

Department of Rural Development
and Land Reform

Annual Report

2014/15



rural development
& land reform

Department:
Rural Development and Land Reform
REPUBLIC OF SOUTH AFRICA

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Department of Rural Development and Land Reform
Annual Report 2014/15
Vote 33

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PART A

General information



1. General information

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2. List of Abbreviations/Acronyms

| | | | |
|---------------|--|--------------|--|
| AG | Auditor-General | DMP | Demand Management Plans |
| AGSA | Auditor-General of South Africa | DORA | Division of Revenue Act |
| AFS | Annual Financial Statement | DPSA | Department of Public Service and Administration |
| AIDS | Acquired Immune Deficiency Syndrome | DRDLR | Department of Rural Development and Land Reform |
| APP | Annual Performance Plan | EC | Eastern Cape |
| ALHA | Agricultural Land Holdings Account | EE | Employment Equity |
| ASNAPP | Agribusiness in sustainable natural plant | EEA | Employment Equity Act |
| ANC | African National Congress | EHWP | Employee Health and Wellness Programme |
| BAS | Basic Accounting System | FCC | Finance Compliance Committee |
| CTH | Cheadle Thompson and Hayson | FMPPI | Framework for managing programme performance information |
| CRLR | Commission on Restitution of Land Rights | GRAP | General Recognised Accounting Practice |
| CFO | Chief Financial Officer | Ha | Hectares |
| CPA | Communal Property Association | HH | Households |
| CRDP | Comprehensive Rural Development Programme | HIV | Human Immuno-deficiency Virus |
| DAFF | Department of Agriculture Fisheries and Forestry | HR | Human Resource |
| DoA | Delegations of Authority | HRD | Human Resource Development |
| DDG | Deputy Director-General | ICT | Information Communication Technology |
| DG | Director-General | | |
| DM | District Municipalities | | |



| | | | |
|----------------|--|-----------------|--|
| IDP | Integrated Development Plan | PSSC | Provincial Shared Service Centre |
| IT | Information Technology | PSW | Public Service Week |
| JE | Job Evaluation | PSTF | Public Service Trainers Forum |
| JHB | Johannesburg | POE | Portfolio of Evidence |
| KZN | KwaZulu-Natal | RADP | Recapitalisation and Development Programme |
| LP | Limpopo | RDP | Rural Development Programme |
| MCS | Modified Cash Standard | REID | Rural Enterprise and Industrial Development |
| MP | Mpumalanga | RID | Rural Infrastructure Development |
| MPAT | Management Performance Assessment Tool | RLCC | Regional Land Claim Commission |
| MTSF | Medium Term Strategic Framework | SCM | Supply Chain Management |
| MTEF | Medium Term Expenditure Framework | SCMP | Supply Chain Management Policy |
| NARYSEC | National Rural Youth Services Corps | SCOA | Standard Chart of Accounts |
| NBAC | National Bid Adjudication Committee | SDIP | Service Delivery Improvement Plan |
| NDP | National Development Plan | SDF | State Domestic Facilities |
| NDS | National Development Skills | SG | Surveyor General |
| NEDLAC | National Economic Development and Labour Council | SETA | Skills Education Training Agency |
| NPC | National Planning Commission | SOP | Standard Operating Procedures |
| NSDF | National Spatial Development Framework | SMS | Senior Management Service |
| OHS | Occupational Health and Safety | SLA | Service Level Agreement |
| OSD | Occupation Specific Dispensation | SPLUM | Spatial Planning and Land Use Management |
| OVG | Office of the Valuer-General | SPLUMA | Spatial Planning and Land Use Management Act |
| PA | Performance Agreement | TB | Tuberculosis |
| PAA | Public Audit Act | TCC | Tax Clearance Certificates |
| PERSAL | Personnel Salaries | TR | Treasury Regulations |
| PFMA | Public Finance Management Act | TRANCRAA | Transformation of Certain Rural Areas Act |
| SIU | Special Investigating Unit | WC | Western Cape |
| PLOF | Policy on Land Ownership by Foreigners | VCT | Voluntary Counselling and Testing |

| 3. Strategic Overview

3.1 Vision

Vibrant, equitable and sustainable rural communities.

