national attainment constitutes 13% below target.

One of the knock-on effects of the introduction of alternative measures to reduce trial cases is the negative impact of such measures on the recorded court hours. Court hours comprise only actual hours spent in court and do not make provision for the time spent on alternative methods to reduce trial

cases. Whilst striving for alternative methods to reduce our workload, the reduction of court hours is inevitable. (An improvement could, however, be achieved when the ratio of two prosecutors per court is accomplished.)

The Regional Courts improved their average hours by attaining an average of 4h02, the highest average in the past three years. If their court performance is measured against that of the previous financial year, an overall improvement is noted, except for a slight decline at the beginning of 2006 (See Figure 13).

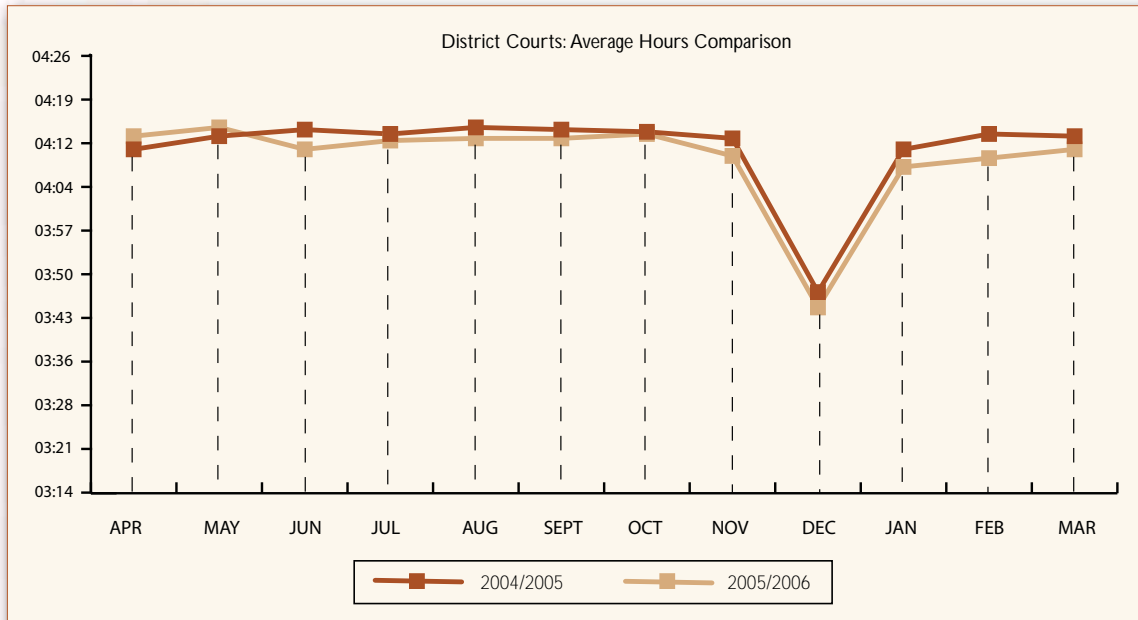


Figure 13

Capital Works

Number of courts built: Nine completed; one delayed at Ceres due to unforeseen additions required and slow progress by contractor.

Renovations: Although a target was set for the renovations to 100 courts, 129 courts were attended to. The additional renovations were done as only parts of buildings and not the whole building was renovated.

Departmental initiatives aimed at vulnerable groups

Despite the existence of the Maintenance Act, 1998 and the innovative amendments that have been introduced, women continue to struggle to access maintenance due to inefficiencies in the system and lack of adequate resources. The Department introduced Operation *Isondlo* as one of the strategies aimed at improving the maintenance system.

In introducing Operation *Isondlo*, the Department wanted to see improvement in the maintenance system by ensuring a decrease in the backlog of maintenance cases; increased utilisation of civil enforcement provisions of the Act; improvement of capacity in courts, targeted and focused

Public Education and Awareness campaigns. Operation *Isondlo* is also aimed at transforming the maintenance system so that there is greater access to justice for women through the efficient administration of maintenance processes. To ensure that maximum impact is attained, 22 courts were chosen. One of the key critical activities that all the provinces engaged in under the umbrella of Operation *Isondlo*, was to compile base-line data against which progress in improving the maintenance system would be measured. In January 2006 all the Department's regional offices, KwaZulu-Natal and Western Cape Regional Offices, embarked upon a project under Operation *Isondlo* to trace maintenance beneficiaries whose maintenance monies remain uncollected for longer than three to six months. The Western Cape, in their February 2006 *Imbizo*, managed to trace 308 of the 823 beneficiaries, where two of these beneficiaries received R16 800 and R14 400 respectively.

Capacity-building in courts

When the Maintenance Act, 1998 was passed, it was not costed for effective implementation. The necessary capacity to deal with the workload was therefore not created. For the first time since 1994, through Operation *Isondlo*, the



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Department created and filled the following positions at various courts throughout the country:

427 Maintenance Clerks

86 Maintenance Officers (Legally qualified)

145 Maintenance Investigators

100 Legal Interns

a. Maintenance Officers:

The appointment of legally trained Maintenance Officers has improved the quality of the service rendered and has enhanced the implementation of the provisions of the Maintenance Act, 1998.

b. Maintenance Clerks:

The recruitment of permanent clerks reduced the number of temporary staff and volunteers in many courts.

c. Assistants to Maintenance Officers (Maintenance Investigators):

One hundred and forty five assistants to Maintenance Officers referred to as Maintenance Investigators have been appointed to investigate all aspects of maintenance cases including tracing maintenance defaulters.

The appointment of Maintenance Investigators brought about tremendous relief for overworked officials, resulting in greater access to justice and an efficient and effective investigation process. In areas where Maintenance Investigators have been appointed, there has been a higher improvement in the reduction of the cycle times in the hearing of maintenance matters.

The estimated cycle times have been reduced from six months to three months in cases where there were major backlogs; and from four months to two months in courts where capacity was built by the appointment of maximum administrative support of maintenance officers, maintenance clerks and dedicated magistrates and maintenance prosecutors.

Public education and awareness

The Department developed educational material on how to access Maintenance. This was translated into all official languages and distributed to all the regions. Public awareness

campaigns in the regions, targeting the rural and urban communities, involving relevant stakeholders and highlighting maintenance took place in the form of seminars, workshops, *Izimbizo* and maintenance blitzes. These materials were distributed at these campaigns and in court.

HUMAN RESOURCE DEVELOPMENT

Training and development

Whilst Justice College does provide training, it is mainly on the substantive law and does not really cover practical and administrative aspects of the implementation of the Maintenance Act, such as the calculation of the cost of the child, calculation of the interest, the practicalities of civil enforcement and the necessary forms required.

The Chief Directorate: Vulnerable Groups, has embarked upon a training programme focusing on the practical and administrative aspects by experts. Some 325 Clerks and 86 Maintenance Officers were trained. A total of 145 Maintenance Investigators were trained on basic investigation techniques and 100 Interns were trained on all aspects of Maintenance.

Family Law learnership

The majority of the staff working with family law services, including maintenance, do not have the necessary qualification. The Chief Directorate: Vulnerable Groups initiated a process of developing a learnership programme for Family Law, in conjunction with SASSETA. The certificate and curriculum has recently been approved by SASSETA and registered by the South African Qualifications Authority (SAQA). The learnership will afford family law staff the opportunity to have a certificate in family law, as well as other interested unemployed members of the public. The learnership provides integrated training in all family law matters concerning maintenance, domestic violence, children and divorce.

Guidelines/User-friendly forms

Because of the different interpretations and application of the provisions of the Maintenance Act 1998, it is imperative to develop guidelines for greater efficiency and effectiveness. The Chief Directorate: Vulnerable Groups is in the process of finalising guidelines for the development of user-friendly forms.

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DOMESTIC VIOLENCE

The Domestic Violence Act 1998, was introduced with the main objective of preventing and eradicating abuse against women and children. The coming into operation of this piece of legislation led to the high rate of victims of crime visiting our courts to access their rights, and the Department had to make adequate provision for the implementation of the Act. The following measures were taken during the relevant reporting period:

- Funds are devolved to all the regions to facilitate training and raise awareness on the rights of the victims.
- Rights education material is distributed to all the regions.
- Training of court officials at every level is done and ongoing.
- Development of information brochures, translations, and printing of rights material in all official language are in the process.
- Establishment of uniform national guidelines for courts in addressing Domestic Violence are still in the process.
- Workshops were held in the Western Cape and other workshops are planned in KwaZulu-Natal, the Eastern Cape and Gauteng during November and December 2006.
- Proposal for a protocol for the management of Domestic Violence is being developed.
- A National Forum on Domestic Violence was established.

Child Justice and Child Law

In order to facilitate the implementation of the Children's Courts Chapter of the Children's Act, 2005 (Act No 38 of 2005) in Children's Courts, the Department took part in the costing processes of the Section 75-Bill, and has, as a result, drafted implementation strategies for the phased-in implementation of the Children's Act, 2005 in Children's Courts. The Department is leading a Justice Working Group in order to plan for and implement the proposed new Children's Courts powers and obligations. An audit of Children's Court needs was finalised. The Department is in the process of appointing 124 extra Children's Court Clerks in the provinces for the 2006/07 financial year as a result.

The Directors-General of the Department of Justice and Constitutional Development and Social Development respectively launched a project in 2005 to facilitate the fast-tracking of Children's Court enquiries and the placement of children into foster care. The projects were launched in KwaZulu-Natal and the Eastern Cape.

Nine Restorative Justice training sessions for magistrates on the Child Justice Bill and the Children's Bill were funded in the provinces in 2005/06. Alternative Sentencing Workshops are progressing during the 2006/07 financial year.

In order to facilitate and prioritise Child Justice-issues, the Department has continued chairing the monthly meetings of the Inter-sectoral Child Justice Steering Committee, which has resulted in the numbers of Children Awaiting Trial in Correctional Centres (prisons) having been reduced by 50% during 2005/06. The number of Children Awaiting Trial in Correctional Facilities (prisons), police cells and Secure Care Facilities, is being monitored on a monthly basis; and is being analysed to ensure that best practices for decreasing the number of such children are continuously incorporated.

During 2005/06, the Department further encouraged the establishment of Provincial Child Justice Fora chaired by the Regional Heads; and local Case Review Task Teams led by the Directors of Public Prosecution in each province. The Inter-sectoral Child Justice Steering Committee (ISCCJ) drafted Interim Practice Guidelines for One-Stop Child Justice Centres, whilst awaiting the finalisation of the Child Justice Bill; assisted with the finalisation of the move of the Port Elizabeth One-Stop Child Justice Centre to Nerina Place of Safety, started piloting the preliminary enquiry in the Bloemfontein One-Stop Child Justice Centre; made inputs into the Department of Labour's Child Labour's Programme and pilot projects, especially regarding Children being Used by Adults in the Commission of Crimes in Mamelodi and Mitchells Plain as pilot areas; and assisted in the drafting of a National Protocol on Children being moved to Reform Schools.

The Department continues to work together with all relevant role-players to fast-track all cases involving children in conflict with the law, especially regarding those cases involving children who are younger than 15; who have

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been awaiting trial for longer than six months; and who are accused of less serious offences. In this regard, planning for implementation and re-costing of the Child Justice Bill No B49 of 2002, continues.

Equality Courts

As at 2005/2006 we had 220 courts that are designated as Equality Courts and by end of the financial year 2006/2007

we will have designated 366 to ensure that each magisterial district has an Equality Court. To facilitate this, the training of all clerks and Magistrates was conducted in 2005/ 2006. Some 145 Magistrates and 235 clerks were trained on Equality legislation in 2005/ 2006, bringing the numbers trained to date to over 88 Judges, 815 Magistrates and 334 Clerks.

2.10.2.2 Service delivery achievements

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Constitutional Court					
	Development of South African constitutional law jurisprudence	Percentage of cases	Some 80% of cases on the roll finalised per year	Cases received : 73 Judgments : 8 Dismissed : 51 = 59 = 81 %	Cases require substantial research
Supreme Court of Appeal					
	Legal precedents	Percentage of appeals finalised	Some 80% of cases on the roll finalised per year	Received : 864 Finalised : 693 = 80 %	
	Conduct of appeals	Time taken to dispose of appeals	Appeals disposed of within six months of date of enrolment	Approximately seven months	1. If accused needs legal representation. Case can proceed only when representation is provided 2. Matters on roll must first go to the Judge President who decide if case can proceed to Appeal Court.
High Courts					
		Number of appeals finalised	Some 1 500 in 2005/06	Some 3 469 for 2005/06	Number of appeals outstanding depends on availability of judges and courts to deal with it

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
		Court hours worked per day	Three hours and 45 minutes per court in 2005/06	The average court hours in the High Courts decreased from 3h32 during the previous financial year (2004/05) to 3h19 in the current financial year (2005/06). The Free State Provincial Division has attained the highest average in court hours during the year (3h55), whilst the lowest hours were recorded by the Western Cape Provincial Division (2h48).	It should be noted that this is not a proper picture of work performed and hours spent on other court work. Valuable court time is spent on appeals, motion applications, reviews and bail applications, but is currently not included in the calculation of actual hours spent in court.
		Case cycle time	Some 75% of cases not older than six months	<p>Only 8% of the outstanding cases had been on the High Court rolls for longer than 12 months at the end of March 2006. Apart from the Transkei Division of the High Court (with 180 days on average), all other divisions managed to finalise the average of their trials in the High Courts within 100 days from the start of the trials until sentence. The national average number of days from the start of the trials until sentence was 64 days compared to 51 days during the previous financial year of 2004/05</p> <p>The cycle times of cases referred to the High Courts for passing of sentence (life imprisonment) has decreased from a national average of 332 days to 258 days from the date of conviction in the Regional Court until the passing of sentence in the High Court.</p>	
	Issuing of orders and interdicts in maintenance and domestic violence inquiries	Court hours worked per day	Five hours per district court and four hours per regional court in 2005/06	<p>The national average hours maintained by the District Courts decreased with 1.5% compared to the achievements of the previous year. From an average of 4h12 maintained during the two previous financial years to an average of 4h08 during 2005/2006.</p> <p>The Regional Courts improved their average hours by attaining an average of 4h02, the highest average in the past three years. If their court performance is measured against that of the previous financial year, an overall improvement is noted, except for a slight decline in the beginning of 2006.</p>	

Programme Performance

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
		Case cycle time	Some 75% of cases not older than six months	<p>At the end of March 2005, the backlog in the District Courts comprised 9% (14 763) of the total of 158 120 outstanding cases. The backlog has now been increased to 11% at the end of March 2006. A total of 16 663 cases of the total of 149 591 outstanding case roll comprised cases on the roll for a period longer than six months. Although the number of outstanding cases has been reduced, the case cycle times of the cases have been increased</p> <p>The backlog in the Regional Courts has also increased with 2%, i.e. from 40% (18 832) of the total of 46 889 outstanding cases at the end of March 2005 to 42% (20 252) of the total of 47 813 outstanding cases at the end of March 2006.</p>	<p>Various factors contributed to an increased backlog, which could mainly be ascribed to:</p> <p>The high level of non-attendance of court proceedings by accused. The number of warrants issued by the courts has been increased from an average of 14 574 warrants per month issued during the previous year to a current average of 15 155 per month. The negative impact of warrant cases is also noted in an increased number of recycled cases – from an average of 6 864 recycled cases to a current average of 7 552 cases per months.</p> <p>The unavailability of some role-players in the criminal justice system has also contributed to the increased backlog of cases, together with a lack of commitment to a proper implementation of the case-flow management principles</p> <p>Incomplete investigations causing unnecessary delays are furthermore detrimental to the backlog of cases</p>
Family Advocate					
	Assistance to the courts in issues relating to children in family matters	High court custody documentation scrutinised	A total of 36 000 documents in 2005/6	A total of 38 422 (High Court and Divorce Courts)	
		Number of enquiries finalised	Some 6 000 in 2005/6	Some 6 842 enquiries finalised	

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Magistrates' Commission					
	Appointment of magistrates and related employment matters	Percentage of magistrates employment matters dealt with	Some 90% of new matters received during 2005/06 dealt with	Some 100% of new matters dealt with – though not all aspects finalised in view thereof that the Ministry has to do the appointments and some are outstanding.	
		Recruitment and appointment cycle time	Three months from vacancy advertisement to appointment	Six months from date of advert Interviews done in November not yet finalised	Appointment has to be signed by Minister Court applications barring interviews, etc, have an impact
Capital Works					
	Adequate and secured court infrastructure	Number of courts built	Ten new courts built in 2005/06	Nine completed	One delayed at Ceres due to unforeseen additions required and slow progress by contractor
		Number of courts renovated	One hundred courts renovated in 2005/06	Some 129 Courts renovated	The additional renovations were done due to the fact that in several cases it only related to parts of buildings and not the whole building.

2.10.3 Programme 3: State Legal Services

Purpose: To provide legal services to government, and to facilitate legislative amendments.

2.10.3.1 Service delivery objectives and indicators

Legal Services

Legal Advisory Services presently incorporates various Branches, State Attorneys, State Law Advisors and the Legislative Drafting Unit. The Unit operates a budget of ± R149m and consists of approximately 220 lawyers.

The mission of the Branch is to provide legal advice, representation, legislation and legislative drafting services to the State in a cost-effective and efficient manner. The vision of the Branch is to ensure that services rendered are improved in accordance with the mission, and that it is responsive to the needs of its clients.

The Branch provides legal services to the Executive, all state departments (both national and provincial), parastatals and independent or autonomous bodies that may refer work to it.

Almost 90% of the Branch's budget is allocated for personnel expenditure, which coincides with the fact that the Unit is service-driven. The relatively small operational budget of 10% is utilised to enable the Unit to render a professional and efficient service.

State Law Advisors

The core functions of the State Law Advisors are the:

- writing of opinions;
- scrutiny of all international agreements including extradition agreements; and
- scrutiny of draft subordinate legislation, e.g. regulations.



Programme Performance

In an attempt to extend the services so as to improve cost-effectiveness, the following services are also rendered by the State Law Advisors in addition to the core functions:

- One of the Principal State Law Advisors chairs the Veterinary Council.
- A Principal State Law Advisor is also serving on a Task Team of the Ministry of Defence to assist with the restructuring of the Secretariat and Department of Defence.
- The Branch is represented and actively involved in the workings of the POSLEC SETA.
- A State Law Advisor attends the quarterly meetings with regard to Legal Terminology in African Languages, which mainly involves the translation of legal concepts into the local indigenous languages, the goal being to compile a dictionary which will be used in the courts.
- Some of the State Law Advisors assist departments in the negotiation of international agreements

In 2005 the State Law Advisors received 655 requests for legal opinions, international agreements and regulations. The State Attorneys brief State Law Advisors to render opinions to client-departments (with their consent), which would normally be outsourced to private counsel. This exercise saves a considerable amount which would otherwise been disbursed to private counsel.

The Office of the Chief State Law Advisor is presently investigating the possibility of extending its services to municipalities.

Legislative Drafting Unit

The Legislative Drafting Unit has been established to peruse, develop, draft, scrutinise and certify all legislation. The Drafting Unit continues training officials from other departments. The key objective is to reduce costs and the State's dependence on private legislative drafters. In 2005 the Drafting Unit scrutinised 38 Bills.

Constitutional Litigation Unit

The Constitutional Litigation Unit operated under the supervision of the Chief State Law Advisor and in conjunction with the State Attorney Division on a variety of constitutional issues. In some matters the Litigation Unit played a monitoring role in constitutional cases. In some matters the Litigation

Unit is actively involved, working with the State Attorneys responsible for the matter. The operation of this Unit will be reviewed in order to enhance processes for dealing with constitutional matters.

State Attorneys

The State's involvement in virtually all spheres of life attracts the attention of an increasing number of litigants. The State Attorneys alone currently deal with approximately 80 000 matters on behalf of Government. The State Attorneys recovered an amount of R89 541 768 on behalf of client departments, as well as R5 526 858 towards costs.

A total of 42 854 new matters was received in 2005. The main categories were 57% High Court and 27 % Magistrate Court. The balance refers to other tribunals.

Prescriptions and default judgments declined dramatically during 2003, 2004 and 2005. It declined from 500 in 2002 to 71 in 2003, 49 in 2004 and 60 in 2005. The majority of these occurrences cannot be attributed to the State Attorneys only. In only 15 matters can the fault be attributed to attorneys. There is a great need to foster greater cooperation between client departments and the State Attorneys.

All State Attorneys who qualify, have been enrolled to appear in the High Courts. Attorneys appeared in court in at least 974 matters.

State Attorneys, in an effort to divorce administrative functions from professional functions in order to enhance the supervision and management of litigation matters, have appointed office managers to fulfil this very important function.

Briefing Pattern

A policy has been put in place to redress the imbalances of the past by giving preference to Black advocates and female advocates. In line with government policy, at least 50% of all briefs are provided for legal practitioners from previously disadvantaged background. This is aimed at improving the skills amongst Black practitioners and to effect skills transfer.

International Affairs

During the year under review the Chief Directorate: International Affairs was responsible for, *inter alia*, the following activities:

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- The African Court on Human and Peoples' Rights has already been established. The court has to be operationalised and Judge B Ngoepe has been elected as one of the judges of that court. The court has not yet started with its hearings.
- Due to vacancies in the African Commission on Human and Peoples' Rights, member states were called upon to make nominations for people to serve as commissioners. South Africa (the Minister) nominated Adv Pansy Tlakula, who was consequently elected to serve on the Commission.
- South Africa (the Minister) presented its first periodic report on the African Charter during November 2005. The African Commission made observations to which the Department has to respond in order to indicate that South Africa takes its international obligations seriously.
- South Africa (represented by the Minister) is to present South Africa's initial report on the Convention on the Elimination of Racial Discrimination during October 2006. During the reporting period the Department prepared a country statement and an executive summary for use by the Minister during the presentation of the report.
- The International Criminal Court in The Hague requested South Africa to indicate its willingness to cooperate with international tribunals. The matter is still receiving attention in relevant government departments.
- The Chief Directorate participated in the National Seminar on Racism (convened by the Department) which drew participants from foreign countries and organisations.
- The Department, in partnership with our Embassy in the UK, celebrated the 50th anniversary of the Freedom Charter. Present were the Chief Justice, the Minister, Adv G Bizos, SC and other leaders from South Africa and the UK.
- The Department, through its various divisions, shared its experiences with the Sudan on areas such as treaty making, legislation drafting and drafting of contracts.

Branch: Master of the High Court

The Administration of Estates Act 66 of 1965 has been amended to provide for the position of a Chief Master.

The Ministerial Committee on the Liquidation Industry submitted its report to the Minister during 2005. The Cabinet subsequently appointed a task team to study its recommendations.

The Chief Master is also in the process of finalising a Chief Master's directive on the appointment of liquidators. This directive will bring uniformity in the way the Masters' Offices appoint liquidators. It is expected that this directive will come into operation on 1 November 2006. The Chief Master is furthermore in the process of attending to the Regulatory Framework for liquidators. The industry has been calling for its regulation and this is considered to be a critical aspect of the regulation of liquidation to be dealt with as a matter of urgency.

The Constitutional Court has declared all discriminatory provisions in legislation dealing with the administration of deceased estates unconstitutional. The functions have been consolidated under the Masters supervision. To achieve this, all Magistrates' Offices have been designated as Service Points and the Masters of the High Courts have designated the Office Managers at every service point to execute the Master's functions at those Magistrates' Offices. Masters are required to do quality assessments on the files received from service points. Files reported at service points increased with approximately 92% during the last year.

	2005	2004
Kimberley	1418	685
Port Elizabeth	2177	1784
Bisho	2345	2479
Thohoyandou	1620	770
Pietermaritzburg	6467	2550
Pretoria	9098	3928
Mafikeng	8058	4756
Bloemfontein	8322	5545
Polokwane	7993	4015
Grahamstown	2345	2601
Umtata	6777	6812
Cape Town	2750	1200
Durban	5012	-
Johannesburg	-	6895

The Guardian's Funds of the former TBVC-states are still administered at the Grahamstown and Pretoria Masters' Offices. It is envisaged that these funds will be returned to the appropriate Offices within the next year.



Programme Performance

A computer solution has been developed and rolled out to all Masters' Offices that administer a Guardian's Fund. Electronic Fund Transfers have successfully been implemented in the Guardian's Fund of the Kimberley Office, and data verification is at an advanced stage at the other Masters' Offices. The Bloemfontein and Kimberley Offices will soon have their Guardian's Funds totally automated.

There were no cases for Johannesburg and Durban in the previous year because the cases in 2005 were occasioned by the effect of the Constitutional Court judgements referred to above. As a result these new offices had to be opened to deal with new cases in those areas. (Please see Table on previous page)

Currently the Fund is only available at six of the 14 Masters Offices. The extension of this service is being explored. A total amount of about R 415 million was paid to claimants within 30 days of application. This reflects an improvement where previously it took about 60 days to finalise a claim.

A register for the monitoring of complaints was introduced at the Office of the Chief Master. In order to streamline customer care, all complaint/queries lodged since approximately 2002 have now been summarised into one Complaints Register. Monthly reports can be drawn from it to determine the number of complaints/queries we receive, the number of complaints/queries finalised monthly and where our problem areas are.

A file management system and file tracking system is planned. This will be done in conjunction with the Chief Directorate: Information Systems Management (ISM).

A right-sizing project was embarked on and a subsequent report was submitted to the Director-General. There are serious concerns about the increased work volumes. Of particular concern is the number of temporary workers in the Branch. Thirty-two percent of all staff members are temporary workers. This is due to the ever increasing work volumes, without commensurate increases in staff to deal with such work volumes. Concerted efforts are being made to fill vacancies.

Greater emphasis is placed on assisting vulnerable groups in our society.

The Branch undertook a costing project which highlighted the need to automate some of the back offices functions. Automation would result in savings and would also improve service delivery.

There is also a need for Shared Services in that this will allow for some services to be delivered from one central point using technology to improve such services.

Legislation and Constitutional Development

Legislative Development

The following achievements have contributed to the strategic objective of transforming and maintaining the legal system by investigating, preparing and promoting legislation:

Repeal of the Black Administration Act and Amendment of Certain Laws Act, 2005 (Act No. 28 of 2005): This Act, which was introduced into Parliament and finalised, is intended to facilitate the repeal of the Black Administration Act, 1927 on an incremental basis.

Judicial Matters Amendment Act, 2005 (Act No. 22 of 2005): This Act, which was introduced into Parliament and finalised, amended a number of laws which are administered by the Department. The amendments were intended to address various problems that had arisen in practice, thereby streamlining the administration of justice.

The Regulation of Interception of Communications and Provision of Communication-related Information Act, 2002 (Act No. 70 of 2002), was implemented. It regulates the lawful interception of communications in order to prevent and combat serious crimes. Two sets of subordinate legislation, in the form of directives, were also prepared and issued.

Three sets of subordinate legislation, in the form of proclamations referring matters to the Special Investigation Unit for investigating, were prepared and submitted to the President.

The operation of the **Criminal Law Amendment Act, 1997 (Act No. 105 of 1997)** (minimum sentences), was extended by way of subordinate legislation in the form of a proclamation.

The Promotion of Administration Justice Amendment Act, 2002 (Act No. 53 of 2002), dealing with the training of

judicial officers who deal with cases involving administrative actions, was implemented and the regulations made under the Promotion of Administrative Justice Act, 2000 (Act No. 2 of 2000), were amended accordingly.

- The regulations made under the **Judges' Remuneration and Conditions of Employment Act, 2001 (Act No. 47 of 2001)**, increasing the subsistence and transport amounts for judges, were amended. This contributed to the strategic objective of judicial transparency and accountability.

The following achievements have contributed to the strategic objective of bringing justice services closer to all, with the emphasis on rural and township communities:

- The regulations made under the Debt Collectors Act, 1998 (Act No. 114 of 1998) were amended, increasing the tariffs debt collectors can charge.
- The preparation of the Superior Courts Bill and the Constitution Fourteenth Amendment Bill reached an advanced stage and deliberations on the Superior Courts Bill resumed in the Portfolio Committee on Justice and Constitutional Development.
- The further preparation of the Criminal Law (Sexual Offences) Amendment Bill reached an advanced stage. The Compulsory HIV Testing of Sexual Offenders Bill was incorporated in the Criminal Law (Sexual Offences) Amendment Bill. This contributed to the strategic objective of ensuring access for vulnerable groups.

South African Law Reform Commission

The following achievement has contributed to the strategic objectives of alternative dispute resolution mechanisms and the development of a legislative framework for the promotion of access to justice for all:

- A draft report on community dispute resolution structures was submitted to the South African Law Reform Commission for approval.

The following achievements have contributed to the strategic objective of ensuring access for vulnerable groups:

- A draft report on stalking and a draft report on trafficking in persons were submitted to the South African Law Reform Commission for approval.

The following achievements have contributed to the strategic objectives of transforming and maintaining the legal system by investigating, preparing and promoting legislation and policy research and development on a legislative framework:

- A progress report on statutory law revision was submitted to the South African Law Reform Commission and a draft report on domestic partnerships was submitted to the South African Law Reform Commission for approval.

Details regarding the functioning of the South Africa Law Reform Commission can be obtained from its own Annual Report, which is published separately.

Chief Directorate: Constitutional Development

The following Acts passed by Parliament and implemented have contributed to the Department's strategic objective of transforming and maintaining the legal system by investigating, preparing and promoting legislation:

Citation of Constitutional Laws Act, 2005 (Act No. 5 of 2005):

This Act, which was finalised and implemented, provides, amongst others, that in future no Act number is to be associated with the "Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)"; substituted the short titles of existing laws amending the Constitution to provide for their consecutive numbering; and provides that in future no Act number is to be associated with or allocated to laws amending the Constitution and that the short titles of all future laws amending the Constitution must be numbered consecutively.

Constitutional Matters Amendment Act, 2005 (Act No. 15 of 2005):

This Act, which was introduced into Parliament, finalised and implemented, amended the Public Funding of Represented Political Parties Act, 1997 (Act No. 103 of 1997), to provide for the re-allocation of moneys from the Represented Political Parties' Fund to political parties participating in Parliament and provincial legislatures; to regulate the repayment of unspent balances of all moneys allocated to such political parties where a member of a legislature becomes a member of another party whilst retaining membership of that legislature or where an existing party merges with another party, subdivides into more than one party or subdivides and any one subdivision merges with

another party during a window for “floor-crossing”; and amended the Determination of Delegates (National Council of Provinces) Act, 1998 (Act No. 69 of 1998), to provide for the re-determination of certain delegates of a provincial legislature that has been reconstituted on account of changes of party membership and mergers or subdivision of parties during a window for “floor-crossing”.

Constitution Twelfth Amendment Act of 2005: This Act, which was introduced into Parliament, finalised and implemented, amended the Constitution to re-determine the geographical areas of the nine provinces of South Africa and to do away with the notion of cross-boundary municipalities.

The Regulations made under the Public Funding of Represented Political Parties Act, 1997 (Act No. 103 of 1997), were amended to further regulate the allocation of moneys to political parties.

In assisting and protecting Chapter 9-institutions to ensure the independence, dignity and effectiveness of these institutions, the following were achieved:

- A workshop with the Deputy Minister and the Chapter 9-institutions was coordinated to discuss problems, experiences, areas of collaboration and duplication amongst the institutions and to determine a way forward to ensure better functioning of Chapter 9-institutions.
- Assistance was rendered to the Portfolio Committee on Justice and Constitutional Development with finalising the remuneration and conditions of service of the Deputy Public Protector in Parliament.
- A report was prepared for Cabinet on the work undertaken by the South African Human Rights Commission since its establishment.
- Terms of reference were prepared for the review of Chapter 9-institutions and assistance was rendered to the Department of Public Service and Administration with the development of the project document on the review of Chapter 9-institutions.
- An invitation for nominations of candidates to the Commission on Gender Equality was prepared and published.

- Assistance was given with the interpretation of the conditions of service of Commissioners of Chapter 9-institutions.

The following achievements contributed to the strategic objective of developing and implementing a programme that gives effect to the Constitution and its values:

- Participation in the Department’s delegation to Gambia, to present South Africa’s First Periodic Report to the African Commission on Human and Peoples’ Rights.
- A strategic plan was developed to facilitate the implementation of the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000) (PAJA).
- A constitutional seminar with constitutional experts was conducted for the relevant Branches in the Department on the implications of the Constitutional Court case on Pricing Regulations, in relation to administrative justice (*Minister of Health and others v New Clicks South Africa (Pty) LTD, CCT 59/04*).
- PAJA training sessions for legal advisors were conducted in certain national and provincial government departments.
- A constitutional seminar on the Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000) (PEPUDA) was conducted for magistrates in Mpumalanga.
- An implementation strategy for the PEPUDA was developed.
- The *1999-2004 Report on the National Action Plan to Protect and Promote Human Rights*, which outlines Government’s progress on the implementation of the Bill of Rights entrenched in Chapter 2 of the Constitution, was finalised.
- Experiences were exchanged with delegations from Sudan, Iceland and Zambia on the development of the Constitution of the Republic of South Africa, 1996.

The Legislative and Constitutional Development Unit contributed on behalf of the Department in the compilation and finalisation of the Country Self-Assessment Report (CSAR).

African Peer Review Mechanism

The APRM is a voluntary self-monitoring tool that was agreed upon by member states of the African Union in the

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6th Summit of States and Government Implementation Committee (HSGIC) of NEPAD in March 2003, in Kigali, Rwanda. South Africa was one of the signatory countries to the APRM process when the mechanism was adopted by the HSGIC. The purpose of the APRM is to foster the adoption of policies, standards and practices that lead to political stability, high economic growth, sustainable development and accelerated sub-regional and continental economic integration through sharing experiences and reinforcement of successful best practice, including identifying deficiencies and assessing the needs for capacity-building.

In line with the timeframes agreed with the APRM Secretariat, the Minister for Public Service and Administration, Ms Geraldine Fraser-Moleketi, was designated as the focal point for the South African process. The focal point is charged with the responsibility of leading the process.

A key milestone in the APRM process is the completion of the CSAR. South Africa elected to follow a participatory and inclusive approach, thereby calling for submissions from a wide range of stakeholders including government departments.

As a major actor in the governance arena, government was also required to make its own submissions and provide a perspective and plans for the future for the various areas addressed by the APRM questionnaire.

The Legislative and Constitutional Development Unit contributed on behalf of the Department in the compilation and finalisation of the CSAR.

The Department was tasked to make submissions on thematic area one, entitled Democracy and Good Political Governance. Its contribution focused on constitutional democracy, the rule of law, human rights and the separation of powers. The Department's submissions were integrated along with the inputs and views submitted through the various consultative processes, which included two national consultative conferences. This resulted in the finalisation of the CSAR. It was handed over to the Country Review Mission by President Mbeki on 12 July 2006. Following the finalisation of the CSAR, the Department participated in the drafting and finalisation of the Country Programme of Action (POA), which was submitted to the Panel of Eminent Persons in August 2006.

2.10.3.2 Service delivery achievements

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Legal Services to the State					
	Legal services	Opinions, litigation matters, agreements and draft legislation finalised	Some 90% within a year	In respect of opinions, regulations, agreements and legislation, targets were exceeded. The division met all its deadlines in respect of legislation and regulations. All opinions were provided as quickly as possible and within a reasonable time. Work is prioritised in accordance with the needs of the departments which entrust their work to the Office.	
	Reduce private sector assistance to government departments	Percentage change in requests for services	Some 4% decrease in 2005/06	The Office has also provided consultancy services to a number of departments, thereby reducing the costs of obtaining such services from the private sector. The Office also provides assistance to provincial and municipal departments which request assistance. Ways and means of extending the services to more municipalities are being considered.	

Programme Performance

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Master of the High Court					
	Supervision of the administration of deceased estates	Establishing of a Shared Services Centre for Fast-Lane Deceased Matters	By the end of March 2007	Ongoing and on target	
		Automation of the administration of deceased estates by the Integrated Administration of Deceased Estates (IADE) Project, as funded by the Irish Government	End of October 2007	Ongoing and on target	
		To ensure that service points are accessible to all members of the public	End of December 2007	Ongoing and on target	
	Supervision of the administration of liquidations	Establishing of a Shared Services Centre for Voluntary Insolvency Matters	End of March 2008	Ongoing and on target	
		Compiling and implementing the Chief Master's Directive on the Appointment of Liquidators	November 2006	On target	
		Establishment of a Regulatory Framework for Liquidators	Ongoing	Ongoing	
	Supervision of the registration of Trusts	Establishing of a Shared Services Centre for Trust Matters	End of March 2007	Ongoing and on target	
	Ensure that legislation, procedures, practices, manuals and letters comply with PAJA	Formulation of policy and procedure manual on each of the Master's Core Functions	End of December 2007	Ongoing and on target	
	Management of Guardian's Fund	Automation of the Guardian's Fund administered by Master's Offices	End of December 2007	Ongoing - Kimberley and Bloemfontein fully automated	
		Demarcations of the Guardian's Funds	End of March 2007	Ongoing	
	Implementation of the Right-sizing Report	Recruitment and selection – to fill all vacant positions in the Master's Branch	End of March 2008	Ongoing and on target – as far as budget allows	

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
	Provide web-based access to information for all stakeholders, role-players and interested parties	Improvement of current static website into an interactive website to ensure that information is easily accessible	Ongoing	Ongoing	
	Quality Assurance of Services	Evaluate current practices and fill the gaps, where they exist, in order to align with the departmental compliance requirements or standards	End of March 2007	Ongoing and on target	
	Human Resources Capacity-building	Conducting Skills Audit Analysing of Skills Audit report Costing the training exercise Training of employees	September 2006 October 2006 December 2006 Ongoing	On target On target On target	
	Communication Strategy for the Master's Branch	Develop a Communication and Education Plan for Master's Branch	December 2006	On target	
	Law Reform	Amend / align all policies / legislation applicable to the Master's Branch, where need arises	Ongoing	Ongoing	
	Document/Case File Management	Provide a proper case-file Management System to be implemented in all offices	Move files by 31 December 2006	On target	
	MAS Automation	Automate the Masters' functions and familiarise users with technology	Ongoing	Ongoing	
	Costing of Masters' Services	Costing of the Masters' five core functions	May 2006	On target	

Programme Performance

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Legislation and Constitutional Development					
	Improve effectiveness of Chapter 9- institutions by assisting and protecting such state institutions strengthening constitutional democracy through legislative and other measures	Number of interactions with Chapter 9-institutions	<p>Minimum 12 per year :</p> <p>(a) To arrange a workshop for the Deputy Minister and Chapter 9- institutions</p> <p>(b) To assist Commission on Gender Equality with filling of vacancies of Commissioners</p> <p>(c) Conditions of service of Commissioners of Chapter 9- institutions</p>	<p>More than 12 interactions held:</p> <p>Coordinated a workshop with the Deputy Minister and the Chapter 9- institutions to discuss problems, areas of duplication and collaboration amongst the institutions and to determine a way forward to ensure better functioning of the Chapter 9-institutions</p> <p>(i) Meeting held with the Office of the Speaker; the Commission on Gender Equality and the Department to discuss the vacancies in the Commission on Gender Equality</p> <p>ii) Meeting held with the Chairperson, Deputy Chairperson, and the Chief Executive Officer of the Commission on Gender Equality to discuss the aforesaid vacancies and related matters</p>	
Legislation and Constitutional Development (continued)					
			<p>(d) To clarify the legal position regarding the validity of certain resignations that did not comply with Section 3(8) of the Commission on Gender Equality Act, 1996 (Act. No. 39 of 1996)</p>	<p>(iii) Meeting held with the Deputy Minister; the Commission on Gender Equality and the Department to discuss the aforesaid vacancies and related matters in order to determine a way forward</p> <p>(iv) Consultations further held with the Commission on Gender Equality and prepared and published an invitation for nominations of candidates to the Commission on Gender Equality;</p> <p>(v) Prepared submission of nominations from the Minister to the Speaker of the National Assembly</p> <p>(vi) Briefed the <i>Ad Hoc</i> Committee on vacancies in the Commission on Gender Equality and the process as outlined in Section 3 of the Commission on Gender Equality Act, 1996</p> <p>(vii) Provided assistance to the above mentioned <i>Ad Hoc</i> Committee whenever requested</p>	

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
			<p>(e) Conditions of service of Commissioners of Chapter 9- institutions</p> <p>(f) To clarify the legal position regarding the validity of certain resignations that did not comply with Section 3(8) of the Commission on Gender Equality Act, 1996</p>	<p>(i) Liaised further with National Treasury and the Department of Public Service and Administration regarding Phase Two of the conditions of service for public office bearers</p> <p>(ii) Meeting held with the Office of the Speaker of the National Assembly and the Commission on Gender Equality regarding the validity of resignations of certain Commissioners</p>	
			<p>(g) To provide a report to the Presidency regarding the leave in question</p>	<p>(iii) Meeting held with the Presidency regarding the study leave of a certain Commissioner in the Commission on Gender Equality and other issues relating to the conditions of service of public office bearers. Report submitted to the Presidency and the Commission on Gender Equality as requested</p> <p>(iv) Obtained legal opinion from the Office of the Chief State Law Advisor regarding the validity of resignations of certain Commissioners.</p> <p>(v) Submitted aforesaid legal opinion to the Office of the Speaker of the National Assembly, the Gauteng Legislature, and the Commission on Gender Equality for further action</p>	

Programme Performance

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
			(h) To provide a reply to a Parliamentary question for the Minister	(vi) Interactions held with the South African Human Rights Commission regarding the leave of absence of a certain Commissioner: Input obtained from the Commission in response to a Parliamentary question (vii) Several interactions held with the South African Human Rights Commission on inputs for the Cabinet Report on the work undertaken since its establishment. Comprehensive input obtained from the South African Human Rights Commission in this regard	
			(i) To submit a report to Cabinet on work undertaken by the South African Human Rights Commission	(viii) Cabinet report prepared and submitted to the Minister for approval	
			(j) Analyse and coordinate recommendations emanating from reports of Chapter 9-institutions and make submissions to Cabinet	(i) Attended hearings called by the Portfolio Committee on Justice and Constitutional Development on the Annual Reports and Strategic Plans of the Chapter 9-institutions. (ii) Prepared reports on each Chapter 9-institution detailing the programmes of the Chapter 9-institutions for the Minister	
			(k) To promote the conditions of service of the Deputy Public Protector in Parliament and assist the Portfolio Committee on Justice and Constitutional Development	(i) Briefed the Portfolio Committee on Justice and Constitutional Development on the proposed remuneration and conditions of service of the Deputy Public Protector (ii) Held a meeting with the Public Protector to take forward the proposal of the Department in respect of the remuneration and conditions of service of the Deputy Public Protector	

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
				<p>(iii) Attended committee meeting of the Portfolio Committee with the Public Protector to deliberate on the aforesaid remuneration and conditions of service of the Deputy Public Protector</p> <p>(iv) Developed comparative document (graphs and pie chart) on various options of remuneration and conditions of service of other Chapter 9-institutions, as recommended by the Portfolio Committee on Justice and Constitutional Development</p> <p>(v) Liaised with the Public Protector on amended proposal on remuneration and conditions of service of the Deputy Public Protector</p> <p>(vi) Attended final deliberations of the Portfolio Committee on Justice and Constitutional Development. Prepared report of Portfolio Committee on Justice and Constitutional Development for adoption in the National Assembly</p> <p>(vii) Attended the interview process of the <i>Ad Hoc</i> Committee relating to the appointment of the Deputy Public Protector.</p>	
			<p>(I) Review of Chapter 9-institutions</p>	<p>(i) Prepared discussion document on the review of Chapter 9-institutions.</p> <p>(ii) Developed terms of reference for the review of Chapter 9-institutions</p> <p>(iii) Attended two meetings with the Department of Public Service and Administration regarding the implementation of Cabinet's decision on the review of the Chapter 9-institutions</p> <p>(iv) Provided input on the discussion document developed by the Department of Public Service and Administration on the review of the Chapter 9-institutions</p>	

Programme Performance

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
	Promote the Constitution and its values	Increased implementation of the Constitution, in particular the Bill of Rights	a) To analyse constitutional issues and trends	<p>(i) Accompanied the Minister to Gender Justice Conference held in Sweden</p> <p>(ii) Accompanied the Minister to Gambia to present South Africa's First Periodic Report to the African Commission on Human and Peoples' Rights</p> <p>(iii) Briefed delegations from Sudan, Iceland and Zambia on the development of the Constitution of the Republic of South Africa, 1996</p>	
			(b) To facilitate the implementation of the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000) (PAJA)	<p>(i) Developed a strategic plan to facilitate the implementation of the PAJA</p> <p>(ii) Conducted a constitutional seminar with constitutional experts and relevant Branches in the Department relating to the implications of the Constitutional Court case on pricing regulations in relation to administrative justice: <i>(Minister of Health and others v New Clicks South Africa (Pty) LTD, CCT 59/04)</i>.</p> <p>(iii) Conducted PAJA training sessions for Legal Advisors in various government departments at national and provincial level</p> <p>(iv) Developed capacity-building programme for provinces and local government to facilitate implementation of the PAJA</p>	

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
			(c) To promote the Constitution and its values	<p>(i) Colloquium held with the University of the North West and the Chapter 9-institutions on the role of the Chapter 9-institutions in strengthening constitutional democracy</p> <p>(ii) Conducted a constitutional seminar on the Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No.4 of 2000) (PEPUDA) for magistrates in Mpumalanga</p> <p>(iii) Attended provincial briefings of the South African Human Rights Commission and made presentation on the role of the Department in implementing PEPUDA</p> <p>(iv) Coordinated the Department's inputs for theme one, Democracy and Good Governance, for the African Peer Review Mechanism</p>	
			(d) To promote the National Action Plan to Promote and Protect Human Rights	Finalised the report on progress of government departments in implementing the National Action Plan on Human Rights	

Programme Performance

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
	Research publications	Number of papers and reports submitted to the South African Law Reform Commission	Ten per year	Five for the 2005/06 financial year	Of the 19 full-time research posts on the SALRC's establishment, seven were vacant and one researcher was seconded to the Justice College. In addition, two researchers were made available to assist with the parliamentary process in respect of the Children's Bill, and they became members of the Children's Bill Technical Task Team established by the interdepartmental Children's Bill Steering Committee
					The importance and magnitude of Project 25: Statutory law revision necessitated a reprioritisation of the SALRC's law reform programme and a re-allocation of the SALRC's human resources to underpin the project. The investigation is aimed at ensuring compliance with the Constitution and has been endorsed by Government
					Most of the SALRC's investigations are very complex in nature and necessitate an international perspective. In other investigations an entire branch of the law is examined and revised
	Legislation	Number of draft Bills introduced Number of Acts implemented	Thirteen per year	Directorate: Constitutional Legislation: One Bill finalised during the 2005/06 financial year Two Bills introduced and finalised during the 2005/06 financial year Three Acts implemented during the 2005/06 financial year One set of subordinate legislation finalised during the 2005/06 financial year	The preparation and introduction of draft Bills are dependent on the Department's legislative programme which is determined in line with Government's priorities Changes in departmental priorities have caused a delay in the preparation and introduction of certain Bills The number of Acts to be implemented is dependent on the Parliamentary programme and the number of Bills passed by Parliament

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Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
				<p>Chief Directorate: Legislative Development:</p> <p>Most of the Bills being prepared are very complex, comprehensive, and sensitive in nature, involving time-consuming preparatory procedures and consultation.</p> <p>The preparation of the draft Bills dealing with the transformation of the judiciary and sexual offences have taken much longer than originally planned to get to their present status, diverting officials from their planned programmes, resulting in the other planned draft Bills not being ready for introduction into Parliament</p>	
				<p>Two Bills introduced and finalised during the 2005/06 financial year</p> <p>One Act was implemented and seven sets of subordinate legislation were finalised during the 2005/06 financial year.</p>	

2.10.4 Programme 4: National Prosecuting Authority (NPA)

Purpose: Provide a coordinated prosecuting service, protect certain witnesses and investigate serious organised unlawful conduct in an organised manner.

Measurable objective: Ensure the proper administration of justice in criminal cases through the provision of prosecuting services that achieve an overall conviction rate that will serve as a deterrent.

Details regarding this Programme Performance can be obtained from the separate Annual Report published for the National Prosecuting Authority.

The Annual Financial Statements of the NPA are included in Part b of Part 4 of this report. Consolidated financial statements are included in Part C of Part 4.

2.10.5 Programme 5: Auxiliary and Associated Services

Purpose: Render a variety of auxiliary services associated with the Department's aims, and provide for transfer payments to constitutional institutions, the Legal Aid Board, the Special Investigating Unit, the Represented Political Parties' Fund and the President's Fund.

Measurable Objective: Support the National Crime Prevention Strategy and guarantee the independence and integrity of the administration of justice, by providing vulnerable groups with additional legal services and advice which meet public assistance and awareness campaign targets.

2.10.5.1 Service delivery objectives and indicators

Information and Systems Management (ISM)

The Chief Directorate: ISM resides within Corporate Services. Primarily, ISM is responsible for the e-Justice Programme under Programme 5.



Programme Performance

The purpose of the e-Justice Programme is to reform and modernise the administration and delivery of justice through re-engineering work processes by using technologies, strengthening strategic planning and management capacity, organisational development and human resource interventions. The multi-year e-Justice Programme was launched in 2000 and spans multiple financial years. This Programme is funded mainly by the Justice Vote Account, but is supplemented with donor funding from the European Union (EU) Commission and the Netherlands Embassy up until November 2005. The e-Justice Programme has evolved into the ISM Programme that includes a total of 37 projects under the three main sub-programmes, i.e. Court Process Project, Digital Nervous System Project and Financial Administration System Project.

Court Process Project (CPP)

The CPP is one of the keystone projects of the e-Justice Programme.

The CPP incorporates the flow of processes that affect departments in the Integrated Justice System (IJS), namely the Departments of Safety and Security, Correctional Services, Social Development, and Justice and Constitutional Development, as well as the NPA.

The CPP essentially seeks to re-engineer the way in which court services are delivered and is aimed at providing courts with the necessary tools to deal with both caseloads and general management in a more effective manner. This Project also links, for the first time, the police, prosecutors, courts, prisons and social-welfare facilities at selected pilot sites.

A major achievement in respect of this project was the integration between the CPP system and the South African Police Service (SAPS) CAS (Case Administration System) at the Durban Magistrate's Court. In addition, the Department is currently rolling out a module of the CPP, the e-Scheduler, to identified sites. This module allows courts to do electronic scheduling of court cases.

Digital Nervous System (DNS)

The 2005/2006 financial year saw the successful completion of the DNS II project and the implementation of the Department of Justice and Constitutional Development own Virtual Private Network (VPN) which allows for the greater speed in service delivery from a systems point of view. In addition, the Department also launched the DNS III project, which seeks to deploy Information and Communication Technology (ICT)

infrastructure (PCs, printers, networks, e-mail, training, etc.) to the smaller and more remote departmental sites. This project will be completed by the end of August 2006.

Financial Administration System (FAS)

The FAS is tasked with automating and administering trust accounts in the Magistrates' Courts, the State Attorneys' Offices, and the Guardian's Fund in the Masters' Offices. The FAS comprises the following projects:

- The Guardian's Fund administers Monies in Trust on behalf of various persons, including minors, people incapable of handling their own affairs, unborn heirs, missing or absent persons, or persons having an interest in the moneys of a usufructuary, fiduciary or fideicommissary nature.
- The Justice Deposit Account System (JDAS) administers monies received at court in respect of maintenance, bail, admission of guilt, civil cases, contributions, court cases and estates.
- The State Attorneys' System assists State Attorneys with registering and administering case files, collecting money and administering payments to applicable parties, and the handling of litigation processes.
- The Masters' Administration System for Estates Trust, and Insolvencies (MASETI) enables officials to manage cases and track records. It has also resulted in better service delivery through quick and efficient response times to queries.

The Financial Administration System project has achieved the following:

- During the last financial year the Pastel Package was incorporated into the Guardian Fund Solution (Version 1) to ensure GAAP compliance.
- The Guardian Fund Solution (Version 2 which is GAAP compliant) was rolled out to the following Masters Office: Cape Town, Kimberley, Bloemfontein, Pietermaritzburg and Pretoria. However only the Kimberley and Bloemfontein Masters office are operational since the last financial year. The other site will only become operational as and when the data and opening balance verification have taken place at these sites. It is envisaged that at a further two Masters Offices will become operational during the next financial year.
- Roll-out of the MASETI System to all Masters' Offices.
- Successful development of the JDAS V4 system to comply with the ICT architecture of the Department.

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- Successful pilot of the JDAS V4 at Bafokeng Magistrate's Court.

Integrated Justice System

The collective efforts of the departments participating in the Justice Crime Prevention Strategies (JCPS) Cluster thus far established the foundation for an integrated justice system. Much has been achieved, but the challenge now is "keeping the momentum".

- Each department is, first and foremost, responsible for the improvement and maintenance of its own data processing, storage and transfer systems in support of its mission.
- In order for each department to carry out its own information technology advancement, it must share information technology with all other entities in a collaborative effort. Each entity agrees to exercise due diligence in maintaining the integrity of both entity data and information system practices; so that sharing of data and coordinating of information technology among all entities will be facilitated to the maximum extent possible.
- Significant amounts of information generated or processed by government entities is confidential by reason of privacy protections, security restrictions and various privileges. Subject to these considerations, each department agrees to understand and enforce appropriate privacy and security restrictions when accessing and sharing data. The agreed objective is to share information that can be shared with as little difficulty and duplication of input as possible.
- Each department agrees to cooperate with other departments in an effort to develop and maintain an integrated justice system.
- All entities recognise the need for continued monitoring and evaluation and agree to cooperate in an effort to develop and implement effective performance evaluation procedures and common standards against which performance may be measured.

The Programme Plan for the IJS sub-programme is currently under review.

The Truth and Reconciliation Commission Unit

The President's Fund, located in the Department and reporting to the Minister, has been giving effect to the reparations policy flowing from the findings and recommendations of the Truth and Reconciliation Commission (TRC), by ensuring the payment

of reparations, both interim and once-off individual grants, to the persons declared victims by the TRC.

However, reparations as recommended by the TRC and endorsed by Government, also include reparations of a non-monetary nature, namely:

(a) Symbols and monuments

This form of reparation entails the creation of programmes to project the symbolism of the struggle and the ideal of freedom through academic and informal records of history, as well as cultural and art forms. Symbols and monuments are to be erected to portray the freedom struggle, while geographic and place names must be changed to commemorate individuals and events that are important to individuals and communities. The concepts of Unity and Reconciliation must also be portrayed in these symbols.

(b) Medical benefits and other forms of social assistance

The objective is to put programmes in place to provide for medical benefits, education assistance, the provision of housing, and other social benefits to address the needs of individual victims.

(c) Rehabilitation of communities

In recognition of the fact that whole communities and not only individuals suffered, special emphasis must be placed on the rehabilitation of communities that were subjected to intense acts of violence and destruction. The focus must fall on a partnership approach between government and communities.

The TRC furthermore recommended measures aimed at the prevention of the future commission of human rights violations, such as institutional reform.

In the light of government's commitment to expedite the implementation process, and taking into account the comprehensive nature of the task, a dedicated TRC Unit was established within the Department during the reporting period. The Unit is tasked with auditing, monitoring and coordinating the implementation of the TRC recommendations, and rendering victim support services.

During the period under review the Unit was not yet fully staffed. A Steering Committee comprising officials with the relevant expertise assisted in a number of projects. Achievements relevant to the reporting period, among others, include:

Programme Performance

- (a) The compilation of a progress report on Government's implementation of the TRC recommendations. This report will give effect to the TRC recommendation that regular reporting to Parliament must be done.
- (b) The drafting of regulations dealing with exhumations and reburials of missing persons. These regulations will be finalised during the next financial year. At the same time policy in this respect is in the process of development.
- (c) In accordance with Section 20(10) of the Promotion of National Unity and Reconciliation Act, 1995 (Act No. 34 of 1995), a process was designed in conjunction with the South African Police Service (SAPS) to expunge the criminal records of persons who received amnesty in terms of section 20 of the Act.
- (d) Day-to-day handling of matters pertaining to TRC identified victims and general enquiries from the public,

Institutions reporting to the Minister

The institutions below, reporting to the Minister; table their own annual reports to Parliament. For further information on their operations and performance, please refer to such reports.

- Judicial Service Commission
- Office for the Control of Interception and Monitoring of Communication
- South African Human Rights Commission (Constitutional Institution)
- Commission on Gender Equality (Constitutional Institution)
- Public Protector (Constitutional Institution)
- President's Fund
- Represented Political Parties' Fund

Public entities reporting to the Minister

- Special Investigating Unit
- Legal Aid Board

2.10.5.2 Service delivery achievements

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Information and Systems Management (ISM)					
e-Justice Programme	Digital Nervous System	Establishment of DoJ & CD Virtual Private Network (VPN)	March 2006	December 2005	Achieved – 11 500 users currently connected to the DoJ & CD network
		Conduct computer-literacy training and bridging training to departmental officials	March 2006	December 2005	Achieved – 6151 users trained in terms of this project
		Implementation of MIS – DJINI – Departmental Intranet	March 2006	February 2006	Achieved
	Financial Administration System	Roll-out of Guardian's Fund System	April 2005	March 2005	Achieved – 5 sites 2-sites operational
		Rewrite and pilot of JDAS system to comply with DoJ & CD architecture	March 2006	March 2006	Achieved
		Mapping of processes within the Office of the Family Advocate for Family Court Management Solution	March 2006	March 2006	Achieved
	Court Process Project	Roll-out of e-Scheduler solution to identified sites	March 2006	March 2006	Achieved
		Unpacking of CPP system to allow for enhancements and compliance with DoJ & CD architecture	March 2006	March 2006	Achieved

Part 3

Report of the Audit Committee



Report of the Audit Committee annual report

We are pleased to present our report for the financial year ended 31 March 2006.

Audit Committee members and attendance

The Audit Committee consists of the members listed below and is required to meet four times per annum as per its approved terms of reference. During the current year six meetings were held.

Name of members	Number of meetings attended
Stuart Patterson (Chairperson)	6
Cedric Boltman (appointed 25 January 2006)	2
Ntombi Langa-Royds (appointed 25 January 2006)	3
Motsamai Karedi (appointed 31 March 2005)	2
Ronald Lubisi (retired 31 August 2005)	-
Jasper Noeth (retired 31 August 2005)	3
Andrew Sefala (appointed 25 January 2006)	2

Mr. Motsamai Karedi has been appointed since 31 March 2005 to fill one of the vacancies arising on the Committee.

The exception is that the chairperson was scheduled to retire along with other standing members on 31 August 2005. However, in order to retain continuity and experience the Accounting Officer extended his contract for further period. The Audit Committee charter has been amended to provide scope for this exception.

Audit Committee responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1)(a) of the PMFA 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 during the year under review. Common causes of significant findings reported by internal audit were:

- Non-compliance with prescribed policies and procedures
- Over-riding of controls by management
- Lack of skills training or inadequate training

- Lack of supervision and discipline
- Lack of capacity due to vacancies
- Inadequate facilities
- Inadequate security

These weaknesses continue to be addressed by the Accounting Officer and the management team, although certain elements appear to be endemic.

Significant control weaknesses have been reported by the Auditor-General under emphasis of matter and in the management letter. In certain instances, the weaknesses reported previously have not been fully and satisfactorily addressed. The effect of these instances were included in the annual statement and the report of the Accounting Officer.

The quality of in-year management and monthly/quarterly reports are submitted in terms of the PFMA and the Division of Revenue Act

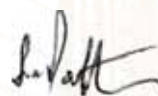
The Audit Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer and the Department during the year under review. Considerable progress continues to be made in the investigation of suspense accounts, which have built up over prior years.

Evaluation of financial statements

The Audit Committee has:

- reviewed and discussed with the Auditor-General and the Accounting Officer the audited Annual Financial Statements to be included in the Annual Report; and
- reviewed significant adjustments resulting from the audit.

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.

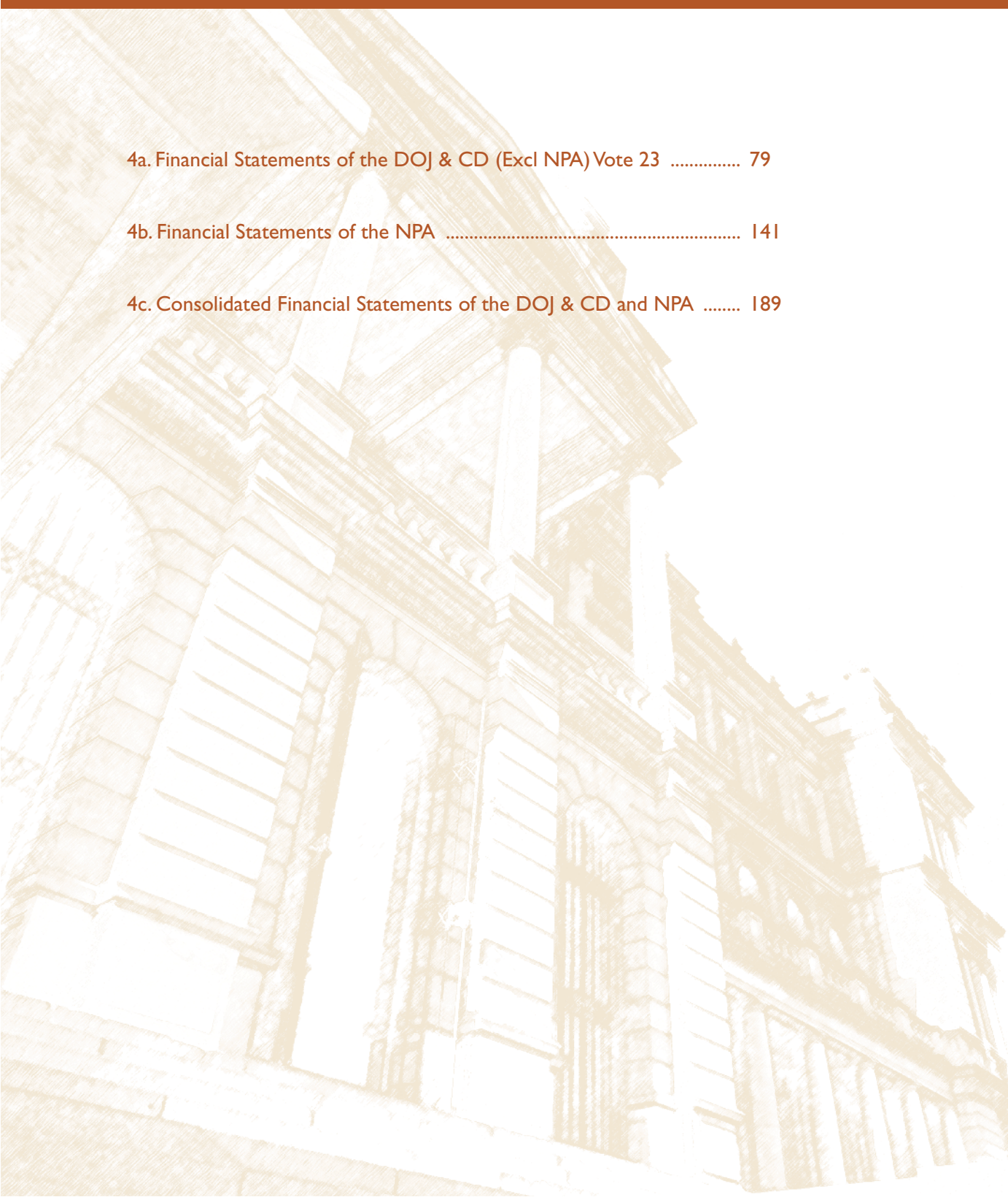


SA Patterson
Chairperson of the Audit Committee
Date: 31 July 2006

PART 4

Annual Financial Statements

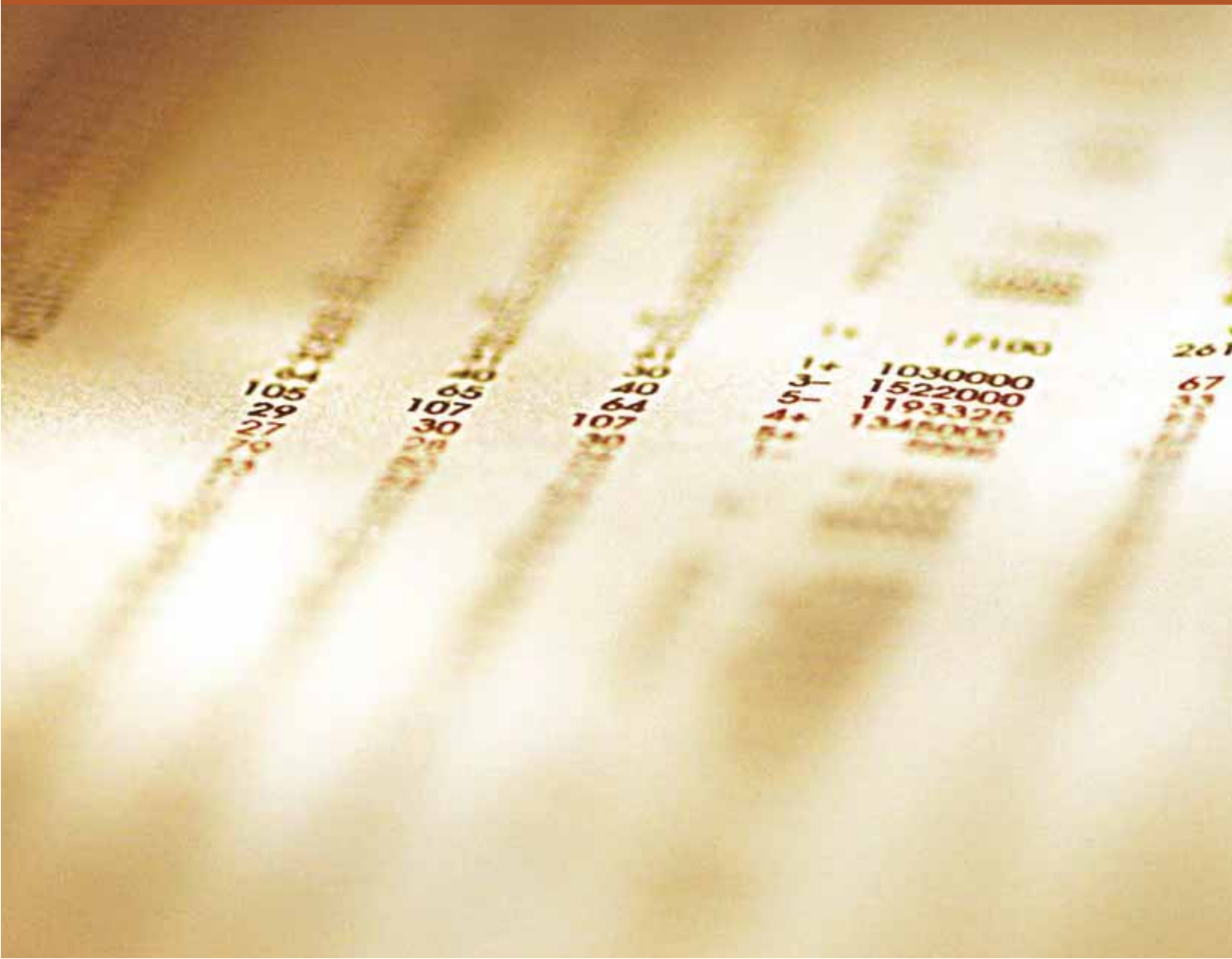
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Department of Justice and Constitutional Development (Excl NPA) Vote 23

Part 4a

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Part 4a: Report of the Accounting Officer

for the year ended 31 March 2006

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REPORT BY THE ACCOUNTING OFFICER TO THE EXECUTIVE AUTHORITY AND PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA.

I. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

Significant events that have taken place during the year

As was the case in the 2003/04 financial year, the Auditor-General issued an unqualified audit report on the Vote Account Financial Statements in respect of the 2004/05 financial year. After many years of receiving significant qualifications on our financial statements it was gratifying to see this improvement consolidated. My thanks for this effort go to the CFO, Alan Mackenzie, who, together with Sandra Gomm and the rest of our staff, supported me in my drive to establish sound financial management as a cornerstone of my term in office.

The Department of Justice and Constitutional Development has six reporting entities: the Vote Account, the Guardian's Fund, the National Prosecuting Authority, the President's Fund, Cara and Monies in Trust. Within these reporting entities the Department manages third party funds. A grouping of managed third party funds has a legacy of being called Monies in Trust. Monies in Trust does not include the Guardian's Fund, which also manages funds on behalf of third parties. Historically, Monies in Trust has not been reported upon at all. Last year the Department produced a partial set of financial statements covering the operations of a single month. No books of prime entry have ever been maintained for these funds and thus financial statements can only be drafted upon the basis of reports received from individual courts. The legislative and regulatory framework surrounding the management of third party funds is at varying degrees of maturity. The Guardian's Fund framework is relatively well established except for the question of the accountable officer. The frameworks covering the NPA and Cara have been established by arrangement with stakeholders and there is no framework covering maintenance monies. Certain funds collected by the Department are collected for third

parties, typically the National Revenue Fund and other state departments, on an agency basis. The technicality of whether or not these agency collections constitute departmental revenue needs to be established. In respect of Monies in Trust, a legal opinion for the purpose of briefing the State Law Advisor has been obtained. This opinion has been forwarded to the State Law Advisor whose opinion will inform a stakeholder conference on the establishment of the necessary legislative and or regulatory frameworks as well as to establish interim arrangements.

Each of our six reporting entities present unique challenges and I am satisfied that, across the board, significant progress has been made in improving our financial management capacity. The financial statements for all reporting entities were submitted on time for the current financial year. However, the financial statements had to be withdrawn for the Monies in Trust reporting entity. These statements were withdrawn as it is felt that an improvement in the nature of the information presented will be more meaningful if we include an estimation of the value of the non-reported transaction base. There are no guidelines for the presentation of incomplete financial information in these circumstances and I have taken comfort from the fact that the Audit Committee has supported this recommendation from the Monies in Trust Project Manager. The latter entity has, for many years, not been able to produce financial statements in any form and this year, for the second time, we will present partially complete financial statements for audit. The status and form of this reporting entity is, as stated above, also under review and we are likely to reconstitute the nature of the entity in the year ahead.