3.2 Mission

To initiate, facilitate, coordinate, catalyse and implement an integrated rural development programme.

3.3 Values





3.4 Strategic Outcome Orientated Goals

| | |
|-------------------------|--|
| Strategic Goal 1 | Corporate governance and service excellence |
| Goal Statement | Forster corporate governance and service excellence through compliance with the legal framework |
| Strategic Goal 2 | Improve land administration for integrated and sustainable growth and development |
| Goal Statement | Improve land administration and spatial planning for integrated sustainable growth and development with a bias towards rural areas |
| Strategic Goal 3 | Promote equitable access to and sustainable use of land for development |
| Goal Statement | An inclusive and equitable land dispensation with transformed patterns of land tenure and use |
| Strategic Goal 4 | Promote sustainable rural livelihoods |
| Goal Statement | Improve rural livelihoods as a result of capabilities, income and job opportunities provided |
| Strategic Goal 5 | Improved access to services |
| Goal Statement | Improve access to services in rural areas through the coordination of quality infrastructure |
| Strategic Goal 6 | Sustainable rural enterprises and industries |
| Goal Statement | Promote economically, socially and environmentally viable rural enterprises and industries |
| Strategic Goal 7 | Restoration of Land Rights |
| Goal Statement | Restoration of land rights in terms of the Restitution of Land Rights Act, as amended. |

4. Legislative and other Mandates

The constitutional and legislative mandate which informed the operations of the department in the financial year under review was drawn from, amongst other, the following legislations:

- **Deed Registries Act, No. 47 of 1937**

The Act makes provision for the administration of the land registration system and the registration of rights in land. It requires that deeds and documents be prepared and lodged in a Deeds Registry by a Conveyancer or Notary Public. These deeds and documents are subjected to three levels of examination by legally qualified personnel who scrutinise the contents for accuracy and compliance with common law, case law and statutory law.

- **State Land Disposal Act, No. 48 of 1961**

The Act makes provision for the disposal of certain State land and to prohibit the acquisition of State land by prescription.

- **Sectional Titles Act, No. 95 of 1986**

The Act makes provision for the division of buildings into sections and common property and for the acquisition of separate ownership in sections coupled with joint ownership in common property. It further regulates the transfer of ownership of sections and the registration of sectional mortgage bonds over, and real rights in, such sections. It also makes provision for the establishment of body corporates to control common property.

- **Upgrading of Land Tenure Rights Act, No. 112 of 1991**

The Act makes provision for the upgrading and conversion into ownership of certain rights graded in respect of land, as well as for the transfer of tribal land into full ownership to a tribe.

- **Land Reform: Provision of Land and Assistance Act, No. 126 of 1993**

This Act makes provision for the designation of certain land, the regulation of the subdivision of such land and the settlement of persons thereon. In addition, it provides for the acquisition, maintenance, planning development, improvement and disposal of property and the provision of financial assistance for land reform purposes.

- **Restitution of Land Rights Act, No. 22 of 1994**

The Act makes provision for the restitution of rights in land to persons or communities dispossessed of such rights after 19 June 1913 as a result of past racially discriminatory laws or practices. To administer this task, the Act established a Commission on Restitution of Land Rights and a Land Claims Court. The Minister is authorised to purchase, acquire in any other manner or expropriate land or rights in land for the purpose of restitution awards.



- **Land Reform (Labour Tenants) Act, No. 3 of 1996**

The Act makes provision for the security of tenure of labour tenants and those persons occupying or using land as a result of their association with labour tenants. It also makes provision for the acquisition of land and rights in land by labour tenants.

- **Communal Property Associations Act, No. 28 of 1996**

The Act makes provision for communities to form juristic persons, to be known as communal property associations, in order to acquire, hold and manage property on a basis agreed to by members of a community. This has to be done in terms of a written constitution.

- **Land Survey Act, No. 8 of 1997**

The Act makes provision for the regulation of the survey of land in South Africa.

- **Extension of Security of Tenure Act, No. 62 of 1997**

The Act makes provision for the facilitation of long-term security of land tenure, to regulate the conditions of residence on certain land and to regulate the conditions on and circumstances

under which the right of persons to reside on land may be terminated.