The Auditor-General is to express an opinion on the concomitant effect on these annual financial statements of the non-existence of effective capacity to manage Monies in Trust. The lack of this critically needed capacity has existed for decades and our CFO reported on this matter in Parliament. The establishment of the necessary capacity is subject to the signing of a PPP agreement with a private party that has the necessary capacity on a build, operate and transfer basis. National Treasury has granted the Department funding

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which, together with internal appropriations, is expected to cost some R1 billion over the 10-year term of the contract, excluding the impact of inflation over time. It is expected that agreements will be signed by 26 March 2007.

Our CFO position is currently vacant and the Department is in the process of finding a suitable candidate for this challenging position. Sandra Gomm is currently acting in the position. Our contractual arrangement with Business Against Crime for the secondment to us of Alan Mackenzie as our CFO came to an end on 31 March 2006.

To assist the Department in successfully implementing our Medium Term Strategy, our Organisational Design was reviewed and amended with effect from 1 October 2005. The following changes were effected:

- The branches PEC, HR, ISM and CFO were amalgamated into a single branch called Corporate Services. All Deputy Director-Generals who were in charge of the

previous branches were redeployed to serve in other strategic positions within the Department at the same level.

- The position of Regional Head in each province was re-established and the Regional Heads report directly to me through the Chief Operations Officer in my office.
- Senior Court Managers/Court Service Directors and Directors for HR, ISM and Finance that are based in the regional offices now report directly to the respective Regional Heads.
- A National Operations Centre was established under the COO to consolidate the gathering of information. This functionality has absorbed the effective monitoring function of the CFO.

Spending trends

The following is a comparison between the previous and the current financial year's financial performance:

A. VOTED FUNDS RECEIVED BY THE DEPARTMENT (Excluding National Prosecution Authority)

	2005/06 R '000	2004/05 R '000
Appropriated amount	3,830,923	3,907,858
Virement (NPA)	(92,880)	(55,700)
Total amount appropriated	3,738,043	3,852,158
Less total expenditure	3,483,043	3,835,208
Surplus / (Excess) to be surrendered	254,725	16,950

The decrease in the total amount appropriated relates to the removal of funding for the remuneration of the magistrates that was moved to statutory appropriation with effect of 1 April 2005.

During an EXCO meeting on 24 October 2005, major under-spending was identified and a decision was taken to reprioritise the allocations of the various branches. The reprioritisation process identified the following priorities:

- Recording of court proceedings and transcription services

- DNS III roll out
- Court security and rehabilitation of infrastructure

These priorities are once-off in nature and require substantial capital investment. Due to the amounts involved, the procurement of these goods and services had to be procured via competitive bids. The timeframes to finalise the entire bidding process is lengthy and the unspent funds were included in the request for roll over for the next financial year.

Under spending against targeted projections relates to a number of factors and fund availability was boosted by a

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Part 4a: Report of the Accounting Officer

for the year ended 31 March 2005

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number of projects such as the finalisation of the MMT PPP, together with the withdrawal of the connectivity tender at the end of due process in the last quarter of the year. Whilst delayed big projects contributed hundreds of millions of rand for reprioritisation against approved priority needs, front office budget management is critical if not of the same value. To address budget management at service point offices, the Department embarked on the following:

- The adoption of an inclusive budget allocation process.
- Decentralisation of budgets from National Office to service delivery points.
- Appointment of a Chief Director: Budget Coach Court Services responsible for budget reprioritisation and overall monitoring of the implementation of projects.
- Quarterly reviews that are more stakeholder inclusive of budget vs. expenditure and pro-active reprioritisation in the event of under-spending.

B. STATUTORY APPROPRIATION (Judges salaries and Magistrates' salaries and allowances)

As from 1 April 2005 the salaries of Magistrates are also accounted for as a direct charge against the National Revenue Fund, as was the case with Judges' remuneration in previous financial years.

	2005/06 R '000	2004/05 R '000
Appropriated amount	849,977	177,083
Judges' salaries	187,877	177,083
Magistrates' salaries	662,100	-
Total amount appropriated	849,977	177,083
Less total expenditure	1 040,097	242,093
Over-expenditure to be funded by National Treasury	(190,120)	(65,010)

The total over spend includes:

- Judges' salaries R 64 million
- Magistrates' salaries R23 million
- Magistrates' cars R103 million

The Statutory Division within the Department has requested National Treasury to increase the Statutory Grant.

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C. FOREIGN AID ASSISTANCE (Including RDP funds)

	2005/06 R '000	2004/05 R '000
Assistance rolled over from previous year	45,549	24,972
Grants received during the financial year	23,772	160,672
Total amount received	69,321	185,644
Less total expenditure	44,494	140,095
Closing balance	24,827	45,549

D. REVENUE

	2005/06 R '000	2004/05 R '000
Opening balance	21,410	8,758
Revenue generated	317,432	175,728
Total revenue generated	338,842	184,486
Less revenue paid to SARS	327,294	163,076
Surplus to be surrendered to SARS	11,548	21,410

As reported in the previous year's financial statements, the new procedures for the handling and classification of revenue became operational on 1 October 2004.

For five months of the 2004/05 financial year, revenue accruing to the Monies in Trust reporting entity held by the Courts, State Attorneys and Masters Offices was paid via the Vote Account to the National Revenue Fund. For the 2005/06 financial year this procedure was applicable for the full year. Court fines paid via the Monies in Trust accounts had an impact on the increase in departmental revenue.

As a part of the Public Private Partnership initiative for the Management of Monies in Trust, the regularity framework governing different types of monies paid into courts and Master's Offices was reviewed. It was suggested that certain Monies in Trust revenue might not constitute "trust money" but that ownership of this revenue passes to the Department. The matter will be further pursued and the legal opinion obtained has been referred to the State Law Advisor. All monies received into our PMG account from Monies in

Trust has been accurately and fully included as departmental revenue for the year under review, excluding R6 million that is disclosed under Disclosure Note 26, as this was received after year end but does relate to the 2005/06 year.

E. FUNDS NOT RECEIVED VIA THE BUDGET PROCESS

A special programme, namely the Integrated Justice System (IJS), was established within the security cluster. Safety and Security was tasked as the Adminstrating Department and an amount of R178 000 00 was allocated to its budget in respect of the 2005/06 financial year.

Departments within the cluster incur expenditure via a suspense account, through the normal procurement processes and claim it back from the Department of Safety and Security. These claims are submitted to the IJS Committee for approval and reimbursement. This suspense account reflected a debit balance at the end of the financial year

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and is disclosed as a receivable in the Department's Annual Financial Statements.

As a result of this process the Department received an amount of R 28 379 556 from Safety and Security in respect of services and capital expenditure. These assets are included in the Departmental Asset Register.

2. SERVICE RENDERED BY THE DEPARTMENT

2.1 Tariff policy

The Department's services and related charges are all fixed by law and the Chief Directorate: Legislative Development is responsible for the promulgation of certain subordinate legislation administered by the Department in terms of which fees, charges, rates, scales or tariffs of fees are prescribed and reviewed on a regular basis.

2.2 Free Services

- Administration of Monies in Trust is done free of charge. Should a fee be charged, it would yield significant revenue.
- Small Claims Court: The Presiding Officer is normally a lawyer or retired magistrate.
- Law Lecturers who render a free service at a Magistrate's Court.

- A number of free services relating to activities in the Masters' Offices include:

- Estate Duty Taxation
- Administration Services
- Archive Services
- Inspection Services

- Various legal and financial services are rendered by the Department on behalf of other government departments (all spheres of government) in terms of the cooperative requirements of the Constitution of South Africa. Legal services include the scrutiny of international agreements including extradition agreements, scrutiny of draft subordinate legislation, writing of legal opinions, secondment of staff on a part-time basis to assist other departments.

- Transcription records are provided free of charge to litigants for purposes of challenging the outcome of cases. Should a fee be charged, it would yield significant revenue.

- Legal advice, counseling and mediation services are offered at family courts by Family Advocates, Family Counselors and Maintenance Investigators.

2.3 Inventories

The costing method used by the Department is FIFO (First In First Out)

Province	Amount	Consumables	Stationary and printing
	R	R	R
Gauteng	1,658,811	349,378	1,309,433
Western Cape	1,240,394	30,375	1,210,019
Eastern Cape	15,000		15,000
Northern Cape	758,053	359,413	398,640
Free State	762,324	35,702	726,622
North west	341,090	5,830	335,260
Limpopo	520,165	264,783	255,382
KwaZulu-Natal	424,510	18,402	406,109

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Province	Amount	Consumables	Stationary and printing
	R	R	R
Mpumalanga	802,830	82,525	720,305
National Office	1,120,350		1,120,350
Total	7,643,528	1,146,408	6,497,120

A reconciliation at National Office was performed between actual and theoretical stock at year end. A loss of R32 065 was identified and the necessary disciplinary action was taken.

3. CAPACITY CONSTRAINTS

Vacant posts and skills shortages, covering a broad spectrum of specialisation in the various branches, as well as selected inadequate funding at a court level has continued to affect the Department's operations and has adversely affected the service delivery capacity of the Department.

The Department had to continue to outsource services to consultants to assist with the rollout of programmes. Hence, much reliance was placed on temporary staff, contractors and consultants for the completion of programmes.

4. UTILISATION OF DONOR FUNDS

Apart from voted funds, the Department also depends on donor funding to fund some of its core projects. These funds are normally utilised for once-off projects and for projects that will eventually be funded through the vote account. The intention is to ensure that projects become sustainable after donor funding is withdrawn or has come to an end.

Projects funded through donations during the financial year under review are disclosed in Annexure I F.

5. TRADING ENTITIES AND PUBLIC ENTITIES

The following public entities are part of this budget vote:

Legal Aid Board (Schedule 3 – National Public Entity) – Established under the Legal Aid Board Act, No 22 of 1969.

The Legal Aid Board (LAB) provides legal representation to the indigent. It carries out Government's obligation to ensure that the constitutional rights of accused persons in criminal cases are secured. The method of delivery of legal aid services has proved to be unacceptably expensive and cumbersome to administer. For this reason, the briefing of legal professionals has been scaled down and replaced with the delivery of services by salaried employees in legal aid clinics, advice offices and public defender offices. With effect from 31 May 2001 there has no longer been a filter mechanism between Lower Courts and the High Courts in respect of criminal appeals. Every accused person convicted in a Magistrates Court has an automatic right of appeal to the High Court. It is estimated that in excess of 100 000 people qualify for legal aid for a criminal appeal per year. The Legal Aid Board renders legal aid in terms of the Constitution.

The chairperson of the Legal Aid Board is Judge D Mlambo and the accounting officer (CEO) is Ms V Vedalankaar.

Special Investigating Unit – Established under the Special Investigating Units and Special Tribunals Act, No 74 of 1996.

The Unit investigates cases of corruption, fraud and maladministration that have been referred to it by the President. Upon completion of an investigation the Unit can institute civil action in the Special Tribunal in order to recover, protect or save state assets and state monies that have been, or could be, misappropriated or misused.

The Unit works closely with all other bodies, both national and provincial, such as the South African Police Services, the Public Protector, the Investigating Directorate: Serious

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Economic Offences, the National Prosecuting Authority, the Office of the Auditor-General, the Public Service Commission, the National Intelligence Agency, South African Revenue Services and the Independent Complaints Directorate. In addition to this the Unit also has close links to NGOs and international organisations, while also providing information and assistance to international law enforcement agencies.

Mr Willie Hofmeyr is the Accounting Officer and the Head of the Unit.

The Department effects transfer payments to these public entities (Refer to Annexure 1B), which maintain their own financial records. They are responsible for their own Annual Report (including audited annual financial statements), which must be submitted to the Executive Authority for tabling in the National Assembly.

6. ORGANISATIONS TO WHOM TRANSFER PAYMENTS HAVE BEEN MADE

Commission on Gender Equality (Constitutional institution)

– The Commission promotes gender equality.

Public Protector (Constitutional institution) – The Public Protector promotes investigations to expose, counteract or rectify maladministration, abuse of power; improper prejudice occasioned by administrative decisions and improper use of, or corruption, in respect of state funds.

South African Human Rights Commission (Constitutional Institution) – The Commission promotes compliance with the Bill of Rights.

President's Fund – The Fund gives effect to the reparations policy flowing from the work of the Truth and Reconciliation Committee. This Fund is not listed in the PFMA schedules, as it is temporary in nature.

Represented Political Parties Funds (Independent Electoral Commission) – The Fund makes provision for the funding of political parties participating in Parliament and provincial legislatures; to provide for the management of that Fund by the Electoral Commission and for accountability regarding that

Fund; to regulate the allocation of moneys from that Fund and the purpose for which allocated moneys may be used by political parties; and to provide for incidental matters.

The above institutions report on their financial results independently from the Department of Justice and Constitutional Development.

7. PUBLIC PRIVATE PARTNERSHIPS (PPP)

Management of Monies in Trust (including Bail, Maintenance, Court Fines, Payments into Court, Estates and Guardian's Funds)

The PPP project is at the stage of issuing non-obligatory tenders for the finalisation of pricing attached to established options. The conclusion of this phase will enable an assessment of affordability before the decision to implement the PPP is taken. The essence of the recommended option sees the appointment of receiving agents (conventional banks, retail stores, ATMs, etc.) to collect money on behalf of beneficiaries. These monies are proposed to be directed to payment agents (again banks, stores etc.) who pay the money to the beneficiaries. A free of bank charges option is to be available to beneficiaries as is the option to use own banking arrangements at own cost. Thus beneficiaries elect whether or not they want own services at own cost or arranged free services. Queries from the public are proposed to be dealt with by a national call centre that is to be informed by a database. The database is informed by information transferred by all courts as well as by all receiving and payment agents. In terms of the proposed solution, the call centre and database functionality is to be transferred back to the Department over time.

The implementation of this project does not project job losses but does project a refocus of available capacity to meet judicial administrative needs in respect of maintenance investigation and the vacuum caused by the Van Rooyen Judgement.

Financial statements will be issued for all third party monies held in trust at a court level (including Bail, Maintenance, Court Fines, Payments into Courts and Estates). The Guardian's Fund is also reported upon separately.

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The current strategic framework, prepared and approved by the Department, details the management of Monies in Trust as a strategic priority. It is expected that the MMT PPP tenders will be issued during July 2006.

8. CORPORATE GOVERNANCE ARRANGEMENTS

Fraud Policies

The Department maintains an integrated anti-corruption and fraud prevention plan based on a fraud risk assessment. Every branch in the Department individually and collectively plays a role in identifying, evaluating and mitigating the risks of fraud. The Department also maintains systems and processes to deal with matters of fraud and corruption and continues to take a zero tolerance approach on these matters. The Management of Monies in Trust PPP has the potential of significantly enhancing the capacity of the Department to deal with fraud through the replacement of old weak systems with modern banking technology.

The Department's anti-fraud and corruption plan is integrated with governance, management policies and procedures and other measures designed to mitigate fraud.

The establishment a forensic investigating capacity was initiated.

Internal Audit and Audit Committee

The Department's Internal Audit Chief Directorate operates in accordance with the PFMA and the applicable Treasury Regulations. The Internal Audit Chief Directorate conducts the unit's business in accordance with the standards of professional practice pronounced by the Institute of Internal Auditors.

Internal audit focuses mainly on providing assurances and advice to the Department on matters pertaining to governance, risk management and control processes. The internal auditors on a quarterly basis report to the Audit Committee.

During the year under review the Audit Committee was reconstituted. The Audit Committee comprises of members

drawn from outside the public service. The previous chairman of the Audit Committee, Mr Patterson was re-appointed, although he has already served on the Audit Committee for longer than the required timeframes. Mr Patterson has been retained due to the fact that senior executives in the Department are new, the Department is also undergoing re-alignment and for continuity his services are required. The Audit Committee meets regularly and has unrestricted access to both information and personnel within the Department.

Risk Management Strategy

The Office of the Director General is responsible for risk management and the related system of internal control. The Department views risk management as a tool to ensure that the objectives of the Department are met. In the year under review, the Department developed a risk management policy and strategy to give direction to managing risk and to improve control. The process of risk management established and documented in the policy will ensure that risk management and internal control are practiced throughout the Department by all staff, and are embedded into day-to-day activities of the Department. In building this culture in the department, ongoing lessons are learnt and education provided on risk management, senior management commitment, a common language and process, established risk co-ordination committees, and other activities. The Audit Committee reviews the process of risk management in the Department to ensure that it is aligned to the departmental strategy and that it is effective. Risk coordination committees are established in all branches and regions to ensure that there is ongoing communication on risk and to ensure the effectiveness and efficiency of the risk management process.

The risk management strategy that has been developed ensures that an adequate and effective system of internal control is in place to mitigate and reduce the significant risks faced by the Department to an acceptable level. The strategy is also designed to manage the risk of failure to deliver service to the public.

The internal and external audit functions give the Department assurance services and report significant control weaknesses and failings in reports to management. The Executive

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Committee of the Department reviews the risk management strategies and policies to ensure alignment to the departmental strategies and our programme of action.

Good	75% of current new value
Satisfactory	50% of current new value
Poor	25% of current new value

9. ASSET MANAGEMENT

Progress

The compilation of the Asset Register was completed during the final quarter of the fiscal year 2005/06 and the disclosure of information in respect of assets contained in Annexure 3 is derived as a result of the completion of this take-on exercise. Asset values reflected were arrived at by means of a fair valuation process.

The depreciated replacement cost method was used to assess the fair value. The fair value principle has been consistently applied to arrive at a closing balance per asset.

The condition of the asset was linked to the perceived useful life left. The value was determined based on the condition of the asset and the market-related price per asset.

Asset management units and asset management teams

The Department has established an Asset Management Unit under the auspices of its Sub Directorate Procurement and has completed its Asset Management Policy which is to be a part of the Departmental Financial Instructions (DFI)

As a part of the Asset Management Policy, directives are being drafted for circulation to all regional heads for the appointment of local asset management teams.

Minimum requirements

The Department complies with the following minimum requirements from 1 April 2006, i.e. as new assets are captured.

<p>1. Acquisition</p> <ul style="list-style-type: none"> • Acquisition date • Name of supplier • Goods Received Note and • Purchase Order 	<p>2. Identification</p> <ul style="list-style-type: none"> • Manufacturers name • Model number • Barcode
<p>3. Accountability</p> <ul style="list-style-type: none"> • Purchasing segment/allocation 	<p>4. Performance</p> <ul style="list-style-type: none"> • Asset classification/group • Residual value • Warranty indicator
<p>5. Disposal</p> <ul style="list-style-type: none"> • Current condition • Residual value 	<p>6. Accounting</p> <ul style="list-style-type: none"> • Fair value on existing and • Purchase cost on new
<p>7. Depreciation</p> <ul style="list-style-type: none"> • Cumulative • Current year • Residual 	<p>8. Management Responsibility</p> <ul style="list-style-type: none"> • User Department • Custodian Persal Number • Cost Centre

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Asset Management Reform milestones

The Department is currently awaiting input from the Asset Management section of National Treasury before completing the formulation of its AMR milestones and will implement same during the current fiscal year.

and quarterly reporting timeframes to be implemented in the 2006/07 financial year. It aims to improve performance reporting and measurement across financial and non-financial areas of responsibility.

A tool on the Medium Term Strategic Framework 2005/6 Key Performance Indicators (KPI) has been developed in collaboration with Branches. The tool is designed to monitor the progress made on the implementation of the Medium Term Strategic Framework by analysing the delivery of targets.

This tool was workshopped with all Branches on 6 March 2006 and their inputs were requested. Subsequently, Branches and Regions submitted their responses with the last response being received by 19 May 2006.

Data was analysed and a draft report was presented to the COO, who is engaging with Branch Heads to validate the findings of the report. The report is to be updated on a continuous basis towards tracking our path to higher levels of performance.

The Strategy Unit and the Effective Monitoring Unit established by the CFO are currently working to improve collaboration and exchange information on performance.

10. EVENTS AFTER THE REPORTING DATE

Included in the accruals is an amount of R12,7 million that constitutes irregular expenditure as the required procurement processes were not followed. This matter is currently under internal investigation that is also to address the amount involved.

11. PERFORMANCE INFORMATION

Measuring outputs is another cornerstone of my term of office that I hope to establish. Clearly tracking performance, identifying challenges as well as opportunities as they evolve will lead to higher performance. I reported on the establishment of this capacity in my last report and am now pleased to report on progress made by the Chief Operations Officer (COO), Dr Khotso De Wee as follows:

An Action Plan on the Strategy Unit's activities has been documented to detail performance measurement cycles

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12. SCOPA RESOLUTIONS

The Department has reacted favourably to Scopa resolutions. However, corrective action to resolve the issues may take longer than one year:

Reference to previous Audit Report and Scopa resolutions	Subject/Details of audit finding	Progress report
Audit Report: Par. 4.1 Scopa resolution – First report, 2002	Fixed Assets	<ul style="list-style-type: none"> The updating of the Asset Register was completed in April 2006. The Department rolled out the Justice Yellow Pages and Justice Asset Management System to all its 751 offices nationally. <p>The Department, however, has experienced difficulty in securing written approval from National Treasury for the utilisation of this procurement system. National Treasury, however, has given approval for the further utilisation of the Justice Yellow Pages procurement system until the new Integrated Financial Management System (IFMS) is developed and implemented.</p>
Audit Report: Par. 4.2 Scopa resolution – First report, 2002	Suspense Accounts – Age analysis and service level agreements (Agency Services)	<p>Age analysis:</p> <p>All amounts in suspense and disallowance accounts are followed-up on a daily basis and monthly reconciliations are being performed as envisaged per the PFMA and National Treasury Regulations.</p> <p>A comparison of outstanding amounts as at close of financial year-ends indicates an improvement in the management of these outstanding claims:</p> <p>31 March 2005 = R260,351,991 31 March 2006 = R136,342,115</p> <p>Although there is progress in recovering the expenditure incurred, the accounting treatment of the legal costs incurred on behalf of other departments from a suspense account remains a concern.</p> <p>Discussions were held with the Accountant-General in finding a workable solution on how to treat these agency services. The Department is not the only department in this situation and National Treasury has proposed that meetings should be held with other departments with this common problem to workshop a solution.</p> <p>It is felt that the finalisation of Service Level Agreements (SLAs) will on their own not assist in the timely recovery of amounts owing to the Department.</p>
Audit Report: Par. 4.3 Scopa resolution – First report, 2002	Disclosure notes to the annual financial statements <ul style="list-style-type: none"> Leave entitlement Contingent Liabilities – Housing Guarantees 	<p>Leave entitlement:</p> <p>The pilot project on leave automation has been finalised and the roll-out of this solution is scheduled for August 2006.</p> <p>Housing Guarantees:</p> <p>The CFO has requested financial institutions to confirm the financial guarantees recorded on Persal. A poor response was received from the financial institutions since their systems do not provide information per department, but only provide information for the government as a whole.</p>

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Reference to previous Audit Report and Scopa resolutions	Subject/Details of audit finding	Progress report
Audit Report: Par. 4.4 Scopa resolution – First report, 2002	Financial management <ul style="list-style-type: none"> • Invoices not paid within 30 days • Documentation not submitted for audit purposes 	Managers have been instructed to comply with control measures implemented during previous financial years.
Audit Report: Par. 4.5 Scopa resolution – First report, 2002	Donor funding <ul style="list-style-type: none"> • Project management shortcomings – E-Justice Programme 	The reported weaknesses have been addressed.

Outstanding SCOPA resolutions

Included in the Statement of Financial Position is an amount of R186 million in respect of unauthorised expenditure from previous financial years. The Department served before SCOPA on the unauthorised expenditure. SCOPA required additional information from the Department on 4 October 2004 to make the necessary recommendation to Parliament in terms of Section 34(1) and (2) of the PFMA. Although the required information was submitted, no further feedback has been received.

13. NATIONAL PROSECUTING AUTHORITY (NPA – PROGRAMME 4) - SEPARATE RESPONSIBILITY

The NPA assumed separate responsibility with effect from 1 April 2001 for all support services previously rendered by the Department. The NPA has since this date been responsible for its own accounting systems and therefore separate financial

statements have, as was the case last year, been prepared for the NPA as a whole. These financial statements are incorporated into the Department's consolidated financial statements by agreement with the National Treasury, the Office of the Auditor-General and the Department.

Any other material fact or circumstances, which may have an effect on the understanding of the financial state of affairs of the Department is addressed elsewhere in this report.

Approval

The Annual Financial Statements set out on pages 95 to 138 have been approved by the Accounting Officer:



Advocate Menzi Simelane

DIRECTOR-GENERAL

31 May 2006

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Part 4a: Report of the Auditor-General

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS OF THE DEPARTMENT OF JUSTICE AND CONSTITUTIONAL DEVELOPMENT (EXCLUDING NPA) (VOTE 23) FOR THE YEAR ENDED 31 MARCH 2006

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 95 to 138 for the year ended 31 March 2006, have been audited in terms of Section 188 of the Constitution of the Republic of South Africa, 1996 (Act No 108 of 1996), read with Sections 4 and 20 of the Public Audit Act, 2004 (Act No 25 of 2004). The fixed asset opening balances have not been audited because of the timing of guidance from National Treasury to the departments relating to the treatment, valuation and disclosure of fixed assets. These financial statements are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. SCOPE

The audit was conducted in accordance with the International Standards on Auditing read with General Notice 544 of 2006, issued in Government Gazette no. 28723 of 10 April 2006 and General Notice 808 of 2006, issued in Government Gazette no. 28954 of 23 June 2006. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements
- assessing the accounting principles used and significant estimates made by management
- evaluating the overall financial statement presentation.

I believe that the audit provides a reasonable basis for my opinion.

3. BASIS OF ACCOUNTING

The Department's policy is to prepare financial statements on the modified cash basis of accounting determined by National Treasury, as described in paragraph 1.1 of the accounting policies to the annual financial statements.

4. QUALIFICATION

4.1 Monies in Trust – Receivable for Departmental Revenue

Revenue that is receivable by the Department but not yet collected must be disclosed in Note 26 of the annual financial statements. This disclosure note is a new requirement by the National Treasury resulting in the Department not having sufficient time to develop and implement adequate processes and controls to ensure the completeness of revenue receivable.

In the course of administrating justice, the Department established the Monies in Trust, which acts as an agent for the receipt and payment of funds on behalf of other parties. The Department maintains Monies in Trust bank accounts, into which funds received on behalf of other parties are paid until such time as the matters for which the monies were deposited have been finalised, whereupon the disposal of the amount paid, is effected.

The lack of an effective and efficient financial management system over Monies in Trust has resulted in the Department not being able to prepare reliable, accurate and complete accounting records for Monies in Trust. The Department is therefore unable to determine the amount still receivable but not yet collected from the Monies in Trust.

Consequently, I am unable to confirm the completeness, validity or accuracy of the amount of R 6,1 million disclosed in Note 26 of the annual financial statements, representing a receivable for Departmental Revenue owed to the Department by Monies in Trust.

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Part 4a: Report of the Auditor-General

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

5. QUALIFIED AUDIT OPINION

In my opinion, except for the effect on the financial statements of the matters referred to in the preceding paragraph, the financial statements fairly present, in all material respects, the financial position of the Department of Justice and Constitutional Development as at 31 March 2006 and the results of its operations and cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by National Treasury, as described in paragraph 1.1 of the accounting policies to the annual financial statements and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999)

6. EMPHASIS OF MATTER

Without further qualifying the audit opinion, attention is drawn to the following matters:

6.1 Financial Management

The budget reprioritisation process, which, amongst others, included additional allocations to agencies, started early in the year; but the relevant memos signed in March 2006 may have resulted in pressure being put on agencies to spend additional allocations before the end of the financial year. This increases the risk of fiscal dumping and that normal procurement practices may not be complied with.

6.2 Asset and Inventory Management

6.2.1 Inventory management

Although the Department has developed an effective inventory management system, this system was not fully operational at all locations throughout the country. Regular physical counts and reconciliations were not performed at all locations with the result that stock shortages, if any, could not be identified.

6.2.2 No policy for software and intangibles and development in the current year

The Department lacked adequate policies and procedures to deal with the identification and accounting for expenditures incurred on the development of software applications for its many different requirements. This has resulted in the

Department not being able to quantify costs incurred in developing these software applications.

6.3 Compensation for employees

6.3.1 Policies not approved

Section 38 of the Public Finance Management Act requires the accounting officer to implement effective, efficient and transparent systems of financial management. It was identified that approved and formalised policies were not implemented for the following areas, which has resulted in inconsistencies in the application and awarding of benefits within the Department:

- Overtime
- Bursaries
- Home owners and housing allowances

6.3.2 Long suspended employees

Due to inadequate follow up of the progress of investigations related to suspended employees, I have identified a number of officials who remain suspended with pay, for a considerable amount of time. The costs involved for officials who have been on suspension for more than 12 months is approximately R 7,6 million to date. As a result all suspended employees were instructed to return to work where investigations completed.

6.3.3 Human resources

A lack of effective communication, as well as monitoring and reconciliation of documentation between the Human Resource Section and the Registry Sections of the Department has resulted in the following deficiencies:

- Inadequate and incomplete documentation in personnel files
- Pay sheets not always approved timeously by properly delegated officials
- Employees being assigned to incorrect pay points
- Files located in regions that are different to the location indicated on PERSAL
- Data on PERSAL not always updated

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Part 4a: Report of the Auditor-General

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

6.4 Contingent Liabilities

As disclosed in Note 21 to the financial statements, due to the lack of an effective and efficient financial management system over Monies in Trust, the Department is unable to quantify the deficit between the cashbook balance and cash in banks in respect of Monies in Trust.

6.5 Performance information

A lack of clear policy and procedure framework to standardise, enforce, and provide guidance with regard to performance reporting has resulted in the following inefficiencies:

- Non-compliance with Treasury Regulations 5.3.1, which requires the establishment of procedures for quarterly reporting to the executive authority
- Inadequate quarterly reporting to the executive authority as required by Treasury Regulation 5.3.1
- Objectives included in the performance information provided for audit purposes that could not be traced to objectives identified in the Strategic Plan
- Measures of actual performance not always included for all objectives in the performance information provided for audit purposes.

6.6 Forensic Audit

A forensic audit into alleged irregularities regarding procurement amounting to R 7,5 million is currently being conducted. The findings of this audit will be reported in a separate report.

7. APPRECIATION

The assistance rendered by the staff of the Department of Justice and Constitutional Development during the audit is sincerely appreciated.

Shaiket Fanie

S A Fanie
Auditor-General
Pretoria
31/07/2006



AUDITOR - GENERAL

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Part 4a: Accounting Policies

for the year ended 31 March 2006

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The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, 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, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act.

I. PRESENTATION OF THE FINANCIAL STATEMENTS

I.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid or when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

I.2 Presentation currency

All amounts have been presented in the currency of the South African Rand (R), which is also the functional currency of the Department.

I.3 Rounding

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

I.4 Comparative figures

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period's 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.

A comparison between actual and budgeted amounts per major classification of expenditure is included in the appropriation statement.

2. REVENUE

2.1 Appropriated funds

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the appropriated funds made in terms of the adjustment's budget process are recognised in the financial records on the date the adjustments become effective.

Total appropriated funds are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the National Revenue Fund, unless approval has been given by the National Treasury to roll-over the funds to the subsequent financial year. These roll-over funds form part of retained funds in the annual financial statements. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is paid into the National Revenue Fund when received, unless otherwise stated. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position.

2.2.1 Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the statement of financial performance when the cash is received.

2.2.2 Fines, penalties and forfeits

Fines, penalties and forfeits are compulsory, unrequited amounts which were imposed by a court or quasi-judicial body and collected by the Department. Revenue arising from fines, penalties and forfeits is recognised in the statement of financial performance when the cash is received.

2.2.3 Interest, dividends and rent on land

Interest, dividends and rent on land is recognised in the statement of financial performance when the cash is received.

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Part 4a: Accounting Policies

for the year ended 31 March 2006

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2.2.4 Sale of capital assets

The proceeds received on sale of capital assets are recognised in the statement of financial performance when the cash is received.

2.2.5 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds. Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the statement of financial performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

2.2.6 Gifts, donations and sponsorships (transfers received)

All cash gifts, donations and sponsorships are paid into the National/Provincial Revenue Fund and recorded as revenue in the statement of financial performance when received. Amounts receivable at the reporting date are disclosed in the disclosure notes to the financial statements.

All in-kind gifts, donations and sponsorships are disclosed at fair value in the annexures to the financial statements.

2.3 Local and foreign aid assistance

Local and foreign aid assistance is recognised in the financial records when notification of the donation is received from the National Treasury or when the Department directly receives the cash from the donor(s). The total cash amounts received during the year is reflected in the statement of financial performance as revenue.

All in-kind local and foreign aid assistance are disclosed at fair value in the annexures to the annual financial statements

The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure

in the statement of financial performance. A receivable is recognised in the statement of financial position to the value of the amounts expended prior to the receipt of the funds.

A payable is raised in the statement of financial position where amounts have been inappropriately expensed using local and foreign aid assistance. Unutilised amounts are recognised in the statement of financial position.

3. EXPENDITURE

3.1 Compensation of employees

Salaries and wages comprise payments to employees. Salaries and wages are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). Capitalised compensation forms part of the expenditure for capital assets in the statement of financial performance.

All other payments are classified as a current expense.

Social contributions include the entities' contribution to social insurance schemes paid on behalf of the employee. Social contributions are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system.

3.1.1 Short term employee benefits

Short term employee benefits comprise of leave entitlements (capped leave), thirteenth cheques and performance bonuses. The cost of short-term employee benefits is expensed as salaries and wages in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the notes to the financial statements. These amounts are not recognised in the statement of financial performance.

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3.1.2 Long-term employee benefits

3.1.2.1 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the statement of financial performance as a transfer when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.1.2.2 Post employment retirement benefits

The Department provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year). No provision is made for retirement benefits in the financial statements of the Department. Any potential liabilities are disclosed in the financial statements of the National/Provincial Revenue Fund and not in the financial statements of the employer department.

The Department provides medical benefits for certain of its employees. Employer contributions to the medical funds are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year).

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used on a capital project.

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures.

3.4 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write-off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.5 Unauthorised expenditure

When discovered, unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is recognised in the statement of financial performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding, it is recognised as expenditure, subject to availability of savings, in the statement of financial performance on the date of approval.

3.6 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

3.7 Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

3.8 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

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3.9 Expenditure for capital assets

Payments made for capital assets are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

4. ASSETS

4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

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.

4.2 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made.

4.3 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party.

Revenue receivable not yet collected is included in the disclosure notes. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.4 Asset registers

Assets are recorded in an asset register, at cost, on receipt of the item. Cost of an asset is defined as the total cost of acquisition. Assets procured in previous financial periods, may be stated at fair value, where determinable, or RI, in instances where the original cost of acquisition or fair value cannot be established. No revaluation or impairment of assets is currently recognised in the asset register. Projects (of construction/development) running over more than one financial year relating to assets, are only brought into the asset register on completion of the project and at the total cost incurred over the duration of the project.

Annexure 3 and 4 of the disclosure notes reflect the total movement in the asset register of assets with a cost equal to and exceeding R 5 000 (therefore capital assets only) for the current financial year. The movement is reflected at the cost as recorded in the asset register and not the carrying value. Depreciation is not recognised in the financial statements under the modified cash basis of accounting. The opening balance reflected on Annexure 3 will include items procured in prior accounting periods and the closing balance will represent the total cost of the register for capital assets on hand.

5. LIABILITIES

5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are recognised at historical cost in the statement of financial position.

5.2 Lease commitments

Lease commitments represent amounts owing from the reporting date to the end of the lease contract. These commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

Operating and finance lease commitments are expensed when the payments are made. Assets acquired in terms of finance lease agreements are disclosed in the annexures to the financial statements.

5.3 Accruals

Accruals represent goods/services that have been received, but where no invoice has been received from the supplier at the reporting date, or where an invoice has been received but final authorisation for payment has not been effected on the system.

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

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5.4 Contingent liabilities

A contingent liability 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 wholly within the control of the Department; or

a present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are included in the disclosure notes.

5.5 Commitments

Commitments represent goods/services that have been approved and/or contracted, but where no delivery has taken place at the reporting date.

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

6. NET ASSETS

6.1 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made and recognised in a previous financial year becomes recoverable from a debtor.

7. KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Department.

Compensation paid to key management personnel including their family members, where relevant, is included in the disclosure notes.

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Part 4a: Appropriation Statement

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

Appropriation per programme									
	2005/06							2004/05	
	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
I. Administration									
Current payment	378,539	-	(5,128)	373,411	324,300	49,111	86.8%	528,673	528,672
Transfers and subsidies	3,649	-	(2,889)	760	760	-	100.0%	1,466	1,466
Payment for capital assets	7,091	-	(1,739)	5,352	5,352	-	100.0%	49,281	49,281
2. Court Services									
Current payment	1,868,281	-	(255,800)	1,612,481	1,612,481	-	100.0%	1,952,681	1,952,513
Transfers and subsidies	3,631	-	6,209	9,840	9,840	-	100.0%	13,132	13,132
Payment for capital assets	417,665	-	148,817	566,482	370,385	196,097	65.4%	325,351	308,571
3. State Legal Services									
Current payment	301,819	-	(12,435)	289,384	289,384	-	100.0%	219,793	219,793
Transfers and subsidies	5,096	-	3,678	8,774	8,774	-	100.0%	929	929
Payment for capital assets	6,909	-	3,577	10,486	1,436	9,050	13.7%	1,962	1,962
4. Auxiliary and Associated Services									
Current payment	132,862	-	(3,531)	129,331	128,866	465	99.6%	100,984	100,984
Transfers and subsidies	682,122	-	21,701	703,823	703,821	2	100.0%	606,581	606,580
Payment for capital assets	23,259	-	4,660	27,919	27,919	-	100.0%	51,325	51,325
Subtotal	3,830,923	-	(92,880)	3,738,043	3,483,318	254,725	93.2%	3,852,158	3,835,208

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Appropriation per programme									
	2005/06							2004/05	
	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
Statutory Appropriation									
Current payment	849,977		(31,669)	818,308	1,008,428	(190,120)	123.2%	177,083	218,297
Transfers and subsidies	-		31,669	31,669	31,669	(1)	100.0%	-	23,797
Payment for capital assets	-		-	-	-	-	-	-	-
TOTAL	4,680,900	-	(92,880)	4,588,020	4,523,416	64,604	98.6%	4,029,241	4,077,301
Reconciliation with Statement of Financial Performance									
Add:									
Prior year unauthorised expenditure approved with funding				-				-	
Departmental revenue received				317,432				175,728	
Local and foreign aid assistance received				23,772				160,672	
Actual amounts per Statements of Financial Performance (Total revenue)				4,929,224				4,365,641	
Add:									
Local and foreign aid assistance					44,494				140,095
Prior year unauthorised expenditure approved									
Prior year fruitless and wasteful expenditure authorised									
Actual amounts per Statements of Financial Performance (Total expenditure)					4,567,910				4,217,396

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Appropriation per economic classification									
	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	1,498,833	-	(138,061)	1,360,772	1,357,995	2,777	99.8%	1,910,361	1,910,361
Goods and services	1,182,668	-	(183,236)	999,432	952,633	46,799	95.3%	799,266	799,266
Interest and rent on land	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	44,403	44,403	44,403	-	100.0%	92,502	92,333
Transfers and subsidies									
Provinces and municipalities	5,149	-	(912)	4,237	4,237	-	100.0%	5,976	5,976
Departmental agencies and accounts	685,407	-	18,407	703,814	703,812	2	100.0%	606,575	606,574
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	3,942	-	164	4,106	4,106	-	100.0%	162	162
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	11,040	11,040	11,040	-	100.0%	9,396	9,396
Gifts and donations	-	-	-	-	-	-	-	-	-
Payments for capital assets									
Buildings and other fixed structures	317,975	-	(15,000)	302,975	291,312	11,663	96.2%	254,947	254,947
Machinery and equipment	135,155	-	171,656	306,811	113,327	193,484	36.9%	163,260	146,480
Biological or cultivated assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	1,794	-	(1,341)	453	453	-	100.0%	9,713	9,713
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Total	3,830,923	-	(92,880)	3,738,043	3,483,318	254,725	93.2%	3,852,158	3,835,208

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Statutory Appropriation									
Details of direct changes against the National/ Provincial Revenue Fund	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Judges and magistrates salaries	849,977		-	849,977	1,040,097	(190,120)	122.4%	177,083	242,093
Total	849,977	-	-	849,977	1,040,097	(190,120)	122.4%	177,083	242,093

2005/06 - Administration									
Programme per subprogramme	2005/06							2004/05	
	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
I.1 Minister									
Current payment	837		21	858	858	-	100.0%	930	930
Transfers and subsidies	-		-	-	-	-	-	-	-
Payment for capital assets	-		-	-	-	-	-	-	-
I.2 Deputy Minister									
Current payment	680		128	808	808	-	100.0%	676	676
Transfers and subsidies	-		-	-	-	-	-	-	-
Payment for capital assets	-		-	-	-	-	-	-	-
I.3 Management									
Current payment	44,410		9,145	53,555	53,555	-	100.0%	40,064	40,064
Transfers and subsidies	111		(42)	69	69	-	100.0%	71	71
Payment for capital assets	1,105		(95)	1,010	1,010	-	100.0%	2,713	2,713
I.4 Corporate Services									
Current payment assets	332,612		(14,422)	318,190	269,079	49,111	84.6%	448,650	448,649
Transfers and subsidies	3,538		(2,847)	691	691	-	100.0%	1,395	1,395
Payment for capital assets	5,986		(1,644)	4,342	4,342	-	100.0%	46,568	46,568
I.5 Special Function: Authorised Losses									
Current payment assets	-		-	-	-	-	-	38,353	38,353
Transfers and subsidies	-		-	-	-	-	-	-	-
Payment for capital assets	-		-	-	-	-	-	-	-
TOTAL	389,279	-	(9,756)	379,523	330,412	49,111	87.1%	579,420	579,419

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Department of Justice and Constitutional Development (Excl NPA) Vote 23

Economic Classification	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	159,016		(6,609)	152,407	149,630	2,777	98,2%	274,366	274,366
Goods and services	219,523		1,481	221,004	174,670	46,334	79,0%	215,954	215,954
Interest and rent on land	-		-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-		-	-	-	-	-	38,354	38,353
Transfers and subsidies to:									
Provinces and municipalities	363		107	470	470	-	100,0%	860	860
Departmental agencies and accounts	3,286		(3,286)	-	-	-	-	-	-
Universities and technikons	-		-	-	-	-	-	-	-
Foreign governments and international organisations	-		-	-	-	-	-	162	162
Public corporations and private enterprises	-		-	-	-	-	-	-	-
Non-profit institutions	-		-	-	-	-	-	-	-
Households	-		290	290	290	-	100,0%	444	444
Gifts and donations	-		-	-	-	-	-	-	-
Payment for capital assets									
Buildings and other fixed structures	-		-	-	-	-	-	402	402
Machinery and equipment	5,540		(287)	5,253	5,253	-	100,0%	48,645	48,645
Biological or cultivated assets									
Software and other intangible assets	1,551		(1,452)	99	99	-	100,0%	233	233
Land and subsoil assets	-		-	-	-	-	-	-	-
Total	389,279	-	(9,756)	379,523	330,412	49,111	87,1%	579,420	579,419

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for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

2005/06 - Court Services									
Programme per Subprogramme	2005/06							2004/05	
	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
2.1 Constitutional Court									
Current payment	24,160		(3,161)	20,999	20,999	-	100.0%	14,087	14,087
Transfers and subsidies	10		125	135	135	-	100.0%	37	37
Payment for capital assets	2,350		(87)	2,263	2,263	-	100.0%	771	771
2.2 Supreme Court of Appeal									
Current payment	13,066		(1,952)	11,114	11,114	-	100.0%	10,760	10,760
Transfers and subsidies	12		49	61	61	-	100.0%	40	40
Payment for capital assets	111		5	116	116	-	100.0%	165	165
2.3 High Courts									
Current payment	138,836		56,475	195,311	195,311	-	100.0%	179,591	179,591
Transfers and subsidies	236		862	1,098	1,098	-	100.0%	2,115	2,115
Payment for capital assets	1,734		(426)	1,308	1,308	-	100.0%	3,102	3,102
2.4 Specialised Courts									
Current payment	35,946		(17,223)	18,723	18,723	-	100.0%	16,574	16,574
Transfers and subsidies	45		(16)	29	29	-	100.0%	75	75
Payment for capital assets	175		855	1,030	1,030	-	100.0%	130	130
2.5 Lower Courts									
Current payment	1,444,530		(298,861)	1,145,669	1,145,669	-	100.0%	1,650,088	1,649,920
Transfers and subsidies	3,081		4,213	7,294	7,294	-	100.0%	10,743	10,743
Payment for capital assets	66,620		170,761	237,381	55,342	182,039	23.3%	66,733	49,953

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Department of Justice and Constitutional Development (Excl NPA) Vote 23

2005/06 - Court Services									
Programme per Subprogramme	2005/06							2004/05	
	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
2.6 Family Advocate									
Current payment	34,269		(2,577)	31,692	31,692	-	100.0%	26,517	26,517
Transfers and subsidies	61		673	734	734	-	100.0%	93	93
Payment for capital assets	160		1,650	1,810	1,810	-	100.0%	1,842	1,842
2.7 Magistrate's Commission									
Current payment	4,970		168	5,138	5,138	-	100.0%	10,801	10,801
Transfers and subsidies	10		-	10	10	-	100.0%	29	29
Payment for capital assets	10		23	33	33	-	100.0%	129	129
2.8 Government Motor Transport									
Current payment	-		-	-	-	-	-	-	-
Transfers and subsidies	27,000		(16,728)	10,272	10,272	-	100.0%	8,956	8,956
Payment for capital assets	-		-	-	-	-	-	-	-
2.9 Capital Works									
Current payment	-		-	-	-	-	-	-	-
Transfers and subsidies	-		-	-	-	-	-	-	-
Payment for capital assets	317,975		(15,000)	302,975	288,917	14,058	95.4%	243,523	243,523
2.10 Special Function: Authorised Losses									
Current payment	-		44,403	44,403	44,403	-	100.0%	44,263	44,263
Transfers and subsidies	-		-	-	-	-	-	-	-
Payment for capital assets	-		-	-	-	-	-	-	-

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Department of Justice and Constitutional Development (Excl NPA) Vote 23

2005/06 - Court Services									
Programme per Subprogramme	2005/06							2004/05	
	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
2.11 Administration courts									
Current payment	172,504		(33,072)	139,432	139,432	-	100.0%	-	-
Transfers and subsidies	176		303	479	479	-	100.0%	-	-
Payment for capital assets	1,530		7,764	9,294	9,294	-	100.0%	-	-
Total	2,289,577	-	(100,774)	2,188,803	1,992,706	196,097	91.0%	2,291,164	2,274,216

Economic Classification	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	1,102,991		(130,987)	972,004	972,004	-	100.0%	1,458,108	1,458,108
Goods and services	765,290		(169,216)	596,074	596,074	-	100.0%	450,138	450,138
Interest and rent on land	-		-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-		44,403	44,403	44,403	-	100.0%	44,431	44,263
Transfers & subsidies									
Provinces & municipalities	3,631		(633)	2,998	2,998	-	100.0%	4,576	4,576
Dept agencies & accounts	-		(8)	(8)	(8)	-	100.0%	-	-
Universities & Technikons	-		-	-	-	-	-	-	-

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Economic Classification	2005/06							2004/05	
	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
Foreign governments & international organisations	-		83	83	83	-	100.0%	-	-
Public corporations & private enterprises	-		-	-	-	-	-	-	-
Non-profit institutions	-		-	-	-	-	-	-	-
Households	-		6,767	6,767	6,767	-	100.0%	8,556	8,556
Gifts and donations	-		-	-	-	-	-	-	-
Payments for Capital assets									
Buildings & other fixed structures	317,975		(15,000)	302,975	291,312	11,663	96.2%	254,545	254,545
Machinery & equipment	99,447		163,740	263,187	78,753	184,434	29.9%	70,712	53,932
Biological or Cultivated assets	-		-	-	-	-	-	-	-
Software & other intangible assets	243		77	320	320	-	100.0%	98	98
Land & subsoil assets	-		-	-	-	-	-	-	-
Total	2,289,577	-	(100,774)	2,188,803	1,992,706	196,097	91.0%	2,291,164	2,274,216

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Part 4a: Appropriation Statement

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

2005/06 Legal Services									
Programme per Subprogramme	2005/06							2004/05	
	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
3.1 Legal Services to the State									
Current payment	148,929		(7,106)	141,823	141,823	-	100.0%	116,917	116,917
Transfers and subsidies	4,249		121	4,370	4,370	-	100.0%	415	415
Payment for capital assets	1,395		4,203	5,598	479	5,119	8.6%	817	817
3.2 Legislation and Constitutional Development									
Current payment	41,894		(12,852)	29,042	29,042	-	100.0%	11,834	11,834
Transfers and subsidies	81		345	426	426	-	100.0%	27	27
Payment for capital assets	1,008		(626)	382	382	-	100.0%	678	678
3.3 Master of the High Court									
Current payment	110,996		7,523	118,519	118,519	-	100.0%	91,005	91,005
Transfers and subsidies	766		3,212	3,978	3,978	-	100.0%	487	487
Payment for capital assets	4,506		-	4,506	575	3,931	12.8%	467	467
3.4 Special Function : Authorised Losses									
Current payment	-		-	-	-	-	-	37	37
Transfers and subsidies	-		-	-	-	-	-	-	-
Payment for capital assets	-		-	-	-	-	-	-	-
Total	313,824	-	(5,180)	308,644	299,594	9,050	97.1%	222,684	222,684

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Part 4a: Appropriation Statement

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

Economic Classification	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation of employees	236,436		(631)	235,805	235,805	-	100.0%	177,104	177,104
Goods and services	65,383		(11,804)	53,579	53,579	-	100.0%	32,973	32,973
Interest and rent on land	-		-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-		-	-	-	-	-	9,717	9,717
Transfers & subsidies									
Provinces & municipalities	1,154		(386)	768	768	-	100.0%	538	538
Dept agencies & accounts	-		-	-	-	-	-	-	-
Universities & Technikons	-		-	-	-	-	-	-	-
Foreign governments & international organisations	3,942		81	4,023	4,023	-	100.0%	-	-
Public corporations & private enterprises	-		-	-	-	-	-	-	-
Non-profit institutions	-		-	-	-	-	-	-	-
Households	-		-	-	-	-	-	-	-
Gifts and donations	-		3,983	3,983	3,983	-	100.0%	391	391
Payment for capital assets									
Buildings & other fixed structures	-		-	-	-	-	-	-	-
Machinery & equipment	6,909		3,543	10,452	1,402	9,050	13.4%	1,941	1,941
Biological or Cultivated assets	-		-	-	-	-	-	-	-
Software & other intangible assets	-		34	34	34	-	100.0%	20	20
Land & subsoil assets	-		-	-	-	-	-	-	-
Total	313,824	-	(5,180)	308,644	299,594	9,050	97.1%	222,684	222,684

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Part 4a: Appropriation Statement

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

2005/06 - Auxiliary and Associated Service									
Programme per Subprogramme	2005/06							2004/05	
	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
5.1 Judicial Service Commission									
Current payment	1,067		-	1,067	1,036	31	97.1%	840	840
Transfers and subsidies	-		-	-	-	-	-	-	-
Payment for capital assets	-		-	-	-	-	-	-	-
5.2 Office for the Control of Interception and Monitoring of Communication									
Current payment	538		-	538	145	393	27.0%	238	238
Transfers and subsidies	1		-	1	-	1	-	-	-
Payment for capital assets	-		-	-	-	-	-	-	-
5.3 Truth and Reconciliation Commission									
Current payment	-		-	-	-	-	-	-	-
Transfers and subsidies	-		-	-	-	-	-	-	-
Payment for capital assets	-		-	-	-	-	-	-	-
5.4 South African Human Rights Commission									
Current payment	-		-	-	-	-	-	-	-
Transfers and subsidies	41,774		-	41,774	41,774	-	100.0%	37,653	37,653
Payment for capital assets	-		-	-	-	-	-	-	-
5.5 Commission on Gender Equality									
Current payment	-		-	-	-	-	-	-	-
Transfers and subsidies	26,469		-	26,469	26,469	-	100.0%	21,390	21,390
Payment for capital assets	-		-	-	-	-	-	-	-

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Part 4a: Appropriation Statement

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

2005/06 - Auxiliary and Associated Service									
Programme per Subprogramme	2005/06							2004/05	
	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
5.6 Special Investigating Unit									
Current payment	-		-	-	-	-	-	-	-
Transfers and subsidies	43,851		5,000	48,851	48,851	-	100.0%	37,194	37,194
Payment for capital assets	-		-	-	-	-	-	-	-
5.7 Legal Aid Board									
Current payment	-		-	-	-	-	-	-	-
Transfers and subsidies	440,008		13,200	453,208	453,208	-	100.0%	390,525	390,525
Payment for capital assets	-		-	-	-	-	-	-	-
5.8 Public Protector									
Current payment	-		610	610	610	-	100.0%	802	802
Transfers and subsidies	55,127		3,501	58,628	58,628	-	100.0%	49,166	49,166
Payment for capital assets	-		-	-	-	-	-	-	-
5.9 National Crime Prevention Strategy									
Current payment	131,257		(4,141)	127,116	127,075	41	99.9%	99,103	99,103
Transfers and subsidies	-		-	-	-	-	-	-	-
Payment for capital assets	23,259		4,660	27,919	27,919	-	100.0%	51,325	51,325
5.10 President's Fund									
Current payment	-		-	-	-	-	-		
Transfers and subsidies			-		-		-		-
Payment for capital assets	-		-	-	-	-	-	-	-
5.11 Represented Political Parties Fund									
Current payment	-		-	-	-	-	-	-	-
Transfers and subsidies	74,891		-	74,891	74,891	-	100.0%	70,652	70,652
Payment for capital assets	-		-	-	-	-	-	-	-
Total	838,243	-	22,830	861,073	860,606	467	99.9%	758,890	758,889

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Part 4a: Appropriation Statement

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

Programme per Subprogramme	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	390		166	556	556	-	100.0%	783	783
Goods and services	132,472		(3,697)	128,775	128,310	465	99.6%	100,201	100,201
Interest and rent on land	-		-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-		-	-	-	-	-	-	-
Transfers & subsidies									
Provinces & municipalities	1		-	1	1	-	100.0%	2	2
Dept agencies & accounts	682,121		21,701	703,822	703,820	2	100.0%	606,575	606,574
Universities & Technikons	-		-	-	-	-	-	-	-
Foreign governments & international organisations	-		-	-	-	-	-	-	-
Public corporations & private enterprises	-		-	-	-	-	-	-	-
Non-profit institutions	-		-	-	-	-	-	-	-
Households	-		-	-	-	-	-	5	5
Gifts and donations	-		-	-	-	-	-	-	-
Payment for capital assets									
Buildings & other fixed structures	-		-	-	-	-	-	-	-
Machinery & equipment	23,259		4,660	27,919	27,919	-	100.0%	41,962	41,962
Biological or Cultivated assets	-		-	-	-	-	-	-	-
Software & other intangible assets	-		-	-	-	-	-	9,362	9,362
Land & subsoil assets	-		-	-	-	-	-	-	-
Total	838,243	-	22,830	861,073	860,606	467	99.9%	758,890	758,889

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Part 4a: Notes to the Appropriation Statements

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

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

Detail of these transactions can be viewed in note 8 (Transfers and subsidies) and Annexure I (A-F) to the Annual Financial Statements.

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

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

3. Detail on financial transactions in assets and liabilities

Detail of these transactions per programme can be viewed in note 7 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

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

4.1 Per Programme

	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Programme 1	379,523	330,412	49,111	12.9%

Budgeted funds remained unspent mainly due to:

- Late finalisation of tenders for the DNS III rollout.
- Late finalisation of the Software License Audit due to a delay in obtaining the necessary security clearance.

Programme 2	2,188,803	1,992,706	196,097	9.0%
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Budgeted funds remained unspent mainly due to the delays in the procurement and tender processes for the:

- Supply and installation of court recording equipment
- Construction of new courts
- Upgrading of court infrastructure

Programme 3	308,644	299,594	9,050	2.9%
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Under-spending due to the late receipt of invoices for office furniture and equipment at the State Attorney Office in Cape Town, Family Advocate and Masters Office.

The Department has submitted a request to National Treasury to roll-over R244 million of the abovementioned unspent funds.

Per Economic classification	2005/06 R'000	2004/05 R'000
Current payment:		
Compensation of employees	2,777	1,534
Goods and services	46,799	-
Transfers and subsidies:		
Departmental agencies and accounts	2	1
Payments for capital assets:		
Buildings and other fixed structures	11,663	-
Machinery and equipment	193,484	16,948

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Part 4a: Statement of Financial Performance

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

	Note	2005/06 R'000	2004/05 R'000
REVENUE			
Annual appropriation	1	3,738,043	3,852,158
Statutory appropriation	2	849,977	177,083
Appropriation for unauthorised expenditure approved		-	-
Departmental revenue	3	317,432	175,728
Local and foreign aid assistance	4	23,772	160,672
TOTAL REVENUE		<u>4,929,224</u>	<u>4,365,641</u>
EXPENDITURE			
Current expenditure			
Compensation of employees	5	2,366,423	2,128,657
Goods and services	6	952,633	799,266
Financial transactions in assets and liabilities	7	44,403	92,333
Local and foreign aid assistance	4	44,494	108,247
Unauthorised expenditure approved	10	-	-
Total current expenditure		<u>3,407,953</u>	<u>3,128,503</u>
Transfers and subsidies	8	754,865	645,905
Expenditure for capital assets			
Buildings and other fixed structures	9	291,312	254,947
Machinery and Equipment	9	113,327	146,480
Software and other intangible assets	9	453	9,713
Local and foreign aid assistance	4	-	31,848
Total expenditure for capital assets		<u>405,092</u>	<u>442,988</u>
TOTAL EXPENDITURE		<u>4,567,910</u>	<u>4,217,396</u>
SURPLUS/(DEFICIT)		361,314	148,245
SURPLUS/(DEFICIT) FOR THE YEAR		<u>361,314</u>	<u>148,245</u>
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds	15	64,604	(48,060)
Departmental Revenue	16	317,432	175,728
Local and foreign aid assistance	4	(20,722)	20,577
SURPLUS/(DEFICIT) FOR THE YEAR		<u>361,314</u>	<u>148,245</u>

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Part 4a: Statement of Financial Position

as at 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

	Note	2005/06 R'000	2004/05 R'000
ASSETS			
Current assets		371,889	514,481
Unauthorised expenditure	10	185,617	185,617
Fruitless and wasteful expenditure	11	-	157
Cash and cash equivalents	12	2,541	2,285
Prepayments and advances	13	1,994	3,010
Receivables	14	181,737	323,412
TOTAL ASSETS		371,889	514,481
LIABILITIES			
Current liabilities		362,949	506,031
Voted funds to be surrendered to the Revenue Fund	15	64,604	(48,060)
Departmental revenue to be surrendered to the Revenue Fund	16	11,548	21,410
Bank overdraft	17	260,776	453,847
Payables	18	1,194	33,285
Local and foreign aid assistance unutilised	4	24,827	45,549
TOTAL LIABILITIES		362,949	506,031
NET ASSETS		8,940	8,450
Represented by:			
Recoverable revenue		8,940	8,450
TOTAL		8,940	8,450

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Part 4a: Statement of Changes in Net Assets

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

	2005/06 R'000	2004/05 R'000
Recoverable revenue		
Opening balance	8,450	9,930
Transfers	490	(1,480)
Debts recovered (included in departmental revenue)	-	(986)
Debts raised	490	(494)
Closing balance	8,940	8,450
TOTAL	8,940	8,450

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Part 4a: Cash Flow Statements

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

	Note	2005/06 R'000	2004/05 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		4,929,224	4,365,636
Annual appropriated funds received	1	3,738,043	3,852,158
Statutory appropriated funds received	2	849,977	177,083
Appropriation for unauthorised expenditure received	10	-	-
Departmental revenue received	3	317,432	175,723
Local and foreign aid assistance received	4	23,772	160,672
Net (increase)/decrease in working capital		110,757	116 817
Surrendered to Revenue Fund		(279,234)	(138,826)
Current payments		(3,407,953)	(3,128,503)
Transfers and subsidies paid		(754,865)	(645,905)
Net cash flow available from operating activities	19	597,929	569,219
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets		(405,092)	(442,988)
Proceeds from sale of capital assets	3.3	-	5
Net cash flows from investing activities		(405,092)	(442,983)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		490	(1,480)
Net cash flows from financing activities		490	(1,480)
Net increase/(decrease) in cash and cash equivalents		193,327	124,756
Cash and cash equivalents at the beginning of the period		(451,562)	(576,318)
Cash and cash equivalents at end of period	20	(258,235)	(451 562)

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Part 4a: Notes to the Annual Financial Statements

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

I. ANNUAL APPROPRIATION

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

	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/not received R'000	Appropriation received 2004/05 R'000
Administration	379,523	379,523	-	579,420
Court Services	2,188,803	2,188,803	-	2,291,164
State Legal Services	308,644	308,644	-	222,684
Auxiliary and Associated Services	861,073	861,073	-	758,890
Total	3,738,043	3,738,043	-	3,852,158

2. STATUTORY APPROPRIATION

Judges' and magistrates' salaries	849,977	177,083
	<u>849,977</u>	<u>177,083</u>

3. DEPARTMENTAL REVENUE TO BE SURRENDERED TO REVENUE FUND

Description

	Note	2005/06 R'000	2004/05 R'000
Tax revenue			
Sales of goods and services other than capital assets	3.1	14,639	11,161
Fines, penalties and forfeits		192,642	90,573
Interest, dividends and rent on land	3.2	88,498	29,080
Sales of capital assets	3.3	-	5
Financial transactions in assets and liabilities	3.4	21,653	42,497
Transfer received	3.5	-	2,412
Total revenue collected		<u>317,432</u>	<u>175,728</u>
Departmental revenue collected		<u>317,432</u>	<u>175,728</u>

3.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the department			
Sales by market establishment		14,626	11,154
Sales of scrap, waste and other used current goods		13	7
Total		<u>14,639</u>	<u>11,161</u>

annual financial statements

Part 4a: Notes to the Annual Financial Statements

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

	Note	2005/06 R'000	2004/05 R'000
3.2 Interest, dividends and rent on land			
Interest		88,498	29,080
Total		88,498	29,080
3.3 Sale of capital assets			
Other capital assets		-	5
Total		-	5
3.4 Financial transactions in assets and liabilities			
Nature of loss recovered			
Loans			
Receivables		21,653	19,808
Other Receipts		-	22,689
Total		21,653	42,497
3.5 Transfers received			
Other governmental units		-	2,412
Total		-	2,412
Included in the above revenue are amounts paid over to the Revenue Fund on behalf of the National Prosecuting Authority (NPA). National Treasury requires that all funds for the Department of Justice and the NPA be paid over together; hence the reason that the NPA pays all revenue over to the Department which is included in the Department's revenue.			
NPA revenue included above		1,715	1,044
Total		1,715	1,044

4. LOCAL AND FOREIGN AID ASSISTANCE

4.1 Assistance received in cash: Other

Foreign

Opening Balance	45,549	24,972
Revenue	23,772	160,672
Expenditure	44,494	140,095
Current	44,494	108,247
Capital	-	31,848
Closing Balance	24,827	45,549

annual financial statements

Part 4a: Notes to the Annual Financial Statements

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

Note	2005/06 R'000	2004/05 R'000
Total		
Opening Balance	45,549	24,972
Revenue	23,772	160,672
Expenditure	44,494	140,095
Current	44,494	108,247
Capital	-	31,848
Closing Balance	<u>24,827</u>	<u>45,549</u>
Analysis of balance		
Local and foreign aid unutilised	<u>24,827</u>	<u>45,549</u>
Closing balance	<u>24,827</u>	<u>45,549</u>

5. COMPENSATION OF EMPLOYEES

5.1 Salaries and Wages

Basic salary	1,677,281	1,547,917
Performance award	23,623	46,698
Service Based	6,229	5,956
Compensative/circumstantial	15,266	18,090
Periodic payments	17,912	17,030
Other non-pensionable allowances	357,440	219,605
	<u>2,097,751</u>	<u>1,855,296</u>

5.2 Social ontributions

5.2.1 Employer contributions

Pension	176,807	186,455
Medical	91,474	86,548
UIF	5	7
Bargaining Council	385	350
Insurance	1	1
	<u>268,672</u>	<u>273,361</u>

Total compensation of employees

	<u>2,366,423</u>	<u>2,128,657</u>
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Average number of employees	<u>14,800</u>	<u>15,046</u>
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Part 4a: Notes to the Annual Financial Statements

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

	Note	2005/06 R'000	2004/05 R'000
6. GOODS AND SERVICES			
Advertising		8,130	5,386
Attendance fees (including registration fees)		1,716	2,891
Bank charges and card fees		1,128	903
Bursaries (employees)		5,159	5,819
Communication		92,966	84,335
Computer services		81,879	44,393
Consultants, contractors and special services		170,231	180,902
Courier and delivery services		989	1,066
Tracing agents & Debt collections		85	29
Drivers' licenses and permits		76	147
Entertainment		2,223	2,320
External audit fees	6.1	13,389	12,122
Equipment less than R5000		14,978	1,873
Freight service		237	210
Honoraria (Voluntary workers)		1	2
Inventory	6.2	53,862	49,257
Leases		25,829	17,475
Legal fees		37,097	36,861
Medical services		27,732	26,370
Maintenance, repairs and running cost		31,053	8,677
Personnel agency fees		(12)	17
Photographic services		13	106
Plant flowers and other decorations		214	206
Printing and publications		16,788	11,018
Professional bodies and membership fees		4,221	3,721
Resettlement cost		7,058	7,156
Subscriptions		617	269
Storage of furniture		1,006	3
System access fees		(1)	-
Taking over of contractual obligations		-	381
Owned leasehold property expenditure		71,437	31,238
Translations and transcriptions		44,580	43,610
Transport provided as part of the departmental activities		12	12
Travel and subsistence	6.3	189,954	179,765
Venues and facilities		6,621	3,977
Protective, special clothing & uniforms		323	530
Training & staff development		5,183	2,171
Witness and related fees		35,858	34,048
		<u>952,633</u>	<u>799,266</u>

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Part 4a: Notes to the Annual Financial Statements

for the year ended 31 March 2006

Department of Justice and Constitutional Development (Excl NPA) Vote 23

	Note	2005/06 R'000	2004/05 R'000
6.1 External audit fees			
Regulatory audits		12,413	11,872
Performance audits		946	-
Other audits		30	250
Total external audit fees		13,389	12,122
6.2 Inventory			
Domestic consumables		528	600
Food and food supplies		97	125
Fuel, oil and gas		3	16
Other consumables		178	358
Parts and other maintenance material		106	315
Sport and recreation		(9)	9
Stationery and printing		52,959	47,834
		53,862	49,257
6.3 Travel and subsistence			
Local		185,221	177,341
Foreign		4,733	2,424
Total travel and subsistence		189,954	179,765
7. FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES			
Material losses through criminal conduct	7.1	92	307
Other material losses written off	7.2	31,295	91,733
Debts written off	7.3	13,016	293
		44,403	92,333
7.1 Financial transactions in assets and liabilities			
Material losses through criminal conduct			
Theft by employees		-	33
Burglaries, robbery, theft by third parties		92	274
		92	307
7.2 Other material losses			
State Money – Armed robberies and shortages		-	850
Arbitration – Civil Actions		-	16
Damage to vehicle		-	-
Irrecoverable losses		31,295	89,860
Other		-	1,007
		31,295	91,733

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	Note	2005/06 R'000	2004/05 R'000
7.3 Debts written off			
Staff debts (Prescribed staff debts)		2,225	293
Other		10,791	-
		<u>13,016</u>	<u>293</u>
8. TRANSFERS AND SUBSIDIES			
Provinces and municipalities	Annex IA	7,381	6,684
Departmental agencies and accounts	Annex IB	703,812	606,574
Foreign governments and international organisations	Annex IC	4,106	162
Households	Annex ID	39,566	32,485
		<u>754,865</u>	<u>645,905</u>
9. EXPENDITURE FOR CAPITAL ASSETS			
Buildings and other fixed structures	Annex 3	291,312	254,947
Machinery and equipment	Annex 3	113,327	146,480
Software and other intangible assets	Annex 4	453	9,713
Total		<u>405,092</u>	<u>411,140</u>
10. UNAUTHORISED EXPENDITURE			
10.1 Reconciliation of unauthorised expenditure			
Opening balance		185,617	185,617
Unauthorised expenditure – current year			
Amounts approved by Parliament/Legislature (with funding)		-	-
Current expenditure			
Transfers and subsidies			
Expenditure for capital assets			
Amounts approved by Parliament/Legislature (without funding)			
Current expenditure			
Transfers and subsidies			
Expenditure for capital assets			
Transfer to receivables for recovery (not approved)			
Unauthorised expenditure awaiting authorisation		<u>185,617</u>	<u>185,617</u>

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Note	2005/06 R'000	2004/05 R'000
11. FRUITLESS AND WASTEFUL EXPENDITURE		
11.1 Reconciliation of fruitless and wasteful expenditure		
Opening balance	157	157
Fruitless and wasteful expenditure – current year	-	-
Current		
Capital		
Amounts condoned	(157)	-
Current expenditure	(157)	
Transfers and subsidies		
Expenditure for capital assets		
Transfer to receivables for recovery		
Fruitless and wasteful expenditure awaiting condonement	-	157
12. CASH AND CASH EQUIVALENTS		
Domestic	2,541	2,285
Cash on hand	2,541	2,285
13. PREPAYMENTS AND ADVANCES		
Description		
Travel and subsistence	1,994	2,773
Advances paid to other entities	-	237
	1,994	3,010

Comparatives in the 2004/05 year have been restated to conform to the changes in classification of Prepayments and advances and receivables as per National Treasury.