- **Planning Profession Act, No. 36 of 2002**

The South African Council for Planners is established under this Act. The Act makes provision for different categories of planners and the registration of planners and authorises the identification of areas of work for planners. The Act seeks to protect the public from unethical practices and to ensure a high standard of professional conduct and integrity.

- **Professional and Technical Surveyors Act, No. 40 of 1984**

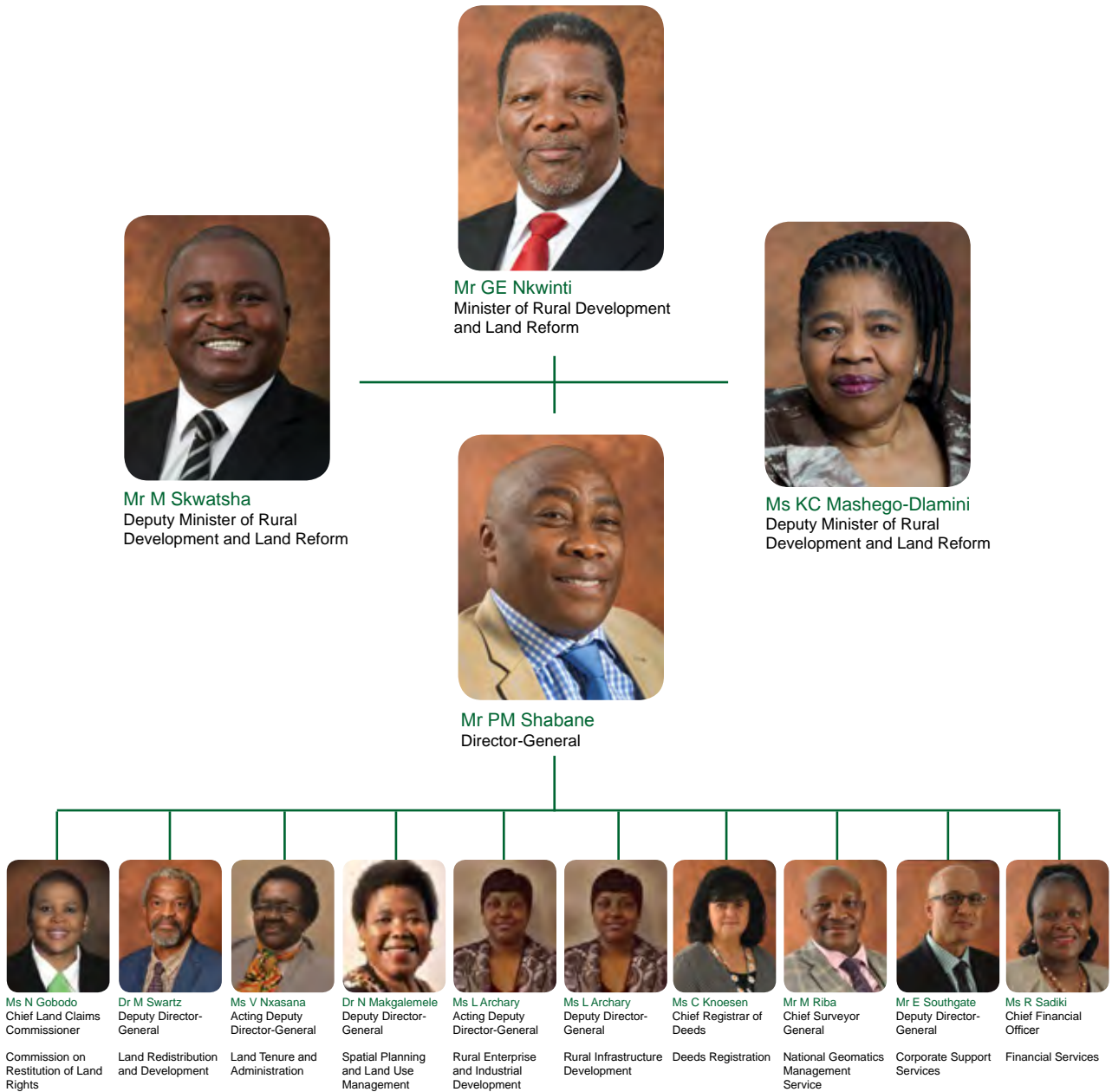
The Act makes provision for the establishment of a South African Council for Professional and Technical Surveyors, as well as the registration of professional surveyors, professional surveyors in training, surveyors, survey technicians and survey technicians in training.