14. RECEIVABLES

		Less than one year	One to three years	Older than three years	Total	Total
Clearing accounts	14.1	1,788	-	-	1,788	19,402
Staff debt	14.2	3,110	10,533	4,673	18,316	23,460
Other debtors	14.3	2,897	5,586	9,962	18,445	17,887
Claims recoverable	Annex 5	110,794	12,656	19,738	143,188	262,663
		118,589	28,775	34,373	181,737	323,412

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	2005/06 R'000	2004/05 R'000
14.1 Clearing Accounts Receivables		
VAT Clearing account	1,788	19,402
	<u>1,788</u>	<u>19,402</u>
14.2 Staff Debt		
In- Service Debt	8,350	7,278
Out of Service Debt	9,966	16,182
	<u>18,316</u>	<u>23,460</u>
14.3 Other debtors		
Disallowance accounts	17,809	17,794
Salary Suspense	636	18
Debt Suspense	-	75
	<u>18,445</u>	<u>17,887</u>
15. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND RECEIVABLES		
Opening balance	(48,060)	(24,250)
Transfer from Statement of Financial Performance	64,604	(48,060)
Paid during the year	48,060	24,250
Closing balance	<u>64,604</u>	<u>(48,060)</u>
16. DEPARTMENTAL REVENUE TO BE SURRENDERED TO THE REVENUE FUND		
Opening balance	21,410	8,758
Transfer from Statement of Financial Performance	317,432	175,728
Paid during the year	(327,294)	(163,076)
Closing balance	<u>11,548</u>	<u>21,410</u>
17. BANK OVERDRAFT		
Paymaster General Account	260,776	453,847
	<u>260,776</u>	<u>453,847</u>

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18. PAYABLES – CURRENT

Description	Note	2005/06		2004/05
		30 Days	30+ Days	Total
Clearing accounts	18.1	1,172	22	33,285
		1,172	22	33,285

18.1 Clearing accounts

Description	2005/06 R'000	2004/05 R'000
Salary Control Accounts	1,109	992
Overseas maintenance	85	86
Other	-	32,207
	1,194	33,285

19. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

Net surplus/(deficit) as per Statement of Financial Performance	361,314	148,245
Non-cash movements		
(Increase)/decrease in receivables – current	141,675	(26,791)
(Increase)/decrease in prepayments and advances	1,016	124,880
(Increase)/decrease in other current assets	157	-
Increase/(decrease) in payables – current	(32,091)	18,728
Proceeds from sale of capital assets	-	(5)
Surrenders to Revenue Fund	(279,234)	(138,826)
Expenditure on capital assets	405,092	442,988
Net cash flow generated by operating activities	597,929	569,219

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

Consolidated Paymaster General account	(260,776)	(453,847)
Cash on hand	2,541	2,285
	(258,235)	(451,562)

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These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

21. CONTINGENT LIABILITIES		Note	2005/06 R'000	2004/05 R'000
Liable to	Nature			
Motor vehicle guarantees	Employees	Annex 2	435	963
Housing loan guarantees	Employees	Annex 2	24,776	28,155
Other departments (interdepartmental unconfirmed balances)		Annex 6	5,164	29,771
			<u>30,375</u>	<u>58,889</u>

Monies in Trust: Monies held in Trust are accounted for separately. A concerted effort was undertaken to establish the extent of losses incurred. There are 47 cash halls where the current state of record-keeping is such that the current financial status cannot be determined with certainty due to the fact that they did not submit their year end financial records. As a result we could not quantify any potential losses pertaining to these offices.

Pending Lawsuits: 374 civil actions (2004/05: 305) are pending against the Minister and/or the Department. The outcomes of these civil actions are uncertain as they have not been finalised.

Housing loan guarantees: The Department is of the opinion that, due to the continuous increases in property market values, the risk of the housing loans collateral (which is covered by employees' pension benefits) being honoured is minimal.

Judge White: As previously reported, matters (Xayimpi; Vellem, Nonpandana; Sineke and Pheko) pertain to pending motion applications against the Department, in which court orders are sought regarding the Department's implementation of the findings of the Judge White Commission. Since these matters do not involve summonses (Civil action procedures) and are therefore not claims, no specific amounts are claimed.

The following amount is therefore an estimation of the contingent liability that will result from the Department having to retrospectively re-adjust all the involved employee's salaries in the event that the applicants succeed with their applications. The estimated amount is R3 463 435.

22. COMMITMENTS PER PROGRAMME		Note	2005/06 R'000	2004/05 R'000
Current expenditure				
Approved and contracted			95,470	28,049
Approved but not yet contracted			1,445	464
			<u>96,915</u>	<u>28,513</u>
Capital expenditure				
Approved and contracted			52,177	14,093
Approved but not yet contracted			154,067	-
			<u>206,244</u>	<u>14,093</u>
Total Commitments			<u>303,159</u>	<u>42,606</u>

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23. ACCRUALS

Listed by economic classification	30 Days	30+ Days	2005/06	2004/05
			R'000 Total	R'000 Total
Compensation of employees	117	48	165	108
Goods and services	22,062	4,113	26,175	48,640
Transfers and subsidies	53	-	53	-
Buildings and other fixed structures	-	2	2	24
Machinery and equipment	4,290	181	4,471	1,925
	<u>26,522</u>	<u>4,344</u>	<u>30,866</u>	<u>50,697</u>
Listed by programme level				
Programme 1 : Administration			12,522	-
Programme 2 : Administration of Court			16,077	-
Programme 3 : State Legal Services			2,224	-
Programme 4 : Auxiliary Associated Services			43	-
			<u>30,866</u>	<u>-</u>
Confirmed balances with other departments		Annex 6	6,369	-
			<u>6,369</u>	<u>-</u>

Included in the accruals is an amount of R12,7 million that constitutes irregular expenditure since the required procurement processes were not followed. The amount is currently under internal investigation.

24. EMPLOYEE BENEFITS

Leave entitlement	31,837	9,876
Thirteenth cheque	69,717	64,460
Performance bonus	20,481	46,698
Capped leave commitments	195,327	-
	<u>317,362</u>	<u>121,034</u>

In previous years only 5% of leave entitlement and capped leave commitments were disclosed. For the current year the full leave commitment has been disclosed.

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25. LEASE COMMITMENTS

25.1 Finance leases

	Land	Buildings and other fixed structures	Machinery and equipment	2005/06 Total	2004/05 Total
	R'000	R'000	R'000	R'000	R'000
Total value of finance leases	-	-	78,652	78,652	41,770
Total present value of lease liabilities	-	-	62,443	62,443	-

These leases were entered into under the auspices of an operating lease in terms of a traversal contract entered into by National Treasury. These leases do, however, fulfil some of the criteria for finance leases and have therefore been disclosed as such.

26. RECEIVABLES FOR DEPARTMENTAL REVENUE

Fines, penalties and forfeits	^ 6,107	
Interest, dividends and rent on land	* 14,087	-
	20,194	-

* In the financial year ended 31 March 2003 the department provided R 94,815,520 to SITA to fund the development of a Virtual Private Network (VPN). This payment was, in consultation with National Treasury and the Auditor-General, recorded as an expense in the financial year ended 31 March 2003. In terms of the agreement signed on transfer of funds, the DoJ would earn interest on the outstanding amount. SITA would repay the capital amount outstanding by providing services which would be set off against the outstanding capital amount.

As at the end of the current financial year, the balances outstanding are as follows:

Outstanding capital at the end of the year	20,125	-
Interest outstanding from SITA to be repaid to the Revenue Fund	14,087	-
Expenses set off against capital during the year	23,055	-

^ This amount was received from Monies in Trust during April 2006 but relates to the 2005/06 year end. For further details of this matter please refer to the Report of the Accounting Officer, paragraph 1D – Revenue.

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27. IRREGULAR EXPENDITURE

27.1 Reconciliation of irregular expenditure

	2005/06 Total R'000	2004/05 Total R'000
Opening balance	54,360	54,360
Irregular expenditure awaiting condonement	54,360	54,360

Analysis

Current	-	-
Prior years	54,360	54,360
	54,360	54,360

27.2 Irregular expenditure

In addition to the R54 360 is an amount of R19 803 relating to current and prior year irregular expenditure that remains under investigation at year end.

28. KEY MANAGEMENT PERSONNEL

The aggregate compensation of the senior management of the department and the number of individuals determined on a full time equivalent basis receiving compensation within this category for the current period and the comparative period.

	No. of Individuals	2005/06 R'000	2004/05 R'000
Officials			
Level 15 to 16	14	12,508	8,067
		12,508	8,067

29. PROVISIONS AND WRITE OFFS

Potential irrecoverable debts			
In service and out of service staff debt		3,689	-
		3,689	-

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ANNEXURE IA

STATEMENT OF CONDITIONAL GRANTS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2004/05
	Division of Revenue Act	Roll-Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Regional Service - Council Levies					7,381					6,684
					7,381					6,684

ANNEXURE IB

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTS/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2004/05
	Adjusted Appropriation Act	Roll-Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Human Rights Commission	41,774		-	41,774	41,774	100.0%	37,653
Legal Aid Board	440,008		13,200	453,208	453,208	100.0%	390,525
Special Investigating Unit	43,851		5,000	48,851	48,851	100.0%	37,194
Commission on Gender Equality	26,469		-	26,469	26,469	100.0%	21,390
Public Protector	55,127		3,501	58,628	58,628	100.0%	49,160
Represented Political Parties Fund	74,891		-	74,891	74,883	100.0%	70,652
	682,120		21,701	703,821	703,812		606,574

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ANNEXURE IC

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE		2004/05
	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
Transfers							
Sub: Fees Unidroit	3,942			3,942	318	8.1%	162
Sub: Fees Hasue Convention	-			-	378	-	-
Sub: Fees International Criminal Court	-			-	3,410	-	-
Total	3,942	-	-	3,942	4,106		162

ANNEXURE ID

STATEMENT OF TRANSFERS/SUBSIDIES TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2004/05
	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
Household: Employee Social Benefit	39,390			39,390	39,390	100.0%	32,227
Household: Claims against the State	170			170	170	100.0%	140
Household: Ex <i>Gratia</i> Payments	1			1	1	100.0%	59
Household: State Vehicles and Car Rental	5			5	5	100.0%	59
Total	39,566	0		39,566	39,566	100.0%	32,485

ANNEXURE IE

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2005/06	2004/05
		R'000	R'000
Received in kind	Office furniture and equipment	70	-
		70	-

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ANNEXURE 1F

STATEMENT OF LOCAL AND FOREIGN AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING	REVENUE	EXPENDITURE	CLOSING
		BALANCE			BALANCE
		R'000	R'000	R'000	R'000
Received in cash					
Denmark: Various projects	<ul style="list-style-type: none"> • Training of court interpreters • Training on the Contents of the Domestic Violence Act • Training of Maintenance Officers on the contents of the Maintenance Act 	2,259	423	972	1,710
British High Commission	Development of a training programme for Magistrates in South Africa on international human rights standards and principles.	258	-	63	195
Commission of European Community	Sectoral budget support	25,393	-	15,796	9,597
Irish Masters	Master's Office project	8,061	5,784	2,170	11,675
Irish Citizen's Advice Desk		71	-	-	71
EU foundation – Human Rights Programme		12	(12)	-	-
EU foundation – Human Rights Programme		8,695	16,708	25,152	251
Sweden: Various projects	<ul style="list-style-type: none"> • Capacity building in the field of Children and Justice – Budget Outreach Programme • Budget Implementation of Legislation pertaining to Children • Budget Preliminary Inquiry • Budget One-Stop Service Centres 	677	992	344	1,325
Finland: National Lower Court Management System	Court Management development	79	(79)	-	-
Radda Barnan: Child protection		44	(44)	-	-
Total		45,549	23,772	44,497	24,824

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ANNEXURE 2

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2006 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2005	Guarantees issued during the year	Guarantees released/paid/ cancelled/ reduced during the year	Guaranteed interest for year ended 31 March 2006	Closing balance 31 March 2006	Realised losses not recoverable
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Stannic	Motor vehicles		963	-	528	-	435	
			963	-	528	-	435	
ABSA	Housing		8,685	484	1,326	-	7,843	
Standard Bank	Housing		4,588	260	517	-	4,331	
Old Mutual Bank	Housing		3,058	10	358	-	2,710	
Peoples Bank Incorporating	Housing		2,051	-	271	-	1,780	
First Rand Bank Ltd (FNB Former)	Housing		1,646	22	484	-	1,184	
Nedbank Limited	Housing		2,777	46	344	-	2,479	
Peoples Bank Limited (Former FBC)	Housing		691	-	41	-	650	
First Rand Bank: FNB	Housing		3,192	155	979	-	2,368	
Other	Housing		1,467	85	121	-	1,431	
			28,155	1,062	4,441	-	24,776	
Total			29,118	1,062	4,969	-	25,211	

The opening balances for housing loan guarantees have been restated in order to bring the movement and the closing balances of the current year in line with the relevant Persal report.

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ANNEXURE 3

CAPITAL TANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	226,731	116,125	-	342,856
Transport assets	14,082	11,097	-	25,179
Computer equipment	49,882	60,128	-	110,010
Furniture and Office equipment	162,767	44,900	-	207,667
TOTAL CAPITAL ASSETS	226,731	116,125	-	342,856

All Machinery and Equipment was included in the asset register at year end at their fair values. The depreciated replacement cost method for assessing fair value was utilised. For further details on the method refer to the Report of the Accounting Officer, paragraph 10.

Included in Computer Equipment above are the fair values of assets purchased in terms of the Integrated Justice System Cluster Programme. Actual expenditure incurred by the Department of Safety and Security is included in our asset register. This matter is discussed in the Report of the Accounting Officer, paragraph 1E.

ANNEXURE 3.1

ADDITIONS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Cash	Capital WIP	In-Kind	Total
	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	291,312	-	-	291,312
Dwellings	2,904	-	-	2,904
Non-residential buildings	288,387	-	-	288,387
Other fixed structures	21	-	-	21
MACHINERY AND EQUIPMENT	113,327	-	-	113,327
Transport assets	30,230	-	-	30,230
Computer equipment	38,197	-	-	38,197
Furniture and Office equipment	44,900	-	-	44,900
TOTAL CAPITAL ASSETS	404,639	-	-	404,639

Additions for buildings and fixed structures above are not included in the Departments assets register as these buildings belong to the Department of Public Works and hence will be included in their assets register.

Additions for transport assets include payments to Government Garage for motor vehicles, which belong to the Government Garage and are not included in the Department's asset register but will be included in the register of Government Garage.

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ANNEXURE 3

CAPITAL TANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Additions	Disposals	Total Movement
	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	254,947	-	254,947
Non-residential buildings	254,947	-	254,947
MACHINERY AND EQUIPMENT	146,480	-	146,480
Transport assets	23,651	-	23,651
Other machinery and equipment	122,829	-	122,829
TOTAL CAPITAL ASSETS	401,427	-	401,427

ANNEXURE 4

SOFTWARE AND OTHER INTANGIBLE ASSETS MOVEMENT SCHEDULE AS AT 31 MARCH 2006

	Additions	Disposals	Transfers in	Transfers out
	R'000	R'000	R'000	R'000
Computer software	453	-	-	-
	453	-	-	-

Although the Department incurs expenditure for development of software, it was not capitalised since the criteria for recognising intangible assets as per National Treasury guidelines were not met.

SOFTWARE AND OTHER INTANGIBLE ASSETS MOVEMENT SCHEDULE AS AT 31 MARCH 2005

	Additions	Disposals	Transfers in	Transfers out
	R'000	R'000	R'000	R'000
Computer software	9,713	-	-	-
	9,713	-	-	-

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ANNEXURE 5

INTER-GOVERNMENT RECEIVABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	R'000	R'000	R'000	R'000
Departments				
National Departments	46,051	75,857	5,166	10,756
Eastern Cape	32,034	54,187	17,070	12,615
Free State	1,444	4,381	636	679
Gauteng	6,254	12,509	1,652	11,843
KwaZulu-Natal	3,974	21,686	169	-
Mpumalanga	3,569	5,763	543	1,788
Northern Cape	1,880	1,323	391	759
Limpopo	10,147	8,991	1,069	3,497
North West	2,846	3,767	1,704	1,240
Western Cape	1,174	4,382	801	2,026
Public Entities		8,616	-	-
National Departments PACE	-	-	3,981	(253)
Agency Service Control Account	-	-	293	15,348
Sal: Recoverable	-	-	340	903
TOTAL	109,373	201,462	33,815	61,201

ANNEXURE 6

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	R'000	R'000	R'000	R'000
Department				
Amounts not included in Statement of financial position				
Current				
Agriculture	-	-	-	106
National Treasury	62	-	-	9
Public Service and Administration	-	-	-	6
SA Defence Force	-	-	-	7
Transport	-	-	-	7
PROVINCIAL DEPARTMENTS				
Transport (GG)	6,307	-	5,164	27,030
Health	-	-	-	9
Transport	-	-	-	2,597
TOTAL	6,369	-	5,164	29,771

Part 4b

National Prosecuting Authority





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REPORT BY THE ACCOUNTING OFFICER TO THE EXECUTIVE AUTHORITY AND PARLIAMENT/ PROVINCIAL LEGISLATURE OF THE REPUBLIC OF SOUTH AFRICA.

I. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

The structure of the National Prosecuting Authority (NPA) consists of the following business units:

- National Prosecuting Service (NPS)
- Directorate of Special Operations (DSO)
- Asset Forfeiture Unit (AFU)
- Special National Services Division: consisting of the Sexual Offences and Community Affairs Unit (SOCA), Specialised Commercial Crimes Unit (SCCU), Witness Protection Unit (WPU) and the Priority Crimes Litigation Unit (PCLU)
- Corporate Services

The NPA has continued to operate on the same basis with respect to its relationship with the Department of Justice and Constitutional Development (DoJ&CD) during the year under review. This means that, with respect to all NPA business units, excluding the DSO, the CEO of the NPA operates as the Accounting Officer on the basis of a delegation of authority from the Director-General of the DoJ&CD. With respect to the DSO, the CEO of the NPA operates as the Accounting Officer in terms of the provisions of the NPA Act.

These financial statements are the fifth set of financial statements produced by the NPA, separately from the DoJ&CD and whilst they are separately audited by the Auditor-General, will be consolidated with the financial statements of the DoJ&CD. These arrangements are by agreement with the DoJ&CD, National Treasury and the Office of the Auditor-General.

Highlights of the Financial Position

	2005/06	2004/05
	R'000	R'000
Adjusted Appropriation	1,354,810	1,146,559
Virement from DoJ&CD	92,881	55,701
Final Appropriation	1,447,691	1,202,260
Less: Total Expenditure	1,399,923	1,170,435
Variance	47,768	31,825

A saving of R46,5 million is attributed to unpaid invoices currently under dispute with a service provider. An application has been made to National Treasury for a roll-over of these funds. The outcome of this request is still awaited.

With respect to budgetary matters, the NPA does not administer the full budget for lower court prosecutors. The NPA still has only the personnel budget for lower court prosecutors. The non-personnel budget remains with the DoJ&CD.

Funds not received via the Budget Process

A special programme, namely the Integrated Justice System (IJS), was established within the security cluster. The Department of Safety and Security was identified as the Adminstrating Department and an amount of R178 000 000 was allocated to their budget in respect of the 2005/06 financial year.

Departments within the cluster incur expenditure via a suspense account, through the normal procurement processes, and claim expenditure back from the Department of Safety and

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Security. These claims are submitted to the IJS Committee for approval and reimbursement.

As a result of this process the NPA received an amount of R12 366 078.29 from the Department of Safety and Security in respect of services and capital expenditure. These assets are included in the departmental asset register.

The Criminal Asset Recovery Account (CARA)

A separate set of financial statements will be published for CARA, as agreed with the Office of the Accountant-General.

2. SERVICES RENDERED BY THE NPA

The NPA Vision has been confirmed and remains:

"Justice in our society so that people can live in freedom and security."

The new mission statement of the NPA is:

"Guided by the Constitution, we in the National Prosecuting Authority ensure justice for the victims of crime by prosecuting without fear, favour or prejudice and by working with our partners and the public to solve and prevent crime."

- Public Prosecutions coordinates and assists prosecutions in the Offices of the Director of Public Prosecutions and lower courts.
- The Witness Protection Programme coordinates the safekeeping and protection of witnesses in certain serious cases.
- Special Operations, comprising the Directorate of Special Operations (also known as the "Scorpions") and the Asset Forfeiture Unit deal with serious organised crime and the proceeds there from.
- Corporate Services renders the following services to the other operational units:
 - Finance and Procurement Management Services
 - Human Resources Management and Development Services
 - Information Management Services

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Research and Policy Management Services

- Security Services
- Communication Services
- Strategy and Risk Management Services
- Integrity Management Services.

2.4 Inventories

A stocktake was conducted on 31 March 2006 and the value there of was established at R1 12 960.05. The valuation was done at invoice cost.

3. CAPACITY CONSTRAINTS

a) Directorate of Special Operations

The major constraints facing the DSO relate to the delays in the filling of vacant posts, the relative difficulty in recruiting appropriately skilled staff, the inability to offer market-related salaries and the current inappropriate budgetary arrangements.

This has resulted in insufficient operational staff to conduct investigations, insufficient administrative staff to properly support the DSO and insufficient prosecutors to appear in court.

The posts of Chief Executive Officer and Chief Financial Officer have been created and will be filled in due course. These appointments will provide leadership in establishing proper reporting and system procedures for the DSO.

b) Sexual Offences and Community Affairs (SOCA)

Major constraints experienced by the SOCA unit are as follows:

- Budgetary constraints which led to the Unit being unable to fill all vacancies and to remain reliant on donor funding for some critical projects and being unable to cater for necessary growth for the Unit to fulfil its mandate;
- The absence of provincial presence, due to human resources constraints, limits the ability to monitor and evaluate implemented initiatives, projects and policies.

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c) Asset Forfeiture Unit (AFU)

A major constraint that the Unit has had to contend with was a lack of sufficient skilled human resource capacity to deal with complex cases, as well as an inadequate budget for legal and other professional services required to be effective. The AFU has embarked on the following measures to alleviate the constraints:

- Additional funds were requested through the MTEF process and was this partially successful in securing funds for additional posts and professional services.
- A focused recruitment campaign to attract skilled investigators and advocates, combined with intensive training and the development for all staff has commenced.
- Additional funds were requested from the Criminal Assets Recovery Account to fund some of its training and professional services requirements. The indications are positive that it will receive some additional funds.

d) Witness Protection Unit (WPU)

The WPU is also facing staff shortages. The current ratio of protectors to witnesses in South Africa is 1:12. International Best Practice is three protectors for one witness.

A meeting was held with members of National Treasury to discuss the way forward regarding the transfer of SAPS

members to the WPU, funding and the establishment of further expansion in the WPU.

e) Corporate Services

There is a general constraint in Corporate Services of personnel caused by a high turnover of staff in this Unit, as well a lack of funds. The Corporate Services Unit has been unable to keep pace with the growth in the rest of the NPA. Whilst the NPA has received substantial additional funding for additional prosecutors and other operational staff, the request to Treasury through the MTEF process to ensure that Corporate Services is able to keep pace with this growth has not been successful.

f) General

General capacity constraints experienced by the NPA are in three major areas:

- An inability to attract and retain staff and managers with the necessary skills and experience.
- Budgetary constraints in the vital area of training and development.
- A budget that is not yet sufficiently balanced with high personnel expenditure that is not yet supported by the required non-personnel budget.

4. UTILISATION OF DONOR FUNDS

Below is an exposition of projects funded through donations during the 2005/06 financial year:

Donor	Project	Short description
USAID	Specialist Prosecutors	To empower prosecutors and other role-players with specialised knowledge and skills to better handle cases of sexual and domestic violence through multidisciplinary training, community outreach and research programmes.
WK Kellogg Foundation	Thuthuzela Project	To manage care centres for victims of child abuse and rape, training and development and public education.
UNICEF	Sexual Offences Courts	To manage care centres for victims of child abuse and rape, training and development and public education.
Vodacom	Thuthuzela Project	To establish, renovate and launch sexual offences courts.
SARS	SARS Tax Unit	To assist the NPA in establishing a Tax Unit.
Business Against Crime (BAC)	RJ Hillhouse	To collaborate and coordinate in the preparation for prosecutions.

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Donor	Project	Short description
Greece	Thuthuzela Project	To manage care centres for victims of child abuse and rape, training and development and public education.
Royal Danish Commission	Ndabezitha Project	Manage domestic violence in rural communities.
Woolworths	Sexual Offences Courts	To develop a child-friendly environment.
Foundation for Human Rights (FHR)	Missing Persons Task Team	Implementation of recommendations of the Truth and Reconciliation Commission (TRC) regarding missing persons.

Donor funds were received by the Department and not paid into the Reconstruction and Development Programme (RDP) as required. Please refer to Annexure 1E in the Annual Financial Statements for more details in this regard.

Enterprise risk management was enhanced during this reporting period. This included the identification of the NPA's top 10 risks, assigning risk owners, developing mitigation plans and commencing with risk reporting on the top risks. This Top Risk Register was reviewed following the development and adoption of the NPA's Strategy 2020, and updated accordingly.

5. CORPORATE GOVERNANCE ARRANGEMENTS

Risk management

Governance remains a key focus area for improvement through the NPA's transformation programme. The NPA's Governance Model guided the development of a set of generic processes to embed good governance practices in the organisation. These processes deal with the governance cycle on understanding (situation analyses), planning, monitoring and reviewing activities. These generic cycle processes will guide the operations of a set of 21 governance components that includes components such as strategic management, enterprise risk management, financial management, strategic delivery management, strategic resourcing management and policy management.

The NPA's governance capacity will be enhanced by the establishment of a Governance Centre in the new financial year. This centre will serve to set standards, coordinate, monitor and review all governance activities in the NPA. A Governance Calendar for the NPA is in the final stages of development. The calendar will coordinate and support the scheduling of mainline governance, delivery and resourcing activities, as well as to serve as a management support tool in meeting and event management, housing the relevant templates and posting of related documents.

An independent risk assessment of the NPA will be conducted in the next financial year, following delays experienced in the procurement of a service provider.

The NPA acknowledges that risk is an integral part of its business. The organisation does not seek to avoid risk, but rather to understand its risk universe and the specific risks facing the NPA in order to manage it effectively and to evaluate risks in the context of the reward earned on these risks. The risk management emphasis is on a sound enterprise risk management framework, high-quality governance and service delivery that are sustainable and will give the assurance required by Government and the public of South Africa.

Integrity Management Unit

The Integrity Management Unit (IMU) now operates as a fully established unit with a staff complement of 15 people. The Integrity Promotion Strategy (IPS) was endorsed and is currently being implemented. The strategy outlines the approach and programmes to promote integrity and prevent unethical conduct. The strategy also emphasises the role of leadership in the promotion of integrity. The Anti-Corruption Policies and the Response Plan on Corruption are firmly derived from the IPS, and they further elucidate the processes and procedures regarding the responsibility of the organisation with respect to the individuals' conduct. The policies have been accepted by a Management in principle and have been referred for legal scrutiny.

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for the year ended 31 March 2006

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The Unit has conducted education and awareness in all regions, established and trained Integrity Promotions campaigns drawn from all units and facilitated the incorporation of Integrity Promotion as a KPA in performance contracts of all managers in the NPA. The Unit is finalising a programme to support and enhance the capacity of leadership to promote integrity.

The IMU has conducted assessment and evaluations on the areas that have resulted in or could potentially result in integrity challenges. In May 2005 the NPA launched an independently managed hotline to further facilitate the reporting of unethical conduct. An internal investigation policy was developed and allegations of transgressions are investigated and corrective action recommended.

Internal Audit and Audit Committee

The Internal Audit Unit was fully capacitated and operational during the 2005/06 financial year. The Chief Audit Executive (CAE) from the DoJ&CD continued to act in the capacity of CAE for the NPA for the full financial year.

The NPA and DoJ&CD share the same Audit Committee. The Audit Committee, which operates in terms of its own charter, continued to hold quarterly meetings with the Internal Audit Unit, Executive Management and External Auditors. New external independent members, with the exception of the Chairman, were appointed in December 2005 to serve on the Audit Committee. A process has also been implemented to ensure that individual committee members declare any interest at each meeting in order to avoid conflict of interest and so far no conflict of interest has been declared. A special approval was given to retain the services of the chairperson in order to ensure continuity of the committee since all other members are new and both the NPA and the DoJ&CD have undergone significant changes at senior management level. The Audit Committee Charter is in the process of being amended to provide for this.

The Internal Audit Unit operates in terms of its Charter, which has been approved by the Audit Committee. The Internal Audit Unit has developed a three-year rolling plan and an annual plan which have also been approved by the Audit Committee. The internal audit process is risk-based and the

risk management process of the NPA, amongst others, also serves as an input in the development of the Internal Audit Plan. Management also provides input in the internal audit strategic planning process. The Internal Audit Unit continued to report to management and the Audit Committee during the year on significant findings emanating from the auditing process in terms of its Charter. Management also continued to address significant issues raised by the Internal Audit Unit in order to enhance the risk management and governance processes within the NPA.

A decision was also taken to absorb the NPA Internal Audit Unit into the DoJ&CD Internal Audit establishment with effect from 1 April 2006, in order to optimise efficiencies on the utilisation of auditing resources. Both units report to one Chief Audit Executive.

Budget Control

The NPA EXCO held quarterly Budget Review Meetings with all heads of business units. During these reviews, heads of business units presented their budget performance and provided reasons for either under- or over-spending. The reviews allow the business units the opportunity to explain to the Budget Committee why certain funds projected for certain major projects were not spent. Management will reprioritise funding available to certain projects during the financial year.

6. ASSET MANAGEMENT

Asset management was given priority in the 2005/06 financial year.

With the assistance of the DoJ&CD and NPA staff, we were able to complete the bar-coding of NPA assets on a national basis. The assets were subsequently captured on Excel spreadsheets and verified, and are now awaiting input into the new procurement and asset management (P2P) system. Once this process is complete the asset register will be fully compliant with the National Treasury's minimum requirements.

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for the year ended 31 March 2006

The information disclosed in Annexure 3 is derived as a result of the completion of this take-on exercise. Asset values reflected were arrived at by means of a fair valuation process.

The depreciated replacement cost method was used to assess the fair value. The fair value principle has been consistently applied to arrive at a closing balance per asset.

The condition of the asset was linked to the perceived useful life left. The value was determined based on the conditions of the asset and the market-related price per asset:

Good	75% of current new value
Satisfactory	50% of current new value
Poor	25% of current new value

7. PERFORMANCE INFORMATION

The NPA has prioritised the need to devote dedicated capacity to this end and adopted a uniform set of annual planning and performance progress reporting templates in order to ensure horizontal planning and performance integration, regular performance reviews and the collation and coordination of performance information. These templates will be used for the first time in the new financial year and units will submit monthly reports and consolidated quarterly performance reports. The annual business plans of all units will be submitted to Internal Audit for independent verification of performance data and reports. The NPA is further investigating support technology to enhance the accessibility, timeliness and availability of performance information.

8. SCOPA RESOLUTIONS

During the 2005/06 financial year the NPA did not receive any SCOPA resolutions and the NPA was not notified by SCOPA of any related queries.

9. INFORMATION TECHNOLOGY AND MOTOR VEHICLE LEASING ARRANGEMENTS

An amount of R64 167 709 for lease payments is disclosed as irregular expenditure. Payments constituted information

The National Prosecuting Authority included in Vote 23

technology and motor vehicle leasing arrangements in terms of a master rental agreement. The leases were concluded in terms of a master rental agreement in respect of an operating lease vetted by the State Attorney and agreed to by National Treasury.

Management, mindful of the fact that entering into finance leases is strictly not permitted, sought the assistance of National Treasury in structuring an operating lease in terms of the provisions of National Treasury Regulation 13.2.4 issued in terms of the PFMA. By structuring arrangements in terms of this provision, management was at the point of entering into the agreement, satisfied that the substance of the transaction is that of an operating lease. The opinion of the Auditor-General is that the transactions constitute finance leases. The NPA could not secure a written confirmation from National Treasury confirming their agreement to this classification and therefore decided to revise the annual financial statements as was recommended by the Auditor-General.

Raising the matter as a finance lease will bring further challenges to public sector reporting. It is agreed that the provisions of the operating leases entered into will remain, and as such ownership of the assets will not be reflected in the books of the NPA. The NPA thus may be seen to have secured a three-year usufruct of an asset that it does not own. Following the established accounting practices that have not been provided for yet in our transition to accrual accounting we may, in the future, need to consider raising the usufruct as an asset, then depreciate it over three years even though we do not yet depreciate assets. These assets will not be reflected in the assets register, which is fortunate, since if they were to be so reflected we would need to consider showing the outstanding operating lease payments, in part, as a loan. Loans are not permitted.

A further effect of disclosing the leases as finance leases is the fact that due to finance leases not being permitted, this disclosure gives rise to irregular expenditure. The termination of arrangements with an existing supplier at that stage meant that critically needed goods would not be available to the NPA. The leases entered into after much analysis and after the input of National Treasury gave rise to a saving over the

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for the year ended 31 March 2006

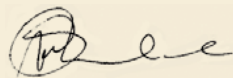
The National Prosecuting Authority included in Vote 23

lease term of some R30 million. Clearly management felt that securing this saving was in the best interests of the NPA.

We trust that in taking the advice of the Auditor-General on this matter we will not be raising matters that, in the future, will detract from the fact that management is convinced that the substance of the leases remains in line with the intentional structuring of the leases to be that of operating leases.

Approval

The Annual Financial Statements set out on pages 152 to 186 have been approved by the Accounting Officer:



ADV. M Simelane
Director General: DOJ&CD
31 May 2006



Marion Sparg
Chief Executive Officer: NPA
31 May 2006

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Part 4b: Report of the Auditor-General

for the year ended 31 March 2006

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REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS OF THE NATIONAL PROSECUTING AUTHORITY (NPA) (INCLUDED IN VOTE 23) FOR THE YEAR ENDED 31 MARCH 2006

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 152 to 186 for the year ended 31 March 2006, have been audited in terms of Section 188 of the Constitution of the Republic of South Africa, 1996 (Act No 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act No 25 of 2004). The fixed asset opening balances have not been audited because of the timing of guidance from National Treasury to the departments relating to the treatment, valuation and disclosure of fixed assets. These financial statements are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. SCOPE

The audit was conducted in accordance with the International Standards on Auditing read with General Notice 544 of 2006, issued in Government Gazette no. 28723 of 10 April 2006 and General Notice 808 of 2006, issued in Government Gazette no. 28954 of 23 June 2006. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements
- assessing the accounting principles used and significant estimates made by management
- evaluating the overall financial statement presentation

I believe that the audit provides a reasonable basis for my opinion.

3. BASIS OF ACCOUNTING

The Department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as described in paragraph 1.1 of the accounting policies to the annual financial statements.

4. AUDIT OPINION

In my opinion, the financial statements fairly present, in all material respects, the financial position of the National Prosecuting Authority (NPA) at 31 March 2006 and the results of its operations and cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury of South Africa, as described in paragraph 1.1 of the accounting policies to the annual financial statements and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA).

5. EMPHASIS OF MATTER

Without further qualifying the audit opinion, attention is drawn to the following matters:

5.1 Financial management

The late finalisation of the budget reprioritisation process by the Department of Justice and Constitutional Development resulted in additional allocations being approved and received by the NPA in March 2006. This resulted in pressure being placed on the NPA to spend these additional allocations before the end of the financial year, which increases the risk that normal procurement practices may not be complied with.

5.2 Non-compliance with Treasury Regulations and Public Finance Management Act (PFMA)

I have noted the following instances of non-compliance with Treasury Regulations and PFMA:

- Treasury Regulation 16A6.4 states: "If in a specific case it is impractical to invite competitive bids, the accounting officer or accounting authority may procure

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for the year ended 31 March 2006

the required goods or services by other means, provided that the reasons for deviating from inviting competitive bids must be recorded and approved by the accounting officer or accounting authority'. The procurement process as stated above for the procurement of leased vehicles was inadequate.

- Treasury Regulation 12.1.2 requires that the accounting officer of an institution (if deemed economical and based on a risk assessment) insure motor vehicles, including hired vehicles, or such other movable assets determined by the relevant treasury, but the insurance premium cost may not exceed R250 000 a year on that vote, unless otherwise approved by the relevant treasury. NPA has incurred quarterly lease rentals for motor vehicles which were structured to include insurance for the leased motor vehicles. The insurance amounted to more than R250 000.
- Treasury Regulation 8.2.2, which requires approval from a delegated or authorised official prior to incurring expenditure, was not always complied with.
- Treasury Regulation 8.2.3 requires payments to service providers to be made within 30 days of receipt of invoice. The NPA has no control in place to record the date of receipt of invoices, with the result that compliance with this requirement could not be verified.
- Section 38 of the PFMA requires the accounting officer to implement effective, efficient and transparent systems of financial management. It was identified that approved and formalised policies were still not implemented for the following areas, which constituted non-compliance with the Public Finance Management Act:
 - No overtime policy
 - Fraud prevention plan

5.3 Donor funds

As reported in my previous report, due to inadequate controls, donations from foreign donors were again not

The National Prosecuting Authority included in Vote 23

received via the RDP fund as required by annexure A, paragraph 2.2 of the official development assistance guideline. Furthermore, a lack of monitoring of adherence to donor agreements has resulted in several instances of non-compliance with terms of donor agreements.

5.4 Debt management

The lack of monitoring and reconciliation of debtors by management resulted in the following weaknesses:

- PERSAL was not always timely and accurately updated with addresses of debtors, resulting in management being unable to forward monthly statements and recovering amounts due.
- Debtors' files were not always updated and were, in some cases, incomplete.

5.5 Accountability and governance status of the NPA

Interim approval has been granted by the Accountant-General for the NPA to prepare its own set of financial statements from the 2002 financial year. No finality has been reached on the following critical matters, affecting the accountability and governance status of the NPA:

- Clear definition of the duties of the accounting officer of the NPA.
- The listing of the NPA as an entity in terms of the PFMA.
- The mechanism of funding for the NPA.

5.6 Performance information

Lack of a clear policy and procedure framework to standardise, enforce, and provide guidance with regard to performance reporting has resulted in the following inefficiencies:

- Non-compliance with Treasury Regulation 5.3.1, which requires the establishment of procedures for quarterly reporting to the executive authority.
- Inadequate quarterly reporting to the executive authority as required by Treasury Regulation 5.3.1.
- Objectives included in the performance information

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provided for audit purposes that could not be traced to objectives identified in the strategic plan.

- Measures of actual performance not always included for all objectives in the performance information provided for audit purposes.

6. APPRECIATION

The assistance rendered by the staff of NPA during the audit is sincerely appreciated.



S Cele for Auditor-General

Pretoria

31/07/2006



A U D I T O R - G E N E R A L

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Part 4b: Accounting Policies

for the year ended 31 March 2006

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The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, 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, 1999 (Act No. 1 of 1999) (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, 2005 (Act No. 1 of 2005).

I. PRESENTATION OF THE FINANCIAL STATEMENTS

1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting, transactions and other events are recognised when cash is received or paid or when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

1.2 Presentation currency

All amounts have been presented in the currency of the South African Rand (R), which is also the functional currency of the NPA.

1.3 Rounding

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

1.4 Comparative figures

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.

A comparison between actual and budgeted amounts per major classification of expenditure is included in the appropriation statement.

2. REVENUE

2.1 Appropriated funds

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the appropriated funds made in terms of the adjustment's budget process are recognised in the financial records on the date the adjustments become effective.

Total appropriated funds are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the National Revenue Fund, unless approval has been given by the National Treasury to roll-over the funds to the subsequent financial year. These roll-over funds form part of retained funds in the annual financial statements. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is paid into the National Revenue Fund when received, unless otherwise stated. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position.

2.2.1 Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services are recognised in the statement of financial performance when the cash is received.

2.2.2 Interest, dividends and rent on land

Interest, dividends and rent on land are recognised in the statement of financial performance when the cash is received.

2.2.3 Sale of capital assets

The proceeds received on sale of capital assets are recognised in the statement of financial performance when the cash is received.

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Part 4b: Accounting Policies

for the year ended 31 March 2006

2.2.4 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds. Amounts receivable at the reporting date are disclosed in the disclosure notes to the Annual Financial Statements.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the statement of financial performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

2.2.5 Gifts, donations and sponsorships (transfers received)

All cash gifts, donations and sponsorships are paid into the National Revenue Fund and recorded as revenue in the statement of financial performance when received. Amounts receivable at the reporting date are disclosed in the disclosure notes to the financial statements.

All in-kind gifts, donations and sponsorships are disclosed at fair value in the annexures to the financial statements.

2.3 Local and foreign aid assistance

Local and foreign aid assistance is recognised in the financial records when notification of the donation is received from the National Treasury or when the NPA directly receives the cash from the donor(s). The total cash amounts received during the year are reflected in the statement of financial performance as revenue.

All in-kind local and foreign aid assistance are disclosed at fair value in the annexures to the Annual Financial Statements

The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the statement of financial performance. A receivable is recognised in the statement of financial position to the value of the amounts expensed prior to the receipt of the funds.

A payable is raised in the statement of financial position where amounts have been inappropriately expensed using local and

The National Prosecuting Authority included in Vote 23

foreign aid assistance. Unutilised amounts are recognised in the statement of financial position.

3. EXPENDITURE

3.1 Compensation of employees

Salaries and wages are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). Capitalised compensation forms part of the expenditure for capital assets in the statement of financial performance .

All other payments are classified as current expense.

Social contributions include the entities' contribution to social insurance schemes paid on behalf of the employee. Social contributions are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system.

3.1.1 Short-term employee benefits

Short-term employee benefits comprise leave entitlements (capped leave), thirteenth cheques and performance bonuses. The cost of short-term employee benefits is expensed as salaries and wages in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the notes to the Financial Statements. These amounts are not recognised in the statement of financial performance.

3.1.2 Long-term employee benefits

3.1.2.1 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the statement of financial performance as a transfer when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

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Part 4b: Accounting Policies

for the year ended 31 March 2006

3.1.2.2 Post-employment retirement benefits

The NPA provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year). No provision is made for retirement benefits in the Financial Statements of the NPA. Any potential liabilities are disclosed in the Financial Statements of the National Revenue Fund and not in the Financial Statements of the NPA.

The NPA provides medical benefits for its employees through defined benefit plans. Employer contributions to the fund are incurred when the final authorisation for payment is effected on the system. No provision is made for medical benefits in the Annual Financial Statements of the NPA.

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used on a capital project.

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures.

3.4 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written off are limited to the amount of savings and/or underspending of appropriated funds. The write-off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but amounts, are disclosed as a disclosure note.

The National Prosecuting Authority included in Vote 23

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.5 Unauthorised expenditure

Unauthorised expenditure is defined as:

- the overspending of a vote or a main division within a vote; or
- expenditure that was not made in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

When discovered, unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is recognised in the statement of financial performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding, it is recognised as expenditure, subject to availability of savings, in the statement of financial performance on the date of approval.

3.6 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is defined as:

Expenditure that was made in vain and would have been avoided had reasonable care been exercised, therefore it must be recovered:

- from a responsible official (a debtor account should be raised); or
- the Vote. (if responsibility cannot be determined).

Fruitless and wasteful expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

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Part 4b: Accounting Policies

for the year ended 31 March 2006

3.7 Irregular expenditure

Irregular expenditure is defined as:

- expenditure, other than unauthorised expenditure, incurred in contravention or not in accordance with a requirement of any applicable legislation, including:
 - The Public Finance Management Act
 - The State Tender Board Act, or any regulations made in terms of this Act; or
 - Any provincial legislation providing for procurement procedures in that provincial government.

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority, it is treated as an asset until it is recovered or written off as irrecoverable.

3.8 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.9 Expenditure for capital assets

Payments made for capital assets are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

4. ASSETS

4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

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.

4.2 Receivables

Receivables are not normally recognised under the modified cash basis of accounting. However, receivables included in the statement of financial position arise from cash payments made that are recoverable from another party.

The National Prosecuting Authority included in Vote 23

Revenue receivable not yet collected is included in the disclosure notes. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.3 Asset registers

Assets are recorded in an asset registers, at cost, on receipt of the item. Cost of an asset is defined as the total cost of acquisition. Assets procured in previous financial periods, may be stated at fair value, where determinable, or R1, in instances where the original cost of acquisition or fair value cannot be established. No revaluation or impairment of assets is currently recognised in the asset register. Projects (of construction/development) running over more than one financial year relating to assets, are only brought into the asset register on completion of the project and at the total cost incurred over the duration of the project.

Annexure 3 of the disclosure notes, reflect the total movement in the asset register of assets with a cost equal to and exceeding R5 000 (therefore capital assets only) for the current financial year. The movement is reflected at the cost as recorded in the asset register and not the carrying value, as depreciation is not recognised in the financial statements under the modified cash basis of accounting. The opening balance reflected on Annexure 3 will include items procured in prior accounting periods and the closing balance will represent the total cost of the register for capital assets on hand.

5. LIABILITIES

5.1 Payables

Recognised payables mainly comprise amounts owing to other governmental entities. These payables are recognised at historical cost in the statement of financial position.

5.2 Lease commitments

Lease commitments represent amounts owing from the reporting date to the end of the lease contract. These commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance, but are included in the disclosure notes.

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Part 4b: Accounting Policies

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

Operating and finance lease commitments are expensed when the payments are made. Assets acquired in terms of finance lease agreements are disclosed in the annexures to the Financial Statements.

5.3 Accruals

Accruals represent goods/services that have been received, but where no invoice has been received from the supplier at the reporting date, or where an invoice has been received but final authorisation for payment has not been effected on the system.

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance, but are included in the disclosure notes.

5.4 Contingent liabilities

A contingent liability 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 wholly within the control of the NPA.

A contingent liability may also be a present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are included in the disclosure notes.

5.5 Commitments

Commitments represent goods/services that have been approved and/or contracted, but where no delivery has taken place at the reporting date.

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance, but are included in the disclosure notes.

6. NET ASSETS

6.1 Capitalisation reserve

The capitalisation reserve comprises 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 transferred to the National/Provincial Revenue Fund on disposal, repayment or recovery of such amounts.

6.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made and recognised in a previous financial year becomes recoverable from a debtor.

7. RELATED PARTY TRANSACTIONS

Related parties are departments that control or significantly influence the NPA in making financial and operating decisions. Specific information with regard to related party transactions is included in the disclosure notes.

8. KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the NPA.

Compensation paid to key management personnel, including their family members, where relevant, is included in the disclosure notes.

9. PUBLIC PRIVATE PARTNERSHIPS

A Public Private Partnership (PPP) is a commercial transaction between the NPA and a private party in terms of which the private party:

- performs an institutional function on behalf of the institution; and/or
- acquires the use of state property for its own commercial purposes; and
- assumes substantial financial, technical and operational

Part 4b: Accounting Policies

for the year ended 31 March 2006

risks in connection with the performance of the institutional function and/or use of state property; and

- receives a benefit for performing the institutional function or from utilising the state property, either by way of:
 - consideration to be paid by the Department which derives from a Revenue Fund;
 - charging fees to be collected by the private party

The National Prosecuting Authority included in Vote 23

from users or customers of a service provided to them; or

- a combination of such consideration and such charges or fees.

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement are included in the disclosure notes.

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Part 4b: Appropriation Statement

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

Appropriation per programme									
	2005/06							2004/05	
	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
I. Programme 4									
Current payment	1,336,195	-	46,254	1,382,449	1,334,884	47,565	96.6%	1,160,672	1,128,847
Transfers and subsidies	2,635	-	3,471	6,106	6,106	-	100.0%	5,920	5,920
Payment for capital assets	15,980	-	43,156	59,136	58,933	203	99.7%	35,668	35,668
TOTAL	1,354,810	-	92,881	1,447,691	1,399,923	47,768	96.7%	1,202,260	1,170,435
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				22,750				1,915	
Local and foreign aid assistance received				2,814				1,438	
Actual amounts per Statements of Financial Performance (Total revenue)				1,473,255				1,205,613	
Add:									
Local and foreign aid assistance					3,871				6,618
Actual amounts per Statements of Financial Performance (Total expenditure)					1,403,794				1,177,053

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Part 4b: Appropriation Statement

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

Appropriation per economic classification									
	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	905,156	-	(4,967)	900,189	900,189	-	100.0%	817,171	817,171
Goods and services	431,039		51,208	482,247	434,682	47,565	90.1%	343,499	311,674
Financial transactions in assets and liabilities	-	-	13	13	13	-	100.0%	2	2
Transfers and subsidies		-							
Provinces and municipalities	1,580	-	1,520	3,100	3,025	75	97.6%	2,504	2,504
Departmental agencies and accounts	-	-	-	-	-	-	0.0%	262	262
Households	1,055		1,951	3,006	3,081	(75)	102.5%	3,154	3,154
Payments for capital assets		-				-			
Buildings and other fixed structures	-	-	15,000	15,000	15,000	-	100.0%	15,536	15,536
Machinery and equipment	15,980	-	28,156	44,136	43,933	203	99.5%	20,132	20,132
Total	1,354,810	-	92,881	1,447,691	1,399,923	47,768	96.7%	1,202,260	1,170,435

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Part 4b: Appropriation Statement

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

Programme per Subprogramme	2005/06							2004/05	
	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
I.1 Public Prosecutions									
Current payment	929,001	-	161,901	1,090,902	1,043,337	47,565	95.6%	917,291	885,466
Transfers and subsidies	2,149	-	2,517	4,666	4,666	-	100.0%	4,825	4,825
Payment for capital assets	13,200	-	41,088	54,288	54,085	203	99.6%	31,097	31,097
I.2 Special Operations									
Current payment	361,598	-	(124,505)	237,093	237,093	-	100.0%	201,086	201,086
Transfers and subsidies	463	-	938	1,401	1,401	-	100.0%	1,079	1,079
Payment for capital assets	2,500	-	2,340	4,840	4,840	-	100.0%	4,558	4,558
I.3 Witness Protection									
Current payment	45,596	-	8,858	54,454	54,454	-	100.0%	42,295	42,295
Transfers and subsidies	23	-	16	39	39	-	100.0%	16	16
Payment for capital assets	280	-	(272)	8	8	-	100.0%	13	13
TOTAL	1,354,810	-	92,881	1,447,691	1,399,923	47,768	96.7%	1,202,260	1,170,435

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Part 4b: Appropriation Statement

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

Economic Classification	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	905,156	-	(4,967)	900,189	900,189	-	100.0%	817,171	817,171
Goods and services	431,039		51,208	482,247	434,682	47,565	90.1%	343,499	311,674
Financial transactions in assets and liabilities	-	-	13	13	13	-	100.0%	2	2
Transfers and subsidies		-							
Provinces and municipalities	1,580	-	1,520	3,100	3,025	75	97.6%	2,504	2,504
Departmental agencies and accounts	-	-	-	-	-	-	0.0%	262	262
Households	1,055		1,951	3,006	3,081	(75)	102.5%	3,154	3,154
Payments for capital assets		-				-			
Buildings and other fixed structures	-	-	15,000	15,000	15,000	-	100.0%	15,536	15,536
Machinery and equipment	15,980	-	28,156	44,136	43,933	203	99.5%	20,132	20,132
Total	1,354,810	-	92,881	1,447,691	1,399,923	47,768	96.7%	1,202,260	1,170,435

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Part 4b: Notes to the Appropriation Statement

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

1. DETAIL OF TRANSFERS AND SUBSIDIES AS PER APPROPRIATION ACT (AFTER VIREMENT):

Detail of these transactions can be viewed in note 7 (Transfers and subsidies) and Annexure I (A-E) to the Annual Financial Statements.

2. DETAIL OF SPECIFICALLY AND EXCLUSIVELY APPROPRIATED AMOUNTS VOTED (AFTER VIREMENT):

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

3. DETAIL ON FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES

Detail of these transactions per programme can be viewed in note 6 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

4. EXPLANATIONS OF MATERIAL VARIANCES FROM AMOUNTS VOTED (AFTER VIREMENT):

4.1 Per Programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Programme 4	1,447,691	1,399,923	47,768	3.30%

The underspending of R46,5 million is attributed to unpaid invoices currently under dispute. Application has been made to National Treasury for a roll-over of the saving of R46,5 million.

Per Economic classification	2005/06	2004/05
	R'000	R'000
Current payment:		
Goods and services	47,565	31,825

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Part 4b: Statement of Financial Performance

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

	Note	2005/06 R'000	2004/05 R'000
REVENUE			
Annual appropriation	1	1,447,691	1,202,260
Departmental revenue	2	22,750	1,915
Local and foreign aid assistance	3	2,814	1,438
TOTAL REVENUE		<u>1,473,255</u>	<u>1,205,613</u>
EXPENDITURE			
Current expenditure			
Compensation of employees	4	900,189	817,171
Goods and services	5	434,682	311,674
Financial transactions in assets and liabilities	6	13	2
Local and foreign aid assistance	3	3,320	5,732
Total current expenditure		<u>1,338,204</u>	<u>1,134,579</u>
Transfers and subsidies	7	6,106	5,920
Expenditure for capital assets			
Buildings and other fixed structures	8	15,000	15,536
Machinery and equipment	8	43,933	20,132
Local and foreign aid assistance	3	551	886
Total expenditure for capital assets		<u>59,484</u>	<u>36,554</u>
TOTAL EXPENDITURE		<u>1,403,794</u>	<u>1,177,053</u>
SURPLUS		69,461	28,560
Add back fruitless and wasteful expenditure	9	166	175
SURPLUS FOR THE YEAR		<u>69,627</u>	<u>28,735</u>
Reconciliation of Surplus for the year			
Voted Funds	13	47,934	32,000
Departmental Revenue	14	22,750	1,915
Local and foreign aid assistance	3	(1,057)	(5,180)
SURPLUS FOR THE YEAR		<u>69,627</u>	<u>28,735</u>

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Part 4b: Statement of Financial Position

as at 31 March 2006

The National Prosecuting Authority included in Vote 23

	Note	2005/06 R'000	2004/05 R'000
ASSETS			
Current assets		76,374	51,582
Fruitless and wasteful expenditure	9	2,425	2,259
Cash and cash equivalents	10	38,504	4,881
Prepayments and advances	11	23,647	1,570
Receivables	12	11,179	42,872
Local and Foreign aid receivable		619	-
TOTAL ASSETS		76,374	51,582
LIABILITIES			
Current liabilities			
Voted funds to be surrendered to the Revenue Fund	13	47,934	32,000
Departmental revenue to be surrendered to the Revenue Fund via DOJ&CD	14	21,035	1,915
Payables	15	2,256	12,401
Local and foreign aid assistance unutilised	3	4,464	4,902
TOTAL LIABILITIES		75,689	51,218
NET ASSETS			
Represented by:		685	364
Recoverable revenue		685	364
TOTAL		685	364

Part 4b: Statement of Changes in Net Assets

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

	Note	2005/06 R'000	2004/05 R'000
Recoverable revenue			
Opening balance		364	83
Transfers		321	281
Debts raised		321	281
Closing balance		685	364
TOTAL		685	364

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Part 4b: Cash Flow Statement

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

	Note	2005/06 R'000	2004/05 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		1,451,356	1,205,613
Annual appropriated funds received	1.1	1,447,691	1,202,260
Departmental revenue received		851	1,915
Local and foreign aid assistance received	3	2,814	1,438
Net (increase)/decrease in working capital		(529)	(29,454)
Surrendered to Revenue Fund		(35,630)	(2,640)
Current payments		(1,338,204)	(1,134,404)
Transfers and subsidies paid		(6,106)	(5,920)
Net cash flow available from operating activities	16	70,887	33,195
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets		(59,484)	(36,554)
Proceeds from sale of capital assets		21,899	-
Net cash flows from investing activities		(37,585)	(36,554)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		321	-
Net cash flows from financing activities		321	-
Net increase/(decrease) in cash and cash equivalents		33,623	(3,359)
Cash and cash equivalents at the beginning of the period		4,881	8,240
Cash and cash equivalents at end of period	17	38,504	4,881

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Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

I. ANNUAL APPROPRIATION

I.1 Annual Appropriation

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

	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/not received R'000	Appropriation received 2004/05 R'000
National Prosecuting Authority	1,447,691	1,447,691		1,202,260
Total	1,447,691	1,447,691		1,202,260

2. DEPARTMENTAL REVENUE TO BE SURRENDERED TO REVENUE FUND VIA THE DEPARTMENT OF JUSTICE AND CONSTITUTIONAL DEVELOPMENT

Description	Note	2005/06 R'000	2004/05 R'000
Sales of goods and services other than capital assets	2.1	389	848
Interest, dividends and rent on land	2.2	180	99
Sale of capital assets	2.3	21,899	-
Financial transactions in assets and liabilities	2.4	282	918
Transfer received	2.5	-	50
Total revenue collected		22,750	1,915
Departmental revenue collected		22,750	1,915
2.1 Sales of goods and services other than capital assets			
Sales of goods and services produced by the Department		389	848
Sales by market establishment		389	848
Total		389	848
2.2 Interest, dividends and rent on land			
Interest		180	99
Total		180	99
2.3 Sale of capital assets			
Other capital assets		21,899	-
Total		21,899	-

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Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

Note	2005/06 R'000	2004/05 R'000
2.4 Financial transactions in assets and liabilities		
Nature of loss recovered		
Other Receipts including Recoverable Revenue	282	918
Total	282	918
2.5 Transfers received		
Public corporations and private enterprises	-	50
Total	-	50
3. LOCAL AND FOREIGN AID ASSISTANCE		
3.1 Assistance received in cash: Other		
Local		
Opening Balance	1,967	7,188
Revenue	-	705
Expenditure	2,187	5,926
Current	1,636	5,151
Capital	551	775
Closing Balance	(220)	1,967
Foreign		
Opening Balance	2,935	2,894
Revenue	2,814	733
Expenditure	1,684	692
Current	1,684	581
Capital	-	111
Closing Balance	4,065	2,935
Total		
Opening Balance	4,902	10,082
Revenue	2,814	1,438
Expenditure	3,871	6,618
Current	3,320	5,732
Capital	551	886
Closing Balance	3,845	4,902
Analysis of balance		
Local and foreign aid receivable	619	
Local and foreign aid unutilised	4,464	4,902
Closing balance	3,845	4,902

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Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

Note	2005/06 R'000	2004/05 R'000
4. COMPENSATION OF EMPLOYEES		
4.1 Salaries and Wages		
Basic salary	667,625	611,127
Performance award	18,321	34,502
Service-based	315	888
Compensative/circumstantial	2,956	4,204
Periodic payments	-	10
Other non-pensionable allowances	86,412	49,764
Total	775,629	700,495
4.2 Social contributions		
4.2.1 Employer contributions		
Pension	93,405	87,941
Medical	31,032	28,600
UIF	10	14
Bargaining council	113	121
Total	124,560	116,676
Total compensation of employees	900,189	817,171
Average number of employees	3,872	4,218

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Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

	Note	2005/06 R'000	2004/05 R'000
5. GOODS AND SERVICES			
Advertising		1,861	4,352
Bank charges and card fees		369	567
Bursaries (employees)		1,361	1,087
Communication		41,832	27,154
Computer services		41,401	32,978
Consultants, contractors and special services		57,857	41,928
Courier and delivery services		394	1,058
Drivers' licences and permits		2	-
Entertainment		1,087	734
External audit fees	5.1	2,265	852
Equipment less than R5000		1,122	640
Government motor transport		17,842	-
Inventory	5.2	15,254	15,624
Legal fees		24,927	17,911
Maintenance, repairs and running cost		3,213	2,795
Medical services		221	12
Operating leases		54,729	49,005
Personnel agency fees		899	135
Photographic services		3	68
Plants flowers and other decorations		11	11
Printing and publications		112	336
Professional bodies and membership fees		36	24
Resettlement cost		3,248	3,454
Subscriptions		5,967	3,081
Owned leasehold property expenditure		13,522	9,775
Translations and transcriptions		767	897
Transport provided as part of the departmental activities		61,327	167
Travel and subsistence	5.3	42,158	40,844
Venues and facilities		2,273	3,292
Protective, special clothing & uniforms		282	2,490
Training & staff development		1,711	10,440
Witness and related fees		36,629	39,963
Total		434,682	311,674
5.1 External audit fees			
Regulatory audits		2,265	-
Other audits		-	852
Total external audit fees		2,265	852

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Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

	Note	2005/06 R'000	2004/05 R'000
5.2 Inventory			
Domestic consumables		50	1,062
Food and Food supplies		-	2
Fuel, oil and gas		3	-
Other consumables		-	724
Parts and other maintenance material		173	20
Stationery and printing		15,021	13,761
Medical supplies		7	-
Weapons and armaments		-	55
Total Inventory		15,254	15,624
5.3 Travel and subsistence			
Local		39,975	38,796
Foreign		2,183	2,048
Total travel and subsistence		42,158	40,844
6. FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES			
Other material losses written off	6.1	9	-
Debts written off	6.2	4	2
Total		13	2
6.1 Other material losses			
Nature of losses			
Non-arrivals charges		9	-
Total		9	-
6.2 Debts written off			
Nature of debts written off			
Writing off debts less than R100		4	2
		4	2
7. TRANSFERS AND SUBSIDIES			
Provinces and municipalities	Annex 1A	3,025	2,504
Departmental agencies and accounts	Annex 1B	-	262
Households	Annex 1C	3,081	3,154
Total		6,106	5,920

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Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

	Note	2005/06 R'000	2004/05 R'000
8. EXPENDITURE FOR CAPITAL ASSETS			
Buildings and other fixed structures	Annex 3	15,000	15,536
Machinery and equipment	Annex 3	43,933	20,132
Total		58,933	35,668

9. FRUITLESS AND WASTEFUL EXPENDITURE

9.1 Reconciliation of fruitless and wasteful expenditure

Opening balance		2,259	2,084
Fruitless and wasteful expenditure – current year		166	175
Current		166	175
Fruitless and wasteful expenditure awaiting condonement		2,425	2,259

10. CASH AND CASH EQUIVALENTS

Consolidated Paymaster General Account		38,486	4,854
Cash receipts		2	6
Disbursements		1	-
Cash on hand		15	21
Total		38,504	4,881

11. PREPAYMENTS AND ADVANCES

Description

Travel and subsistence		1,748	1,570
Prepayment		21,899	-
		23,647	1,570

12. RECEIVABLES

		Less than one year	One to three years	Older than three years	2005/06 R'000 Total	2004/05 R'000 Total
Staff debt	12.1	2,921	4,287	2,108	9,316	8,490
Other Debtors	12.2	520	260	59	839	33,593
Claims recoverable	Annex 4	1,024	-	-	1,024	789
		4,465	4,547	2,167	11,179	42,872

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Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2006

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	2005/06 R'000	2004/05 R'000
12.1 Staff Debt		
Sal: Deduction Disall Acc: CA	13	272
Sal: Disallowance Account: CA	343	2,226
Sal: Tax Debt: CA	125	227
Debt Account: CA	8,480	5,456
Sal: Reversal Control	264	-
Irregular Expenditure: Dept Vote Account	26	-
Sal: Medical Aid	48	35
Sal: Housing	8	-
Sal: Financial Institutions Study Loans	9	9
Sal: Insurance Deductions	-	264
Sal: Personnel Club Deductions	-	1
	9,316	8,490

12.2 Other debtors		
Disallowance Miscellaneous	376	263
Disallowance Dishonoured Cheques	-	1
Penalty Charges	-	2
Private Telephone	463	1,327
DOJ/CD	-	32,000
	839	33,593

13. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

Opening balance	32,000	1,596
Transfer from Statement of Financial Performance	47,934	32,000
Paid during the year	(32,000)	(1,596)
Closing balance	47,934	32,000

The under-spending of R46,5 million is attributed to unpaid invoices currently under dispute. Application has been made to National Treasury for a roll-over of the saving of R46,5 million.

14. DEPARTMENTAL REVENUE TO BE SURRENDERED TO THE REVENUE FUND VIA THE DEPARTMENT OF JUSTICE AND CONSTITUTIONAL DEVELOPMENT

Opening balance	1,915	1,044
Transfer from Statement of Financial Performance	22,750	1,915
Paid during the year	(3,630)	(1,044)
Closing balance	21,035	1,915

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Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2006

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15. PAYABLES – CURRENT

Description

Description	Notes	30 Days		30+ Days		2005/06	2004/05
						Total	Total
Clearing accounts	15.1	157	2,099	157	2,099	2,256	12,401
						2,256	12,401

15.1 Clearing accounts

Description	2005/06 R'000	2004/05 R'000
Sal: Reg Service Council	56	46
Sal: Pension Fund	5	19
Sal Income Tax	191	11,883
Sal:Housing	-	5
Sal: Official Unions	-	73
Sal: Garnishee Order	1	7
Telephone Control Acc	56	250
Telephone Erroneous Interface Acc	-	36
Sal ACB Recalls	19	82
Pension Recoverable Account	127	-
Disallowance Miscellaneous	1,727	-
Other Departments	74	-
	<u>2,256</u>	<u>12,401</u>

16. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

Net surplus/(deficit) as per Statement of Financial Performance	69,627	28,735
(Increase)/decrease in receivables – current	31,693	(35,403)
(Increase)/decrease in prepayments and advances	(22,077)	14,380
(Increase)/decrease in other current assets	(785)	(175)
Increase/(decrease) in payables – current	(10,145)	(8,256)
Proceeds from sale of capital	(21,899)	-
Surrenders to Revenue Fund	(35,630)	(2,640)
Expenditure on capital assets	59,484	36,554
Other Non Cash Items	619	-
Net cash flow generated by operating activities	<u>70,887</u>	<u>33,195</u>

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Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

17. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

	2005/06 R'000	2004/05 R'000
Consolidated Paymaster General account	38,486	4,854
Cash receipts	2	6
Disbursements	1	-
Cash on hand	15	21
	<u>38,504</u>	<u>4,881</u>

Part 4b: Disclosure Notes to the Annual Financial Statements

These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

18. CONTINGENT LIABILITIES

Liable to	Nature	Note	2005/06	2004/05
			R'000	R'000
Motor vehicle guarantees	Employees	Annex 2A	1,042	2,302
Housing loan guarantees	Employees	Annex 2A	5,960	5,686
Claims against the Department		Annex 2B	86,011	80,000
Total			<u>93,013</u>	<u>87,988</u>

Claims against the Department: Fleet Management - On 8th February 2006, the service provider issued summons against the Government of the Republic of SA in the amount of R78,529,406.75 plus interest at the rate of 15.5%. The state has since lodged a notice to defend a counter claim in the region of R23 million, based on the findings of the forensic investigation. The matter is currently pending.

The DSO has estimated a contingent liability as at 31 March 2006 to be in the amount of approximately R1 million. This amount is made from details relating to litigation against the DSO. Certain high profile cases are currently pending against the DSO and are in a negotiation stage. Due to the *sub judice* rule, details of these matters may not be provided for publication.

The Asset Forfeiture Unit has ten outstanding lawsuits against it, details of which may not be disclosed due to the sensitivity of the information. However, a total settlement amount of R 2.2 million in the next financial year is likely.

One lawsuit (Witness Lekolwane vs the Honourable Minister of Justice and Constitutional Development) is pending against the Witness Protection Unit. The case involves the interpretation of the WPU Act with regards to a R10 daily allowance to related persons. Should the WPU be found liable, the retrospective application will result in approximately R70 000 liability to the Unit.

One lawsuit is pending against the Priority Crimes Litigation Unit (AAK Singh V The Minister & NDPP). This is a delictual claim for damages of R2.8 million. The State Attorney has given notice to defend the claim and a private attorney and counsel have been instructed as such. In the event of the claim being successful, the NPA would be liable for the amount of the claim, as well as the plaintiff's taxed legal fees, as well as the NPA's legal fees in defending the action. The prospect of the claim being unsuccessful is, however, strong, in which case the NPA would be able to cover its taxed legal costs.

Housing loan guarantees: The Department is of the opinion that, due to the continuous increase in property market value, the risk of the housing loans collateral (which is covered by employees' pension benefits) being honoured, is minimal.

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for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

19. COMMITMENTS

	2005/06	2004/05
	R'000	R'000
Current expenditure		
Approved and contracted	35,592	57,287
	35,592	57,287
Capital expenditure		
Approved and contracted	11,864	4,108
Total Commitments	47,456	61,395

20. ACCRUALS

Listed by economic classification

	30 Days	30+ Days	Total	Total
Compensation of employees		587	587	46
Goods and services	9,207	33,060	42,267	61,953
Transfers and Subsidies		11	11	
Machinery and equipment	994	30,178	31,172	260
Total			74,037	62,259

Listed by programme level

Public Prosecution		34,067	41,767
Special Operation		30,911	13,120
Witness Protection		9,059	7,372
		74,037	62,259

Confirmed balances with other departments

Annex 5

	4,355	-
	78,791	62,259

21. EMPLOYEE BENEFITS

Leave entitlement	41,645	94,377
Thirteenth cheque	27,726	43,844
Performance awards	15,553	35,000
Capped leave commitments	95,674	-
Total	180,598	173,221

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Part 4b: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

22. LEASE COMMITMENTS

22.1 Operating leases

	Motor Vehicles	Buildings and other fixed structures	Machinery and equipment	2005/06 Total
	R'000	R'000	R'000	R'000
Not later than 1 year	-	2,483	8,567	11,050
Later than 1 year and not later than 5 years	-	15,730	53,644	69,374
Later than five years	-	17,752	6,404	24,156
Total present value of lease liabilities	-	35,965	68,615	104,580

As a result of changes made in the classification of leases, comparative figures are not available and are therefore not included in the Annual Financial Statements.