- **Spatial Data Infrastructure Act, No. 54 of 2003**

The Act makes provision for an electronic metadata catalogue and for the determination of standards and prescriptions with regard to the facilitation of the sharing of spatial information.

5. Organisational Structure

MACRO ORGANISATIONAL STRUCTURE





6. Entities Reporting to the Minister

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

| Name of entity | Legislative mandate | Financial relationship | Nature of operations |
|---------------------------------------|---|--------------------------------------|--|
| Ingonyama Trust Board | The Ingonyama Trust is established in terms of the provisions of the KwaZulu-Natal Ingonyama Trust Act (Act 3 of 1994). Its core business is to manage land for the material benefit and social wellbeing of the individual members of the tribes. | Augmentation of the entity's budget. | Administer Ingonyama Trust land for the material and social benefit of the affected communities. |
| Registration of Deeds Trading Account | The Registration of Deeds Trading Account is a trading entity established in terms of the Public Finance Management Act (1999). It generates revenue by selling information and levying fees in accordance with the schedule of fees prescribed by regulation 84 of the Act; registers rights in land and thus provides security of title. It also maintains public registers of land. | Augmentation of the entity's budget. | Registration of deeds. |
| Agricultural Land Holding Account | The Agricultural Land Holding Account was established in terms of the Provision of Land and Assistance Act, Act No. 126 of 1993 Section 10(1) (a) gives legal effect to the proactive acquisition of land, where the Minister may, from funds appropriated by Parliament for this purpose, acquire land for the purposes of this Act. Therefore the State will proactively target land and match this with the demand or need for land. | Funds the operations of the entity. | Acquisition of strategically located land for agricultural productivity. |

7. Foreword by the Minister



The Freedom Charter, a product of the People's Congress organised by the ANC and its Congress Allies in 1955, remains the ANC's ideological platform; one which continues to inform and undergird policy and strategic thinking and perspectives. Unlike neo-liberalism, which propagates the invisible hand's trickle-down and ahistorical model of development, or, anarchism, which has no real ideological basis, but propagates chaos and social disorder, the Freedom Charter provides for an inclusive, redistributive model of development.

Nkwinti, GE (MP)

Minister of the Department of Rural Development and Land Reform

The drafters of the Freedom Charter took into account the country's colonial and apartheid past, whose legacy could never be reversed through unmediated and unmitigated strategies and tactics.

As part of its work towards the installation of our democratic dispensation, the ANC developed the Ready To Govern document, which has four pillars, being:

- a) to strive for the achievement of the right of all South Africans, as a whole, to political and economic self-determination in a united South Africa;
- b) to overcome the legacy of inequality and injustice created by colonialism and apartheid, in a swift progressive and principled way;
- c) to develop a sustainable economy and state infrastructure that will progressively improve the quality of life of all South Africans; and,
- d) to encourage the flourishing of the feeling that South Africa belongs to all who live in it, to promote common loyalty to, and pride in, the country; and, to create a universal sense of freedom and security within its borders.

Informed by this socio-economic framework, the ANC developed its economic policy, the mixed economy, premised on the spirit, if not also the letter, of the Freedom Charter.

The mixed economy policy framework provides for public, private and household participation. The provision for direct public sector participation comes from the recognition that, given our history of colonialism and apartheid, which used race, gender and class as key determinants in the distribution of national assets and resources, it was not possible to achieve a just and equitable redistribution of our country's wealth, as dictated by the Freedom Charter, unmediated and unmitigated.

Both the letter and spirit of the Freedom Charter find expression in the Constitution of the Republic in that the latter provides for a representative and participatory system of democracy. The Honourable Members of this House have been distributed according to the will of the people, expressed through democratic elections.