22.2 Finance leases

	Motor Vehicles	Buildings and other fixed structures	Machinery and equipment	2005/06 Total
	R'000	R'000	R'000	R'000
# Computer equipment and Motor vehicles	24,648	-	37,846	62,494
* Photocopiers	-	-	3,845	3,845
Total value of finance leases	24,648	-	41,691	66,339

Payments constituted information technology and motor vehicle leasing arrangements in terms of a master rental agreement. The leases were concluded in terms of a master rental agreement in respect of an operating lease vetted by the State Attorney and agreed to by National Treasury. Please refer to paragraph 9 of the Accounting Officer's Report for more detail.

* The leases in respect of photocopiers were entered into under the auspices of an operating lease in terms of a transversal contract entered into by National Treasury. These leases do, however, fulfil some of the criteria for finance leases and are therefore disclosed as such.

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23. IRREGULAR EXPENDITURE

23.1 Reconciliation of irregular expenditure

	2005/06	2004/05
	R'000	R'000
Opening balance	1,147	16,647
Irregular expenditure – current year	64,194	114
Transfers to receivable for recovery (not condoned)	-	(15,614)
Irregular expenditure awaiting condonement	65,341	1,147
Analysis		
Current	64,194	-
Prior years	1,147	1,147
	65,341	1,147

An amount of R 64,167,709 for lease payments is disclosed as irregular expenditure. Payments constituted information technology and motor vehicle leasing arrangements in terms of a master rental agreement. The leases were concluded in terms of a master rental agreement in respect of an operating lease vetted by the State Attorney and agreed to by National Treasury. Please refer to paragraph 9 of the Accounting Officer's Report for more detail.

24. KEY MANAGEMENT PERSONNEL

	No. of Individuals		
Political office bearers (provide detail below)	5	4,157	5,028
Officials	17	13,053	12,454
Level 15 to 16	2	1,785	834
Level 14	1	558	534
		19,553	18,850

25. INVENTORY AT YEAR END

Other inventory	113	99
	113	99

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Part 4b: Annexures to the Financial Statements

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS PAID TO PROVINCES

Name of Province/ Grant	GRANT ALLOCATION				TRANSFER		SPENT			2004/05
	Division of Revenue Act	Roll-Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Amount received by Department	Amount spent by Department	% of available funds spent by Department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Regional Council Service Levies	-	-	-	-	3,025	-	-	-	-	-
	-	-	-	-	3,025	-	-	-	-	-

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Department/ Agency/ Account	TRANSFER ALLOCATION				TRANSFER		2004/05
	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
Act of Grace	-	-	-	-	-	-	262
	-	-	-	-	-	-	262

ANNEXURE 1C

STATEMENT OF TRANSFERS TO HOUSEHOLDS

Households	TRANSFER ALLOCATION				TRANSFER		2004/05
	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
Transfers							
Social Benefits	-	-	-	-	3,006	-	3,154
Household: Act of Grace	-	-	-	-	75	-	-
Total	-	-	-	-	3,081	-	3,154

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Part 4b: Annexures to the Financial Statements

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

ANNEXURE ID

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2005/06	2004/05
		R'000	R'000
Received in kind			
BHP Billiton	Year-end function	58	-
Centre of Organised Crime	Sponsorship for International Travel by the National Head of the Witness Protection Unit (Mr D Adam)	11	-
Lexmark	Furniture	41	-
Standard Bank	Furniture	37	-
Justice College	SA Law Reports	1,526	-
SA Law Commission	SA Law Reports	88	-
USAID	Training	1,143	-
Nashua	Office equipment	12	-
Total		2,916	-

ANNEXURE IE

STATEMENT OF LOCAL AND FOREIGN AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE	REVENUE	CLOSING EXPENDITURE	BALANCE
		R'000	R'000	R'000	R'000
Received in cash					
Vodacom	Thutuzela C.C.	1,774	-	1,532	242
SARS	SARS Tax Unit	-	-	465	(465)
Woolworths	Child Courts	179	-	28	151
BAC	Payment for JR Hillhouse to collaborate and coordinate in preparation of cases for prosecution	14	-	8	6
Foundation for Human Rights	Implementation of recommendations of the TRC regarding missing persons	-	-	154	(154)
WK Kellogg	Thutuzele Training	1,665	-	336	1,329
UNICEF	SOCA C.C. TV's	244	1,877	1,248	873
USAID	Prosecution of Child Sex Offenders	293	-	-	293
Greece	Thutuzele	733	-	100	633
Royal Danish Commission	Ndabezitha Project	-	937	-	937
Total		4,902	2,814	3,871	3845

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for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

ANNEXURE 2A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2006 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2005	Guarantees issued during the year	Guarantees released/paid/cancelled/reduced during the year	Guaranteed interest for year ended 31 March 2006	Closing balance 31 March 2006	Realised losses not recoverable
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles							
Stannic		-	2,302	260	1,520	-	1,042	-
		-	2,302	260	1,520	-	1,042	-
	Housing							
Standard Bank	Housing	-	1,345	128	95	-	1,378	-
Nedbank	Housing	-	705	38	32	-	711	-
First Rand Bank Limited	Housing	-	667	141	39	-	769	-
ABSA	Housing	-	1,976	394	267	-	2,103	-
Old Mutual Finance Limited	Housing	-	(4)	-	-	-	(4)	-
Peoples Bank Limited	Housing	-	40	-	-	-	40	-
Nedbank Limited Incorporated	Housing	-	400	-	-	-	400	-
First Rand Bank	Housing	-	282	-	38	-	244	-
Old Mutual Finance Limited	Housing	-	223	-	10	-	213	-
Free State Development Corp.	Housing	-	10	36	-	-	46	-
VBS Mutual Bank	Housing	-	42	18	-	-	60	-
		-	5,686	755	481	-	5,960	-
Total		-	7,988	1,015	2,001	-	7,002	-

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Part 4b: Annexures to the Financial Statements

for the year ended 31 March 2006

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ANNEXURE 2B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2006

Nature of Liability	Opening Balance 01/04/2005	Liabilities incurred during the year	Liabilities paid/ cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31/03/2006
	R'000	R'000	R'000	R'000	R'000
Claims against the Department					
Fleet Management	80,000	-	-	-	80,000
DSO Litigation cases	-	1,000	-	-	1,000
Outstanding Lawsuits (AFU, WPU and PCLU)		5,011			5,011
Total	80,000	6,011	-	-	86,011

ANNEXURE 3

CAPITAL TANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	15,336	15,000	-	30,336
Other fixed structures	15,336	15,000	-	30,336
MACHINERY AND EQUIPMENT	31,941	51,299	21,899	61,341
Computer equipment	21,899	42,746	21,899	42,746
Other machinery, furniture and equipment	10,042	8,553	-	18,595
TOTAL CAPITAL ASSETS	47,277	66,299	21,899	91,677

Included in Computer Equipment above, is the actual expenditure of assets purchased in terms of the Integrated Justice System Cluster Programme. The actual expenditure is incurred by the Department of Safety and Security and the assets are included in the NPA's asset register. Also see paragraph 1 of the Report of the Accounting Officer in this regard.

The balance of the Computer equipment was included against its actual cost. Other machinery, furniture and office equipment was included in the asset register at year end at fair value. The depreciated replacement cost method for assessing fair value was utilised. For further details on the method use please refer to the Report of the Accounting Officer; paragraph 10.

Part 4b: Annexures to the Financial Statements

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

ANNEXURE 3.1

ADDITIONS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Cash R'000	In-Kind R'000	Total R'000
BUILDING AND OTHER FIXED STRUCTURES	15,000	-	15,000
Other fixed structures	15,000	-	15,000
MACHINERY AND EQUIPMENT	43,933	-	43,933
Computer equipment	30,380	-	30,380
Other machinery, furniture and equipment	13,553	-	13,553
TOTAL CAPITAL ASSETS	58,933	-	58,933

ANNEXURE 3.2

DISPOSALS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Carrying Amount R'000	Cash R'000	Profit/(loss) on Disposal R'000
MACHINERY AND EQUIPMENT			
Computer equipment	-	21,899	-
TOTAL CAPITAL ASSETS	-	21,899	-

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Part 4b: Annexures to the Financial Statements

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

ANNEXURE 3.3

CAPITAL TANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Additions	Disposals	Total Movement
	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	15,536		15,536
Other fixed structures	15,536		15,536
MACHINERY AND EQUIPMENT	20,132		20,132
Other machinery and equipment	20,132		20,132
TOTAL CAPITAL ASSETS	35,668		35,668

Part 4b: Annexures to the Financial Statements

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

ANNEXURE 4 INTER-GOVERNMENT RECEIVABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2006	31/03/2005	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Correctional Services	-	-	23	-	23	-
Department of Agriculture			43		43	
Department of Defence			12		12	
Department of Education	-		10		10	-
Department of Environmental Affairs		-	15	-	15	-
Department of Health	-	-	90	-	90	-
Department of Justice	-	-	559	-	559	-
Department of Public Works	-	-	18	-	18	-
Department of Trade and Industry	-	-	25	-	25	-
Department of Transport	-	-	45	-	45	-
DPSA	-	-	15	-	15	-
Free State Province	-	-	12	-	12	-
Gauteng Province	-	-	22	-	22	-
Gauteng Shared Service Centre	-	-	65	-	65	-
National Intelligence Agency	-	-	21	-	21	-
SA Secret Services	-	-	35	-	35	-
Other	-	-	14	-	14	-
	-	-	-	789	-	789
TOTAL	-	-	1,024	789	1,024	789

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Part 4b: Annexures to the Financial Statements

for the year ended 31 March 2006

The National Prosecuting Authority included in Vote 23

ANNEXURE 5 INTER-GOVERNMENT PAYABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2006	31/03/2005	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
DOJ&CD	3,484	-	-	-	-	-
Gauteng Provincial Government: Motor Transport	868	-	-	-	-	-
Safety and Security	-	-	41	-	-	-
Correctional Services	-	-	16	-	-	-
DPSA	-	-	22	-	-	-
Department of Agriculture	3	-	-	-	-	-
Total	4,355	-	79	-	-	-

Part 4C

Consolidated Annual Financial Statements



Money in	Balance
56.64	7,708.78
700.00	7,765.42
	8,465.42
	8,465.42

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Part 4c: Consolidated Appropriation Statement

for the year ended 31 March 2006

Consolidated Annual Financial Statements of the DOJ & CD and NPA included in Vote 23

Appropriation per programme								
Adjusted Appropriation	Shifting of Funds	Virement	2005/06				2004/05	
			Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final Appropriation	Final Appropriation	Actual Expenditure
			R'000	R'000	R'000	R'000	R'000	%

1. Administration

Current payment	378,539	-	(5,128)	373,411	324,300	49,111	86.8%	528,672	528,673
Transfers and Subsidies	3,649	-	(2,889)	760	760	-	100.0%	1,466	1,466
Payment for capital assets	7,091	-	(1,739)	5,352	5,352	-	100.0%	49,281	49,281

2. Court Services

Current payment	1,868,281	-	(255,800)	1,612,481	1,612,481	-	100.0%	1,952,681	1,952,681
Transfers and Subsidies	3,631	-	6,209	9,840	9,840	-	100.0%	13,132	13,132
Payment for capital assets	417,665	-	148,817	566,482	370,385	196,097	65.4%	325,351	325,351

3. State Legal Services

Current payment	301,819	-	(12,435)	289,384	289,384	-	100.0%	219,793	219,793
Transfers and Subsidies	5,096	-	3,678	8,774	8,774	-	100.0%	929	929
Payment for capital assets	6,909	-	3,577	10,486	1,436	9,050	13.7%	1,962	1,962

4. National Prosecuting Authority

Current payment	1,336,195	-	46,254	1,382,449	1,334,884	47,565	96.6%	1,160,672	1,128,847
Transfers and Subsidies	2,635	-	3,471	6,106	6,106	-	100.0%	5,920	5,920
Payment for capital assets	15,980	-	43,155	59,135	58,933	202	99.7%	35,668	35,668

5. Auxiliary and Associated Services

Current payment	132,862	-	(3,531)	129,331	128,866	465	99.6%	100,984	100,984
Transfers and Subsidies	682,122	-	21,701	703,823	703,821	2	100.0%	606,581	606,580
Payment for capital assets	23,259	-	4,660	27,919	27,919	-	100.0%	51,325	51,325
Subtotal	5,185,733	-	-	5,185,733	4,883,241	302,492	94.2%	5,054,418	5,005,643

Statutory Appropriation

Current payment	849,977		(31,669)	818,308	1,008,428	(190,120)	123.2%	177,083	218,296
Transfers and Subsidies	-	-	31,669	31,669	31,669	-	100.0%	-	23,797
Payment for capital assets	-	-	-	-	-	-	-	-	-
TOTAL	6,035,710			6,035,710	5,923,338	112,372	98.6%	5,231,501	5,247,736

Reconciliation with Statement of Financial Performance

Add:

Prior year unauthorised expenditure approved with funding	-								
Departmental revenue received			338,467					177,643	
Local and foreign aid assistance received			26,586					162,110	

Actual amounts per Statements of Financial Performance (Total revenue)

				6,400,763				5,571,254	
Add:									
Local and foreign aid assistance					48,365				146,713
Prior year unauthorised expenditure approved									
Prior year fruitless and wasteful expenditure authorised									
Actual amounts per Statements of Financial Performance (Total Expenditure)					5,971,703				5,394,449

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Part 4c: Consolidated Appropriation Statement

for the year ended 31 March 2006

Consolidated Annual Financial Statements of the DOJ & CD and NPA included in Vote 23

Appropriation per Economic Classification								
	2005/06						2004/05	
Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final Appropriation	Final Appropriation	Actual Expenditure
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000

Current Payment

Compensation of employees	2,403,989	-	(143,028)	2,260,961	2,258,184	2,777	99.9%	2,727,532	2,727,532
Goods and services	1,613,707	-	(132,028)	1,481,679	1,387,315	94,364	93.6%	1,142,765	1,110,940
Interest and rent on land	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	44,416	44,416	44,416	-	100%	92,504	92,335

Transfers and subsidies

Provinces and municipalities	6,729	-	608	7,337	7,262	75	99.0%	8,480	8,480
Departmental agencies and accounts	685,407	-	18,407	703,814	703,812	2	100.0%	606,837	606,836
Universities and Technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	3,942	-	164	4,106	4,106	-	100.0%	162	162
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1,055	-	12,991	14,046	14,121	(75)	100.5%	12,550	12,550
Gifts and donations	-	-	-	-	-	-	-	-	-

Payments for capital assets

Buildings and other fixed structures	317,975	-	-	317,975	306,312	11,663	96.3%	270,483	270,483
Machinery and equipment	151,135	-	199,811	350,946	157,260	193,686	44.8%	183,392	166,612
Biological or cultivated assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	1,794	-	(1,341)	453	453	-	100.0%	9,713	9,713
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Total	5,185,733	-	-	5,185,733	4,883,241	302,492	94.2%	5,054,418	5,005,643

Statutory Appropriation									
	2005/06							2004/05	
Details of direct changes against the National/ Provincial Revenue Fund	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
Judges and magistrates salaries	849,977	-	-	849,977	1,040,097	(190,120)	122.4%	177,083	242,093
Total	849,977	-	-	849,977	1,040,097	(190,120)	122.4%	177,083	242,093

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Part 4c: Consolidated Statement of Financial Performance

for the year ended 31 March 2006

Consolidated Annual Financial Statements of the DOJ & CD and NPA included in Vote 23

	2005/06	2004/05
	R'000	R'000
REVENUE		
Annual appropriation	5,185,733	5,054,418
Statutory appropriation	849,977	177,083
Appropriation for unauthorised expenditure approved	-	-
Departmental revenue	338,467	177,643
Local and foreign aid assistance	26,586	162,110
TOTAL REVENUE	6,400,763	5,571,254
EXPENDITURE		
Current expenditure		
Compensation of employees	3,266,612	2,945,828
Goods and services	1,387,315	1,110,940
Financial transactions in assets and liabilities	44,416	92,335
Local and foreign aid assistance	47,814	113,979
Unauthorised expenditure approved	-	-
Total current expenditure	4,746,157	4,263,082
Transfers and subsidies	760,970	651,825
Expenditure for capital assets		
Buildings and other fixed structures	306,312	270,483
Machinery and equipment	157,260	166,612
Software and other intangible assets	453	9,713
Local and foreign aid assistance	551	32,734
Total expenditure for capital assets	464,576	479,542
TOTAL EXPENDITURE	5,971,703	5,394,449
SURPLUS/(DEFICIT)	429,060	176,805
Add back fruitless and wasteful expenditure	166	175
SURPLUS/(DEFICIT) FOR THE YEAR	429,226	176,980
Reconciliation of Net Surplus/(Deficit) for the year		
Voted Funds	112,538	(16,060)
Departmental Revenue	338,467	177,643
Local and foreign aid assistance	(21,779)	15,397
SURPLUS/(DEFICIT) FOR THE YEAR	429,226	176,980

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Part 4c: Consolidated Statement of Financial Position

for the year ended 31 March 2006

Consolidated Annual Financial Statements of the DOJ & CD and NPA included in Vote 23

	2005/06	2004/05
	R'000	R'000
ASSETS		
Current assets	448,263	566,063
Unauthorised expenditure	185,617	185,617
Fruitless and wasteful expenditure	2,425	2,416
Cash and cash equivalents	41,045	7,166
Prepayments and advances	25,641	4,580
Receivables	192,916	366,284
Local and foreign aid assistance unutilised	619	-
TOTAL ASSETS	448,263	566,063
LIABILITIES		
Current liabilities	438,638	557,249
Voted funds to be surrendered to the Revenue Fund	112,538	(16,060)
Departmental revenue to be surrendered to the Revenue Fund	32,583	23,325
Bank overdraft	260,776	453,847
Payables	3,450	45,686
Local and foreign aid assistance unutilised	29,291	50,451
TOTAL LIABILITIES	438,638	557,249
NET ASSETS	9,625	8,814
Represented by:		
Recoverable revenue	9,625	8,814
TOTAL	9,625	8,814

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Part 4c: Consolidated Statement of Changes in Net Assets

for the year ended 31 March 2006

Consolidated Annual Financial Statements of the DOJ & CD and NPA included in Vote 23

	2005/06	2004/05
	R'000	R'000
Recoverable revenue		
Opening balance	8,814	9,930
Transfers	811	(1,116)
Debts recovered (included in departmental revenue)	-	(986)
Debts raised	811	(130)
Closing balance	9,625	8,814
TOTAL	9,625	8,814

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Part 4c: Consolidated Cash Flow Statement

for the year ended 31 March 2006

Consolidated Annual Financial Statements of the DOJ & CD and NPA included in Vote 23

	2005/06 R'000	2004/05 R'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts	6,380,579	5,571,249
Annual appropriated funds received	5,185,733	5,054,418
Statutory appropriated funds received	849,977	177,083
Appropriation for unauthorised expenditure received	-	-
Departmental revenue received	318,283	177,638
Local and foreign aid assistance received	26,586	162,110
Net (increase)/decrease in working capital	110,228	87,363
Surrendered to Revenue Fund	(314,864)	(141,466)
Current payments	(4,746,157)	(4,262,907)
Transfers and subsidies paid	(760,970)	(651,825)
Net cash flow available from operating activities	668,816	602,414
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for capital assets	(464,576)	(479,542)
Proceeds from sale of capital assets	21,899	5
Net cash flows from investing activities	(442,677)	(479,537)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(decrease) in net assets	811	(1,480)
Net cash flows from financing activities	811	(1,480)
Net increase/(decrease) in cash and cash equivalents	226,950	121,397
Cash and cash equivalents at the beginning of the period	(446,681)	(568,078)
Cash and cash equivalents at end of period	(219,731)	(446,681)

Part 5

Human Resource Development



Human Resource Development annual report

SERVICE DELIVERY

All departments are required to develop a Service Delivery Improvement (SDI) Plan. The following tables reflect the components of the SDI plan, as well as progress made in the implementation of the plans.

Table 1.1 Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Value Added Services	All Business Units	All Business Units	According to SLA	Deliverables according to SLA
Customer Management Centre	All Business Units	All Business Units	According to SLA	Deliverables according to SLA
Key Accounts	All Business Units	All Business Units	According to SLA	Deliverables according to SLA

Table 1.2 Consultation arrangements with customers

Type of arrangement	Actual customers	Potential customers	Actual achievements
Service Level Agreement	Business Units	Chapter 9-institutions	According to the needs identified

Table 1.3 Service delivery access strategy

Access Strategy	Actual achievements
Value Added Services: Will offer efficient and consistent HR administration services that meet the time and quality requirements of our clients.	Effective and sufficient services
Customer Manager Centre: Will offer efficient and consistent HR administration devices that meet the time and quality requirements of our clients.	Effective and sufficient services
Key Accounts: Upholding the vision, mission and transformation values of Human Resource Business Unit. Maximising the speed and quality of HR services. Forging mutually beneficial partnerships. Aligning processes and systems with the Corporate Strategy.	Sound partnerships
HR Transformation Strategy: We offer enabling, value added and sustainable, human capital services, which drive strategic business projects.	
Transactional Strategy: We offer efficient and consistent Human Resource administration services that meet time and quality requirements of end-users.	

Table I.4 Service information tool

Types of information tool	Actual achievements
Public Folders	Successful
HR Assistance Package	Helpful
Latest HR	Informative, Enhance work performance, Assistance into Human Resource Information Act/ Policies/Circulars
DJINI Intranet Portal	Latest HR information
Public Folders	Successful

Table I.5 Complaints mechanism

Complaints Mechanism	Actual achievements
Hotline	High success rate
Open door policy	High success rate
Regular meetings	High success rate
Grievances	High success rate

2. EXPENDITURE

Departments budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 2.1) and by salary bands (Table 2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the Department.

TABLE 2.1 Personnel costs by programme, 2005/06

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel cost as a percent of total expenditure	Average personnel cost per employee (R'000)	Number of Employees
Prog 1: Administration	330,412	149,630	-	-	45.3	40	3,740
Prog 2: Court Services	3,032,803	1,980,432	-	-	65.3	217	9,114
Prog 3: State Legal Services	299,594	235,805	-	-	78.7	201	1,171
Prog 4: Nat Prosecuting Authority	-	-	-	-	-	-	-
Prog 5: Auxiliary & Associated Services	860,606	556	-	-	0.1	278	2
Total	4,523,415	2,366,423	-	-	52.3	169	14,027

Human Resource Development

TABLE 2.2 Personnel costs by salary bands, 2005/06

Salary bands	Personnel Expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R)	Total Personnel Expenditure (R'000)	Number of Employees
Lower skilled (Levels 1-2)	66,788	2.8	72,438	68,078	922
Skilled (Levels 3-5)	283,510	12.0	65,612	287,518	4,321
Highly skilled production (Levels 6-8)	524,164	22.2	126,001	534,819	4,160
Highly skilled supervision (Levels 9-12)	996,195	42.1	370,470	938,522	2,689
Senior management (Levels 13-16)	274,333	11.6	665,857	305,575	412
Other	20	0	74	20	269
Contract (Levels 1-2)	5,183	0.2	64,788	5,255	80
Contract (Levels 3-5)	76,562	3.2	220,640	77,396	347
Contract (Levels 6-8)	28,377	1.2	216,618	29,266	131
Contract (Levels 9-12)	44,676	1.9	525,600	45,723	85
Contract (Levels 13-16)	3,749	0.2	535,571	3,856	7
Periodical Remuneration	13,500	0.6	32,609	9,194	414
Abnormal Appointment	49,366	2.1	259,821	61,201	190
Total	2,366,423	100	168,705	2,366,423	14,027

The following tables provide a summary per programme (Table 2.3) and salary bands (Table 2.4) of expenditure incurred as a result of salaries, overtime, home owners allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

TABLE 2.3 Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme, 2005/06

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance		Total Personnel Cost (R'000)
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost	
Administration	107,064	71.6	835	0.6	1,660	1.1	5,164	3.5	149,630
Administration of Justice	718,147	73.9	1,236	0.1	12,399	1.3	51,311	5.3	972,004
Administration of Law	171,737	72.8	1,886	0.8	2,287	1.0	8,734	3.7	235,805
Auxiliary and associated services	313	56.3	-	-	-	-	24	4.3	556
Total	997,261	73.4	3,957	0.3	16,346	1.2	65,233	4.8	1,357,995*

* This figure excludes payment to Judges

TABLE 2.4 Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands, 2005/06

Salary Bands	Salaries		Overtime		Home Owners Allowance		Medical Assistance		Total Personnel Cost (R,000)
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost	
Lower skilled (Levels 1-2)	37,002	54.4	219	0.3	1,091	2	3,797	5.6	68,078
Skilled (Levels 3-5)	210,509	73.2	778	0.3	4,112	1	19,167	6.7	287,518
Highly skilled production (Levels 6-8)	386,086	72.2	1,220	0.2	7,622	1	30,341	5.7	534,819
Highly skilled supervision (Levels 9-12)	670,572	65.6	1,740	0.2	6,752	1	25,154	2.5	1,022,358
Senior Management (Levels 13-16)	222,263	100.2	4	-	919	0	9,279	4.2	221,739
Other	8	40.0	-	-	-	-	-	-	20
Contract (Levels 1-2)	4,815	91.6	7	0.1	7	0	21	0.4	5,255
Contract (Levels 3-5)	72,398	93.5	313	0.4	58	0	195	0.3	77,396
Contract (Levels 6-8)	26,744	91.4	101	0.3	7	-	45	0.2	29,266
Contract (Levels 9-12)	41,799	91.4	19	-	18	-	11	-	45,723
Contract (Levels 13-16)	3,074	79.7	-	-	68	2	1	-	3,856
Abnormal Remuneration	-	-	-	-	-	-	-	-	9,194
Abnormal Appointment	5	-	-	-	-	-	2,465	4.0	61,201
Total	1,675,275	70.8	4,401	0.2	20,654	1	90,476	3.8	2,366,423

3 EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts in the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables: - programme (Table 3.1), salary band (Table 3.2) and critical occupations (Table 3.3). Departments have

identified critical occupations that need to be monitored. Table 3.3 provides establishment and vacancy information for the key critical occupations of the Department.

The vacancy rate reflects the percentage of posts that are not filled.

TABLE 3.1 Employment and vacancies by programme, 31 March 2006

Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Administration of Justice, Permanent	10,063	8,273	17.8	35
Administration of Justice, Temporary	841	841	0	0
Administration of Law, Permanent	1,709	1,161	32.1	2
Administration of Law, Temporary	10	10	0	0
Administration, Permanent	4,940	3,718	24.7	13
Administration, Temporary	22	22	0	0
Auxiliary and associated services, Permanent	1	1	0	0
Legal aid, Permanent	16	1	93.8	0
Total	17,602	14,027	20.3	50

TABLE 3.2 Employment and vacancies by salary bands, 31 March 2006

Salary band	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2), Permanent	1,223	959	21.6	0
Lower skilled (Levels 1-2), Temporary	76	76	0	0
Skilled (Levels 3-5), Permanent	6,126	4,442	27.5	1
Skilled (Levels 3-5), Temporary	487	487	0	0
Highly skilled production (Levels 6-8), Permanent	4,614	4,008	13.1	17
Highly skilled production (Levels 6-8), Temporary	303	303	0	0
Highly skilled supervision (Levels 9-12), Permanent	3,396	2,691	20.8	1
Highly skilled supervision (Levels 9-12), Temporary	3	3	0	0
Senior Management (Levels 13-16), Permanent	718	402	44	4
Senior Management (Levels 13-16), Temporary	2	2	0	0
Other, Temporary	1	1	0	0
Contract (Levels 1-2), Permanent	42	42	0	3
Contract (Levels 3-5), Permanent	386	386	0	1
Contract (Levels 6-8), Permanent	134	134	0	21
Contract (Levels 9-12), Permanent	83	83	0	2
Contract (Levels 13-16), Permanent	7	7	0	0
Periodical Remuneration, Temporary	1	1	0	0
Total	17,602	14,027	20.3	50

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TABLE 3.3 Employment and vacancies by critical occupation, 31 March 2006

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Administrative related, Permanent	170	130	23.5	1
Advocates, Permanent	61	55	9.8	0
Advocates, Temporary	1	1	0	0
Attorneys, Permanent	282	162	42.6	0
Authors, journalists and other writers, Permanent	1	1	0	0
Building and other property caretakers, Permanent	23	17	26.1	0
Bus and heavy vehicle drivers, Permanent	7	7	0	0
Cleaners in offices, workshops, hospitals, etc. Permanent	283	262	7.4	0
Cleaners in offices, workshops, hospitals, etc. Temporary	2	2	0	0
Client inform clerks (switchboard, reception, information clerks), Permanent	97	84	13.4	0
Communication and information related, Permanent	17	13	23.5	1
Finance and economics related, Permanent	151	131	13.2	0
Financial and related professionals, Permanent	122	90	26.2	1
Financial and related professionals, Temporary	288	288	0	0
Financial clerks and credit controllers, Permanent	300	212	29.3	0
Food services aids and waiters, Permanent	25	23	8	0
General legal administration and related professionals, Permanent	582	375	35.6	19
Head of Department/Chief Executive Officer, Permanent	2	2	0	0
Historians and political scientists, Permanent	1	1	0	0
Household and laundry workers, Permanent	1	1	0	0
Human Resource and organisational development and related profession, Permanent	44	32	27.3	1
Human Resource and organisational development and related professions, Temporary	7	7	0	0
Human Resource clerks, Permanent	242	188	22.3	0
Human Resource related, Permanent	110	85	22.7	0
Information Technology related, Permanent	7	5	28.6	0
Judges, Permanent	498	220	55.8	0
Language practitioners, interpreters and other communications staff, Permanent	209	196	6.2	0
Legal related, Permanent	107	93	13.1	0
Librarians and related professionals, Permanent	22	20	9.1	0
Library mail and related clerks, Permanent	477	257	46.1	0
Library mail and related clerks, Temporary	263	263	0	0
Light vehicle drivers, Permanent	24	21	12.5	1

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Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Logistical support personnel, Permanent	31	29	6.5	0
Magistrates, Permanent	2,210	1,788	19.1	1
Magistrates, Temporary	3	3	0	0
Material-recording and transport clerks, Permanent	55	44	20	0
Messengers, porters and deliverers, Permanent	461	396	14.1	0
Messengers, porters and deliverers, Temporary	9	9	0	0
Other administrative and related clerks and organisers, Permanent	5,783	4,601	20.4	8
Other administrative and related clerks and organisers, Temporary	3	3	0	0
Other administrative policy and related officers, Permanent	794	679	14.5	10
Other information technology personnel, Permanent	3	1	66.7	0
Other occupations, Permanent	12	12	0	0
Prosecutor, Permanent	5	5	0	0
Risk management and security services, Permanent	10	8	20	0
Secretaries and other keyboard operating clerks, Permanent	1,112	880	20.9	3
Secretaries and other keyboard operating clerks, Temporary	150	150	0	0
Security guards, Permanent	86	80	7	0
Security guards, Temporary	1	1	0	0
Security officers, Permanent	436	387	11.2	0
Security officers, Temporary	2	2	0	0
Senior Managers, Permanent	220	186	15.5	4
Senior Managers, Temporary	3	3	0	0
Translators and air traffic communicators, Permanent	1,646	1,375	16.5	0
Translators and air traffic communicators, Temporary	141	141	0	0
Total	17,602	14,027	20.3	50

The information in each case reflects the situation as at 31 March 2006. For an indication of changes in staffing patterns over the year under review, please refer to section 5 of this report.

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4 JOB EVALUATION

The Public Service Regulations, 1999 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. This was complemented by a decision by the Minister for the Public Service and Administration that all SMS jobs must be evaluated before 31 December 2002.

The following table (Table 4.1) summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

TABLE 4.1 Job Evaluation, 1 April 2005 to 31 March 2006

Salary band	Number of posts	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	1,299	0	0	2	0	0	0
Contract (Levels 1-2)	42	0	0	0	0	0	0
Contract (Levels 3-5)	386	0	0	2	0	0	0
Contract (Levels 6-8)	134	0	0	0	0	0	0
Contract (Levels 9-12)	83	0	0	0	0	0	0
Contract (Band A)	4	0	0	0	0	0	0
Contract (Band B)	2	0	0	0	0	0	0
Contract (Band C)	1	0	0	0	0	0	0
Periodical Remuneration	1	0	0	0	0	0	0
Skilled (Levels 3-5)	6,613	0	0	10	0	1	0
Highly skilled production (Levels 6-8)	4,917	0	0	7	0	1	0
Highly skilled supervision (Levels 9-12)	3,399	0	0	7	0	0	0
Senior Management Service Band A	167	0	0	0	0	0	0
Senior Management Service Band B	42	0	0	0	0	0	0
Senior Management Service Band C	509	0	0	0	0	0	0
Senior Management Service Band D	2	0	0	0	0	0	0
Other	1	0	0	0	0	0	0
Total	17,602	0	0	28	0	2	0

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The following table provides a summary of the number of employees whose salary positions were upgraded due to their posts being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

TABLE 4.2 Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2005 to 31 March 2006

Upgraded posts	None
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The following table summarises the number of cases where remuneration levels exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

TABLE 4.3 Employees whose salary level exceed the grade determined by job evaluation, 1 April 2005 to 31 March 2006 (in terms of PSR I.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Chief Director: Communication Services	1	14	15	skills
Total number of employees whose salaries exceeded the level determined by job evaluation in 2005/06				1

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

TABLE 4.4 Profile of employees whose salary level exceeds the grade determined by job evaluation, 1 April 2005 to 31 March 2006 (in terms of PSR I.V.C.3)

Male	Female	Black	White	Coloured	Indian	Disability	Total
1		1					1

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5 EMPLOYMENT CHANGES

This section provides information on changes in employment over the financial year.

Turnover rates provide an indication of trends in the employment profile of the Department. The following tables provide a summary of turnover rates by salary band (Table 5.1) and by critical occupations (Table 5.2). (These "critical occupations" should be the same as those listed in Table 3.3).

TABLE 5.1 Annual turnover rates by salary band for the period 1 April 2005 to 31 March 2006

Salary Band	Number of employees per band as on 1 April 2005	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (Levels 1-2), Permanent	951	52	32	3.4
Lower skilled (Levels 1-2), Temporary	794	98	56	7.1
Skilled (Levels 3-5), Permanent	3,714	932	154	4.1
Highly skilled production (Levels 6-8), Permanent	4,033	172	172	4.3
Highly skilled production (Levels 6-8), Temporary	3	1	2	66.7
Highly skilled supervision (Levels 9-12), Permanent	2,580	122	90	3.5
Highly skilled supervision (Levels 9-12), Temporary	1	0	0	0
Senior Management Service Band A, Permanent	87	7	7	8
Senior Management Service Band B, Permanent	76	3	3	3.9
Senior Management Service Band C, Permanent	258	292	313	121.3
Senior Management Service Band D, Permanent	1	1	0	0
Other, Permanent	0	5	38	0
Other, Temporary	0	358	371	0
Contract (Levels 1-2), Permanent	149	638	1,355	909.4
Contract (Levels 3-5), Permanent	1,758	8,694	7,962	452.9
Contract (Levels 6-8), Permanent	330	1,166	1,132	343
Contract (Levels 9-12), Permanent	148	946	922	623
Contract (Band A), Permanent	7	10	9	128.6
Contract (Band B), Permanent	2	3	3	150
Contract (Band C), Permanent	0	1	0	0
Contract (Band D), Permanent	0	2	2	0
Total	14,892	13,503	12,623	84.8

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TABLE 5.2 Annual turnover rates by critical occupation for the period 1 April 2005 to 31 March 2006

Occupation	Number of employees per occupation as on 1 April 2005	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Administrative related, Permanent	124	36	34	27.4
Administrative related, Temporary	0	1	1	0
Advocates, Permanent	54	18	12	22.2
Advocates, Temporary	1	0	0	0
Attorneys, Permanent	145	154	137	94.5
Authors journalists and other writers, Permanent	0	1	0	0
Building and other property caretakers, Permanent	20	1	4	20
Bus and heavy vehicle drivers, Permanent	12	0	0	0
Cleaners in offices, workshops, hospitals, etc. Permanent	287	39	54	18.8
Cleaners in offices, workshops, hospitals, etc. Temporary	2	0	0	0
Client inform clerks (switchboard, reception, information clerks), Permanent	91	70	66	72.5
Communication and information related, Permanent	13	5	4	30.8
Communication and information related, Temporary	0	2	2	0
Diplomats, Permanent	0	1	1	0
Finance and economics related, Permanent	127	15	15	11.8
Financial and related professionals, Permanent	110	57	48	43.6
Financial and related professionals, Temporary	207	270	195	94.2
Financial clerks and credit controllers, Permanent	457	981	996	217.9
Food services aids and waiters, Permanent	22	15	9	40.9
General legal administration & rel. professionals, Permanent	429	478	441	102.8
General legal administration and related professions, Temporary	1	0	0	0
Human Resource and organisat developm and related professions, Permanent	29	6	1	3.4
Human Resources and organisational development and related profession, Temporary	12	0	11	91.7
Human Resource clerks, Permanent	203	143	135	66.5
Human Resource related, Permanent	67	23	17	25.4
Information Technology related, Permanent	6	1	2	33.3
Judges, Permanent	243	291	311	128
Judges, Temporary	0	4	4	0
Language practitioners, interpreters and other communications staff, Permanent	297	18	17	5.7
Legal related, Permanent	92	9	14	15.2
Legal related, Temporary	0	1	1	0
Librarians and related professionals, Permanent	17	11	5	29.4

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Occupation	Number of employees per occupation as on 1 April 2005	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Library mail and related clerks, Permanent	342	523	505	147.7
Library, mail and related clerks, Temporary	326	22	101	31
Light vehicle drivers, Permanent	14	6	4	28.6
Logistical support personnel, Permanent	26	0	2	7.7
Magistrates, Permanent	1,748	709	714	40.8
Magistrates, Temporary	2	20	20	1000
Material-recording and transport clerks, Permanent	55	12	13	23.6
Messengers, porters and deliverers, Permanent	389	212	168	43.2
Messengers, porters and deliverers, Temporary	10	23	23	230
Not available, Permanent	0	1	0	0
Other administrative and related clerks and organisers, Permanent	5,002	6,860	6,271	125.4
Other administrative and related clerks and organisers, Temporary	7	5	4	57.1
Other administrative policy and related officers, Permanent	663	494	446	67.3
Other Information Technology personnel, Permanent	2	2	3	150
Other occupations, Permanent	90	8	11	12.2
Police, Permanent	1	0	0	0
Prosecutor; Permanent	27	0	0	0
Rank: Unknown, Permanent	41	0	0	0
Risk management and security services, Permanent	8	1	1	12.5
Secretaries and other keyboard operating clerks, Permanent	942	718	688	73
Secretaries and other keyboard operating clerks, Temporary	118	43	23	19.5
Security guards, Permanent	74	19	20	27
Security guards, Temporary	1	0	0	0
Security officers, Permanent	423	168	179	42.3
Security officers, Temporary	1	0	0	0
Senior Managers, Permanent	165	26	22	13.3
Senior Managers, Temporary	11	1	4	36.4
Statisticians and related professionals, Permanent	1	0	1	100
Translators and air traffic communicators, Permanent	1,236	914	823	66.6
Translators and air traffic communicators, Temporary	99	65	40	40.4
Total	14,892	13,503	12,623	84.8

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Table 5.3 identifies the major reasons why staff left the Department.

Table 5.3 Reasons why staff are leaving the Department

Termination Type	Number	% of Total Resignations	% of Total Employment	Total	Total Employment
Death, Permanent officials	67	0.5	0.4	12,623	14,892
Death, Temporary officials	1	0	0	12,623	14,892
Resignation, Permanent officials	1,346	10.7	9	12,623	14,892
Resignation, Temporary officials	12	0.1	0.1	12,623	14,892
Expiry of contract, Permanent officials	10,596	83.9	71.2	12,623	14,892
Expiry of contract, Temporary officials	390	3.1	2.6	12,623	14,892
Discharged due to ill health, Permanent officials	26	0.2	0.2	12,623	14,892
Dismissal-misconduct, Permanent officials	33	0.3	0.2	12,623	14,892
Retirement, Permanent officials	74	0.6	0.5	12,623	14,892
Other, Permanent officials	52	0.4	0.3	12,623	14,892
Other, Temporary officials	26	0.2	0.2	12,623	14,892
Total	12,623	100	84.8	12,623	14,892
Resignations as % of Employment - 84.8					

Table 5.4 Promotions by critical occupation

Occupation	Employees as at 1 April 2005	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Administrative related	124	20	16.1	66	53.2
Advocates	55	3	5.5	24	43.6
Attorneys	145	13	9	51	35.2
Building and other property caretakers	20	0	0	11	55
Bus and heavy vehicle drivers	12	0	0	8	66.7
Cleaners in offices, workshops, hospitals, etc.	289	0	0	148	51.2
Client inform clerks (switchboard, reception information clerks)	91	0	0	54	59.3
Communication and information related	13	0	0	3	23.1
Finance and economics related	127	12	9.4	92	72.4
Financial and related professionals	317	4	1.3	42	13.2
Financial clerks and credit controllers	457	16	3.5	96	21
Food services aids and waiters	22	0	0	13	59.1
General legal administration and rel. professions	430	25	5.8	45	10.5
Human Resource and organisational development and related profession	41	4	9.8	15	36.6
Human Resource clerks	203	7	3.4	117	57.6
Human Resource related	67	17	25.4	18	26.9
Information Technology related	6	0	0	4	66.7
Judges	243	2	0.8	0	0

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Occupation	Employees as at 1 April 2005	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Language practitioners, interpreters and other communications staff	297	4	1.3	223	75.1
Legal related	92	5	5.4	47	51.1
Librarians and related professionals	17	1	5.9	10	58.8
Library, mail and related clerks	668	5	0.7	132	19.8
Light vehicle drivers	14	0	0	13	92.9
Logistical support personnel	26	3	11.5	20	76.9
Magistrates	1,750	19	1.1	0	0
Material-recording and transport clerks	55	0	0	39	70.9
Messengers, porters and deliverers	399	1	0.3	205	51.4
Other administrative and related clerks and organisers	5,009	37	0.7	2,403	48
Other administrative policy and related officers	663	75	11.3	335	50.5
Other Information Technology personnel	2	0	0	1	50
Other occupations	90	0	0	14	15.6
Police	1	0	0	0	0
Prosecutor	27	5	18.5	3	11.1
Rank: Unknown	41	0	0	0	0
Risk management and security services	8	1	12.5	7	87.5
Secretaries and other keyboard operating clerks	1,060	12	1.1	479	45.2
Security guards	75	0	0	40	53.3
Security officers	424	3	0.7	286	67.5
Senior Managers	176	2	1.1	12	6.8
Statisticians and related professionals	1	0	0	0	0
Trade/industry advisers and other related professions	0	1	0	0	0
Translators and air traffic communicators	1,335	5	0.4	759	56.9
Total	14,892	302	2	5,835	39.2

Table 5.5 Promotions by salary band

Salary Band	Employees 1 April 2005	Promotions to another salary level	Salary band promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2), Permanent	951	1	0.1	568	59.7
Lower skilled (Levels 1-2), Temporary	794	0	0	0	0
Skilled (Levels 3-5), Permanent	3,714	39	1.1	2,455	66.1
Highly skilled production (Levels 6-8), Permanent	4,033	137	3.4	2,382	59.1
Highly skilled production (Levels 6-8), Temporary	3	0	0	0	0
Highly skilled supervision (Levels 9-12), Permanent	2,580	105	4.1	350	13.6
Highly skilled supervision (Levels 9-12), Temporary	1	0	0	0	0
Highly skilled supervision (Levels 9-12), Temporary	1	0	0	0	0
Senior management (Levels 13-16), Permanent	422	16	3.8	12	2.8
Other, Temporary	0	0	0	1	0
Contract (Levels 1-2), Permanent	149	0	0	7	4.7
Contract (Levels 3-5), Permanent	1,758	0	0	50	2.8
Contract (Levels 6-8), Permanent	330	2	0.6	5	1.5
Contract (Levels 9-12), Permanent	148	2	1.4	5	3.4
Contract (Levels 13-16), Permanent	9	0	0	0	0
Total	14,893	302	2	5,835	39.2

6 EMPLOYMENT EQUITY

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2006

Occupational categories (SASCO)	Male					Female					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Legislators, senior officials and managers, Permanent	47	9	9	65	53	30	7	7	44	12	174
Legislators, senior officials and managers, Temporary	4	-	-	4	1	2	-	-	2	1	8
Professionals, Permanent	1,401	134	106	1,641	900	805	114	145	1,064	621	4,226
Professionals, Temporary	126	5	14	145	14	103	2	8	113	22	294
Clerks, Permanent	2,068	182	68	2,318	138	2,895	566	170	3,631	1,349	7,436
Clerks, Temporary	141	8	2	151	10	166	41	22	229	167	557
Service and sales workers, Permanent	218	55	21	294	106	47	5	1	53	12	465
Service and sales workers, Temporary	3	-	-	3	-	-	-	-	-	-	3
Plant and machine operators and assemblers, Permanent	24	2	1	27	1	-	-	-	-	-	28
Elementary occupations, Permanent	283	36	10	329	28	347	25	8	380	28	765
Elementary occupations, Temporary	5	-	-	5	-	6	-	-	6	-	11
Other, Permanent	23	1	1	25	2	22	2	2	26	7	60
Total	4,343	432	232	5,007	1,253	4,423	762	363	5,548	2,219	14,027
Employees with disabilities	14	4	0	18	0	8	0	0	8	4	30

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6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as at 31 March 2006

Occupational Bands	Male					Female					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Top Management, Permanent	58	9	12	79	121	17	2	5	24	17	241
Senior Management, Permanent	44	6	9	59	51	30	7	9	46	15	171
Professionally qualified and experienced specialists and mid-management, Permanent	779	91	78	948	730	405	74	118	597	410	2,685
Professionally qualified and experienced specialists and mid-management, Temporary	-	-	-	-	-	-	-	-	-	1	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	1,347	74	39	1,460	166	1,207	131	65	1,403	1,120	4,149
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	-	-	-	-	-	-	-	-	-	1	1
Semi-skilled and discretionary decision-making, Permanent	1,295	149	51	1,495	88	1,826	421	112	2,359	348	4,290
Unskilled and defined decision-making, Permanent	365	62	15	442	45	358	29	7	394	25	906
Not Available, Permanent	24	1	1	26	2	23	2	2	27	7	62
Not Available, Temporary	278	13	16	307	25	277	43	30	350	188	870
Contract (Top Management), Permanent	-	1	-	1	-	-	-	-	-	-	1
Contract (Senior Management), Permanent	2	-	-	2	-	3	1	-	4	-	6
Contract (Professionally qualified), Permanent	24	4	6	34	8	18	5	3	26	17	85
Contract (Skilled technical), Permanent	18	2	-	20	9	55	10	5	70	32	131
Contract (Semi-skilled), Permanent	83	19	4	106	6	161	34	6	201	34	347
Contract (Unskilled), Permanent	25	1	1	27	2	43	3	1	47	4	80
Periodical Remuneration, Temporary	1	-	-	1	-	-	-	-	-	-	1
Total	4,343	432	232	5,007	1,253	4,423	762	363	5,548	2,219	14,027

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6.3 Recruitment for the period 1 April 2005 to 31 March 2006

Occupational Bands	Male					Female					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Top Management, Permanent	64	10	24	98	139	25	4	11	40	33	310
Senior Management, Permanent	3	-	-	3	-	3	1	1	5	2	10
Professionally qualified and experienced specialists and mid-management, Permanent	54	5	3	62	3	45	4	5	54	3	122
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	85	6	3	94	4	65	3	1	69	8	175
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	-	-	-	-	-	-	-	-	-	1	1
Semi-skilled and discretionary decision-making, Permanent	278	28	8	314	13	501	78	11	590	28	945
Unskilled and defined decision-making, Permanent	32	5	1	38	-	13	1	-	14	-	52
Unskilled and defined decision-making, Temporary	55	11	2	68	-	14	7	3	24	6	98
Not Available, Permanent	2	-	-	2	1	1	-	-	1	2	6
Not Available, Temporary	197	38	5	240	43	98	10	4	112	19	414
Contract (Top Management), Permanent	2	1	-	3	-	-	-	-	-	-	3
Contract (Senior Management), Permanent	5	2	-	7	3	3	1	-	4	-	14
Contract (Professionally qualified), Permanent	358	31	59	448	188	141	70	23	234	97	967
Contract (Skilled technical), Permanent	292	13	12	317	36	491	73	43	607	215	1,175
Contract (Semi-skilled), Permanent	2,364	258	58	2,680	151	4,665	518	135	5,318	635	8,784
Contract (Unskilled), Permanent	251	31	7	289	35	221	57	7	285	36	645
Total	4,042	439	182	4,663	616	6,286	827	244	7,357	1,085	13,721
Employees with disabilities	3	0	0	3	0	0	0	0	0	0	3

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6.4 Promotions for the period 1 April 2005 to 31 March 2006

Occupational Bands	Male					Female					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Top Management, Permanent	3	0	0	3	0	1	0	0	1	0	4
Senior Management, Permanent	8	2	3	13	2	4	0	2	6	3	24
Professionally qualified and experienced specialists and mid-management, Permanent	130	11	14	155	80	98	16	21	135	85	455
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	806	48	18	872	106	773	80	33	886	655	2,519
Semi-skilled and discretionary decision-making, Permanent	683	95	36	814	63	980	276	95	1,351	267	2,495
Unskilled and defined decision-making, Permanent	228	35	11	274	35	220	20	5	245	16	570
Not Available, Temporary	0	0	0	0	0	0	0	0	0	1	1
Contract (Professionally qualified), Permanent	3	0	0	3	0	2	0	0	2	2	7
Contract (Skilled technical), Permanent	1	0	0	1	0	1	2	0	3	3	7
Contract (Semi-skilled), Permanent	8	0	0	8	1	37	2	0	39	2	50
Contract (Unskilled), Permanent	2	0	0	2	0	5	0	0	5	0	7
Total	1,872	191	82	2,145	287	2,121	396	156	2,673	1,034	6,139
Employees with disabilities	9	2	0	11	4	8	0	0	8	2	25

6.5 Terminations for the period 1 April 2005 to 31 March 2006

Occupational Bands	Male					Female					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Top Management, Permanent	64	10	26	100	153	20	3	11	34	31	318
Senior Management, Permanent	4	0	1	5	2	2	0	0	2	1	10
Professionally qualified and experienced specialists and mid-management, Permanent	29	2	3	34	23	11	4	4	19	14	90
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	57	3	0	60	20	30	3	3	36	71	187
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	0	0	0	0	0	0	0	0	0	2	2
Semi-skilled and discretionary decision-making, Permanent	54	9	2	65	5	53	19	6	78	24	172
Unskilled and defined decision-making, Permanent	14	1	0	15	1	14	2	1	17	1	34

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Occupational Bands	Male					Female					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Unskilled and defined decision-making, Temporary	33	12	0	45	2	5	2	0	7	2	56
Not Available, Permanent	19	2	0	21	1	15	2	0	17	0	39
Not Available, Temporary	153	41	1	195	13	71	11	3	85	28	338
Contract (Top management), Permanent	2	1	0	3	0	0	0	0	0	0	3
Contract (Senior management), Permanent	4	2	0	6	4	2	0	0	2	0	12
Contract (Professionally qualified), Permanent	353	29	58	440	188	134	66	22	222	90	940
Contract (Skilled technical), Permanent	288	14	14	316	35	469	73	42	584	219	1,154
Contract (Semi-skilled), Permanent	2,219	233	59	2,511	152	4,199	473	124	4,796	605	8,064
Contract (Unskilled), Permanent	414	15	8	472	40	658	101	17	776	73	1,361
Total	3,707	409	172	4,288	656	5,683	759	233	6,675	1,161	12,780
Employees with disabilities	3	1	0	4	0	1	0	0	1	1	6

6.6 Disciplinary action for the period 1 April 2005 to 31 March 2006

Occupational Bands	Male					Female					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Disciplinary action	133	14	4	151	3	50	8	2	60	21	235

6.7 Skills development for the period 1 April 2005 to 31 March 2006

Occupational Bands	Male					Female					Total
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	
Legislator; Senior Officials and Managers	11	-	4	15	6	6	2	1	9	1	31
Professionals	968	155	114	1,237	449	621	135	144	900	525	3,111
Technicians and associated professionals clerks	157	66	27	250	189	195	84	64	343	158	940
Clerks	2,112	710	127	2,949	459	3,163	615	413	4,191	1,834	9,433
Service and sales workers	-	-	-	-	-	-	-	-	0	-	-
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	0	-	-
Craft and related trades workers	-	-	-	-	-	-	-	-	0	-	-
Plant and machine operators and assemblers	15	-	-	15	-	-	-	-	0	-	15
Elementary occupations	14	2	1	17	2	39	2	1	42	2	63
Total	3,277	933	273	4,483	1,105	4,024	838	623	5,485	2,520	13,593
Employees with disabilities	15	1	0	16	5	6	1	0	7	1	29

7 PERFORMANCE REWARDS

To encourage good performance, the Department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability (Table 7.1), salary bands (Table 7.2) and critical occupations (Table 7.3).

TABLE 7.1 Performance Rewards by race, gender, and disability, 1 April 2005 to 31 March 2006

	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
African, Female	916	4,415	20.7	5,112	5,581
African, Male	691	4,329	16.0	4,639	6,713
Asian, Female	95	363	26.2	873	9,189
Asian, Male	45	232	19.4	390	8,667
Coloured, Female	178	762	24.5	1,220	6,524
Coloured, Male	77	428	18.0	531	6,896
Total Blacks, Female	0	5,540	0	7,205	0
Total Blacks, Male	0	4,989	0	5,561	0
White, Female	725	2,215	32.7	6,857	9,458
White, Male	199	1,253	15.9	2,977	14,960
Employees with a disability	11	30	36.7	84	7,636
Total	2,946	14,027	21.0	22,684	7,700

TABLE 7.2 Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2005 to 31 March 2006

Salary Bands	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee
Lower skilled (Levels 1-2)	181	1,035	17.5	543	3,000
Skilled (Levels 3-5)	848	4,929	17.2	3,646	4,300
Highly skilled production (Levels 6-8)	1,458	4,311	33.8	10,823	7,423
Highly skilled supervision (Levels 9-12)	311	2,694	11.5	6,040	19,421
Other	0	1	0	0	0
Contract (Levels 1-2)	0	42	0	0	0
Contract (Levels 3-5)	3	386	0.8	14	4,667
Contract (Levels 6-8)	1	134	0.7	9	9,000
Contract (Levels 9-12)	2	83	2.4	37	18,500
Periodical Remuneration	0	1	0	0	0
Abnormal Appointment	0	-	0	0	0
Total	2,804	13,616	20.6	21,112	7,529

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TABLE 7.3 Performance Rewards by critical occupations, 1 April 2005 to 31 March 2006

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related	70	134	52.2	1,219	17,414
Advocates	18	61	29.5	484	26,889
Attorneys	18	155	11.6	370	20,556
Authors, journalists and other writers	0	1	0	0	0
Building and other property caretakers	4	17	23.5	10	2,500
Bus and heavy vehicle drivers	2	10	20	6	3,000
Cleaners in offices, workshops, hospitals, etc.	55	263	20.9	158	2,873
Client information clerks (switchboard, reception, information clerks)	16	84	19	78	4,875
Communication and information related	6	13	46.2	120	20,000
Finance and economics related	34	123	27.6	556	16,353
Financial and related professionals	29	387	7.5	283	9,759
Financial clerks and credit controllers	47	204	23	319	6,787
Food services aids and waiters	8	25	32	25	3,125
General legal administration and related professionals	89	368	24.2	1,437	16,146
Human Resource and organisation development and related profession	15	34	44.1	230	15,333
Human Resource clerks	111	186	59.7	1,118	10,072
Human Resource related	40	87	46	785	19,625
Information Technology related	2	5	40	47	23,500
Judges	0	220	0	0	0
Language practitioners interpreters and other communication staff	115	300	38.3	646	5,617
Legal related	31	87	35.6	887	28,613
Librarians and related professionals	9	23	39.1	95	10,556
Library, mail and related clerks	64	526	12.2	415	6,484
Light vehicle drivers	8	18	44.4	26	3,250
Logistical support personnel	11	27	40.7	117	10,636
Magistrates	4	1,714	0.2	95	23,750
Material-recording and transport clerks	16	46	34.8	84	5,250
Messengers, porters and deliverers	70	393	17.8	217	3,100
Other administrative and related clerks and organisers	1,097	4,517	24.3	6,081	5,543
Other administrative policy and related officers	250	747	33.5	1,892	7,568
Other Information Technology personnel	1	1	100	13	13,000
Other occupations	12	81	14.8	214	17,833
Prosecutor	0	32	0	0	0
Rank: Unknown	0	60	0	0	0
Risk management and security services	5	7	71.4	45	9,000
Secretaries and other keyboard operating clerks	274	1,022	26.8	1,843	6,726
Security guards	14	71	19.7	43	3,071

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Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Security officers	95	390	24.4	504	5,305
Senior Managers	39	179	21.8	1,277	32,744
Trade/industry advisers and other related professions	0	1	0	0	0
Translators and air traffic communicators	173	1,408	12.3	948	5,480
Total	2,852	14,027	20.3	22,687	7,955

TABLE 7.4 Performance related rewards (cash bonus), by salary band, for Senior Management Service

Salary Band	Beneficiary Profile			Total Cost (R'000)	Average cost per beneficiary (R)	Total cost as a % of the total personnel expenditure	Personnel Cost SMS (R'000)
	Number of beneficiaries	Number of employees	% of total within band				
Band A	37	97	38.1	1,255	33,919	2.0	63,809
Band B	11	80	13.8	318	28,909	1.1	29,764
Band C	-	239	-	-	-	-	-
Band D	-	3	-	-	-	-	-
Total	48	419	11.5	1,573	32,771	1.7	93,573

8 FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the Department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

TABLE 8.1 Foreign Workers, 1 April 2005 to 31 March 2006, by salary band

Salary Band	1 April 2005		31 March 2006		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	12	19.4	11	15.7	-1	-12.5
Skilled (Levels 3-5)	2	3.2	2	2.9	0	0
Highly skilled production (Levels 6-8)	4	6.5	6	8.6	2	25
Highly skilled supervision (Levels 9-12)	2	3.2	2	2.9	0	0
Senior Management (Levels 13-16)	3	4.8	2	2.9	-1	-12.5
Contract (Levels 3-5)	3	4.8	2	2.9	-1	-12.5
Contract (Levels 6-8)	2	3.2	1	1.4	-1	-12.5
Contract (Levels 9-12)	2	3.2	3	4.3	1	12.5
Contract (Levels 13-16)	3	4.8	1	1.4	-2	-25
Periodical Remuneration	25	40.3	33	47.1	8	100
Abnormal Appointment	4	6.5	7	10	3	37.5
Total	62	100	70	100	8	100

TABLE 8.2 Foreign Workers, 1 April 2005 to 31 March 2006, by major occupation

Major Occupation	1 April 2005		31 March 2006		Change	
	Number	% of total	Number	% of total	Number	% change
Administrative office workers	41	66.1	51	72.9	10	125
Other occupations	1	1.6	1	1.4	0	0
Professionals and managers	20	32.3	18	25.7	-2	-25
Total	62	100	70	100	8	100

9 LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2005 TO 31 DECEMBER 2005

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 9.1) and disability leave (Table 9.2). In both cases, the estimated cost of the leave is also provided.

TABLE 9.1 Sick leave, 1 January 2005 to 31 December 2005

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 days with medical certification
Lower skilled (Levels 1-2)	4,543	84.7	583	6.6	8	678	3,849
Skilled (Levels 3-5)	23,150.5	81.3	2,948	33.6	8	4,696	18,815
Highly skilled production (Levels 6-8)	23,132	83.2	2,910	33.2	8	7,952	19,241
Highly skilled supervision (Levels 9-12)	16,288	82	1,763	20.1	9	11,905	13,356
Senior management (Levels 13-16)	683	78.5	108	1.2	6	1,115	536
Contract (Levels 1-2)	175	76	44	0.5	4	25	133
Contract (Levels 3-5)	1,231	78.2	331	3.8	4	220	963
Contract (Levels 6-8)	155	81.3	43	0.5	4	56	126
Contract (Levels 9-12)	143	74.1	36	0.4	4	100	106
Contract (Levels 13-16)	8	50	2	0	4	9	4
Total	69,508.5	82.2	8,768	100	8	26,756	57,129

TABLE 9.2 Disability leave (temporary and permanent), 1 January 2005 to 31 December 2005

Salary Band	Total days taken	% 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
Lower skilled (Levels 1-2)	1,141	99.9	32	11.8	36	169	11,140
Skilled (Levels 3-5)	2,391	100	92	33.8	26	499	2,391
Highly skilled production (Levels 6-8)	4,673	99.9	132	48.5	35	1,654	4,670
Highly skilled supervision (Levels 9-12)	73	100	11	4	7	48	73
Senior management (Levels 13-16)	145	95.9	5	1.8	29	258	139
Total	8,423	99.9	272	100	31	2,628	8,413

Table 9.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

TABLE 9.3 Annual Leave, 1 January 2005 to 31 December 2005

Salary Bands	Total days taken	Average per employee	Number of employees who took leave
Lower skilled (Levels 1-2)	18,494	21	885
Skilled (Levels 3-5)	70,012	18	3,823
Highly skilled production (Levels 6-8)	91,823	22	4,117
Highly skilled supervision (Levels 9-12)	65,799	25	2,634
Senior Management (Levels 13-16)	4,007	21	190
Other	17	9	2
Contract (Levels 1-2)	210	4	58
Contract (Levels 3-5)	2,111	4	518
Contract (Levels 6-8)	476	5	91
Contract (Levels 9-12)	601	6	97
Contract (Levels 13-16)	33	5	7
Not Available	6	5	1
Total	253,588	20	12,423

TABLE 9.4 Capped leave, 1 January 2005 to 31 December 2005

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2005	Number of employees who took capped leave	Total capped leave available at 31 December 2005	Number employees as at 31 December 2005
Lower skilled (Levels 1-2)	250	4	85	58	53,402	630
Skilled (Levels 3-5)	1,216	5	36	240	64,686	1,804
Highly skilled production (Levels 6-8)	3,346	7	91	511	331,862	3,646
Highly skilled supervision (Levels 9-12)	476	6	68	84	40,521	594
Senior Management (Levels 13-16)	150	6	92	25	13,227	143
Total	5,438	6	74	918	503,698	6,817

TABLE 9.5 Leave payouts for the period 1 April 2005 to 31 March 2006

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

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2005/06 due to non-utilisation of leave for the previous cycle	140	24	5,833
Capped leave payouts on termination of service for 2005/06	1,359	277	4,906
Current leave payout on termination of service for 2005/06	395	164	2,409
Total	1,894	465	4,073

10 HIV AND AIDS AND HEALTH PROMOTION PROGRAMMES

TABLE 10.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
None	N/A

TABLE 10.2 Details of Health Promotion and HIV and AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.		X	Chief Director: Value Added Services. Ms Shuli Chikane identified as the most suitable SMS member
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		Two Staff Members. No allocated budget/ still being negotiated.
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		Provide counselling, educational workshops and health and wellness awareness events
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		Employee Advisory Committee (EAC).
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.		X	
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		Promulgated an HIV/AIDS policy that protects HIV-positive staff members from discrimination. EAP provides continuous educational sessions on discrimination.
7. Does the Department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have achieved.	X		Employees signed prevention and testing pledges. VCT referred to/conducted by independent external providers. No statistics provided.
8. Has the Department developed measures/indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.		X	

II LABOUR RELATIONS

The following collective agreements were entered into with trade unions within the Department.

TABLE 11.1 Collective agreements, 1 April 2005 to 31 March 2006

Total collective agreements	None
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The following table summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

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TABLE 11.2 Misconduct and disciplinary hearings finalised, 1 April 2005 to 31 March 2006

Outcomes of disciplinary hearings	Number	% of total
Verbal warning	18	6.1%
Written warning	34	11.4%
Final written warning	34	11.4%
Suspension without pay	13	4.4%
Demotion	4	1.3%
Dismissal	26	8.8%
Withdrawn	102	34.3%
Resigned	30	10.1%
Deceased	5	1.7%
Leave without pay	9	3.0%
Rehabilitation	1	0.3%
Corrective counselling	6	2.0%
Not guilty	15	5.1%
Total	297	100.0%

TABLE 11.3 Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	% of total
Fraud	58	19.5%
Theft	44	14.8%
Corruption	19	6.4%
Unbecoming behaviour	17	5.7%
Alcohol abuse	8	2.7%
Abuse of state prop	12	4.0%
Unauthorised Absence	40	13.5%
Negligence	8	2.7%
Loss of state money	33	11.1%
Insubordination	12	4.0%
Abscondment	3	1.0%
Sexual harassment	1	0.3%
Racism	1	0.3%
Other	41	13.8%
Total	297	100.0%

TABLE 11.4 Grievances lodged for the period 1 April 2005 to 31 March 2006

	Number	% of Total
Number of grievances resolved	110	26.3%
Number of grievances not resolved	309	73.7%
Total number of grievances lodged	419	100.0%

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TABLE 11.5 Disputes lodged with Councils for the period 1 April 2005 to 31 March 2006

	Number	% of Total
Number of disputes upheld	46	63.9%
Number of disputes dismissed	26	36.1%
Total number of disputes lodged	72	100.00%

TABLE 11.6 Strike actions for the period 1 April 2005 to 31 March 2006

Total number of person working days lost	
Total cost (R'000) of working days lost	37
Amount (R'000) recovered as a result of no work no pay	4,652

TABLE 11.7 Precautionary suspensions for the period 1 April 2005 to 31 March 2006

Number of people suspended	50
Number of people whose suspension exceeded 30 days	48
Average number of days suspended	248
Cost (R'000) of suspensions	R 2,431,205

12 SKILLS DEVELOPMENT

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

12.1 Training needs identified 1 April 2005 to 31 March 2006

Occupational Categories	Gender	Employment	Learnerships 18.1	Learnerships 18.2	NQF-Alligned courses	Skills Programmes & other short courses	Other forms of Training	Total
Legislators, senior officials and managers	Female	33	1	0	6	3	0	64
	Male	31						
Professionals	Female	831	1	0	13	40	2	1,475
	Male	644						
Technicians and associate professionals	Female	1,784	1	0	13	24	2	3,204
	Male	1,420						
Clerks	Female	9,123	1	0	16	49	4	15,283
	Male	6,160						
Service and sales workers	Female	0	0	0	0	0	0	0
	Male	0						
Skilled agriculture and fishery workers	Female	0	0	0	0	0	0	0
	Male	0						
Craft and related trade workers	Female	0	0	0	0	0	0	0
	Male	0						
Plant and machine operators and assemblers	Female	0	0	0	1	0	0	3
	Male	3						
Elementary occupations	Female	92	0	0	1	0	0	191
	Male	99						
Gender sub totals	Female	11,863						11,863
	Male	8,357						8,357
Total		20,220						20,220

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- This table is a projection of training needs in DoJ & CD (National and nine Provinces) as reflected in the WSP.
- Learnership 18.1 is a learnership for full time employees in the DoJ & CD.
- Learnership 18.2 is a learnership for people outside the Department e.g. - matriculants, postgraduates, etc.
- NQF is the training that is credit bearing in terms of the SDA (Skills Development Act) with accredited Private Service Providers.

12.2 Training provided 1 April 2005 to 31 March 2006

Occupational Categories	Gender	Employment	Leadership 18.1	Leadership 18.2	NQF- Alligned courses	Skills Programmes & other short courses	Other forms of Training	Total
Legislators, senior officials and managers	Female	10	0	0	0	8	0	31
	Male	21						
Professionals	Female	1,425	1	0	5	64	0	3,111
	Male	1,686						
Technicians and associate professionals	Female	501	1	0	4	42	0	940
	Male	439						
Clerks	Female	6,025	1	0	6	73	1	9,430
	Male	3,450						
Service and Sales workers	Female	0	0	0	0	0	0	0
	Male	0						
Skilled agriculture and fishery workers	Female	0	0	0	0	0	0	0
	Male	0						
Craft and related trades workers	Female	0	0	0	0	0	0	0
	Male	0						
Plant and machine operators and assemblers	Female	0	0	0	1	1	0	15
	Male	15						
Elementary occupations	Female	44	0	0	1	2	0	63
	Male	19						
Gender sub totals	Female	8,005						13,593
	Male	5,588						
Total		13,593						13,593

- This table is a reflection of actual training that took place in the above reporting period as per DoJ & CD Annual Training Report.
- Learnership 18.1 includes OD-ETDP - (still in process), Court Manager.
- NQF- aligned Courses: Secretary, Time Management, Assessor, Mentor and SDF courses.
- Skills Programmes and other short courses: Computer; Management, Finance, Secretarial, Masters, Court Services, State Attorneys, State Law Advisors.

13 INJURY ON DUTY

The following tables provide basic information on injury on duty.

TABLE 13.1 Injury on duty, 1 April 2005 to 31 March 2006

Nature of injury on duty	Number	% of total
Required basic medical attention only	6	27
Pending Investigation	15	68
Temporary Total Disablement	0	
Permanent Disablement	0	
Fatal	1	5
Total	22	100

14 UTILISATION OF CONSULTANTS

Table 14.1 Report on consultant appointments using appropriated funds

Project Title	Total number of consultants that worked on the project	Duration: Months	Contract value in Rands
e-Schedules	1	6	250,000
Cost Management Development	2	12	581,000
e-Justice	92	12	20,000,000
Total number of projects	Total individual consultants	Total duration: Months	Total contract value in Rand
3	95	36	20,831,000

Table 14.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Cost Management	62	78	2
e-Justice	65	65	60

Table 14.3

Consultant appointments using Donor funds
None

Table 14.4

Consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals
None