Yet, notwithstanding the democratic mandate Members received to pass legislation, they still go out there and consult the people when considering Bills from the government. Before it submits Bills to this House, the government subjects them to public scrutiny, including through the National Economic Development and Labour Council (NEDLAC). All this is in keeping with the tradition of the Freedom Charter.

The ANC's 53rd National Conference (2012) confirmed resolutions taken by its 52nd Conference (2007) on rural development, agrarian change and land reform. The 53rd Conference passed resolutions that sought to make a break with colonial and apartheid systems and patterns of land ownership and control in the country.

The political thread which ran through all presentations, including the Presidential Address, and discussions during the conference was 'Radical socio-economic change during this second phase of the transition from colonialism and apartheid to a national democratic society'; a transition from colonial and apartheid system of development, based on institutionalised race, gender and class discrimination, to an inclusive, redistributive one, based on the Freedom Charter.

One of the groundbreaking resolutions taken at the 53rd National Conference of the governing party was the adoption of the National Development Plan (NDP), which sets out the country's vision for the period up to 2030: Vision 2030.



The National Development Plan (NDP) introduces its Overview by the following quotation from the Reconstruction and Development Programme (RDP), 1994:

No political democracy can survive and flourish if the mass of our people remain in poverty, without land, without tangible prospects for a better life. Attacking poverty and deprivation must therefore be the first priority of a democratic government.

The National Planning Commission (NPC) proposes a differentiated rural development strategy that focuses on:

- Agricultural development, based on successful land reform, employment creation and strong environmental safeguards. To achieve this, irrigated agriculture and dry-land production should be expanded, with emphasis on smallholder farmers where possible. To this end, established agricultural industries must be enabling partners.
- Quality basic services, particularly education, health care and public transport. Well-functioning and supported communities enable people to seek economic opportunities. This allows them to develop their communities further through remittances and the transfer of skills, which will contribute to the local economy.
- In areas with greater economic potential, industries such as agro-processing, tourism, fisheries (in coastal areas) and small enterprise development should be developed with market support. Special focus to enhance skills and capabilities of rural women entrepreneurs with access to land and finance.

The strategy should ensure access to basic services, food security and the empowerment of farm workers. It should also recognise the wide range of opportunities present in rural areas and develop strategies tailored to local conditions. Institutional capacity is integral to success, especially in the reforms required to resolve contested relationships between traditional and constitutional institutions.

In areas with greater economic potential, industries such as agro-processing, tourism,

fisheries and small enterprise development should be developed.

Making land reform work – land reform is necessary to unlock the potential for a dynamic, growing and employment-creating-agricultural sector. The proposed model is based on the following principles:

- Enable a more rapid transfer of agricultural land to black beneficiaries without distorting land markets or business confidence in the agri-business sector.
- Ensure sustainable production on transferred land by making sure that human capabilities precede land transfer through incubators, learnerships, apprenticeships, mentoring and accelerated training in agricultural sciences.
- Establish monitoring institutions to protect land markets from opportunism, corruption and speculation.
- Bring land transfer targets in line with fiscal and economic realities to ensure that land is successfully transferred.
- Offer white commercial farmers and organised industry bodies the opportunity to significantly contribute to the success of black farmers through mentorships, value chain integration, preferential procurement and meaningful skills transfer.

The Medium Term Strategic Framework (MTSF) 2014-2019 is the first five-year period for the implementation of the NDP. The implementation of the NDP is in full swing.

It, thus, gives me great pleasure to present to Parliament the 2014/15 Annual Report of the Department of Rural Development and Land Reform.

Nkwinti, GE (MP)

Minister: Rural Development and Land Reform
Date: 20 September 2015

8. Statement by Deputy Minister Mashego-Dlamini



During the past financial year, the department intensified its mandate of growing sustainable rural enterprises and industries and also providing the rural infrastructure development of the communities across the country. To this end, we managed to facilitate and support the development of rural primary, secondary and tertiary cooperatives, rural enterprises and industrial initiatives, and increasing job creation and skills development related opportunities through the CRDP initiatives.

Ms KC Mashego-Dlamini (MP)

Deputy Minister of the Department of Rural Development and Land Reform

In alleviating the plight of rural women in particular, the department continued its support to the arts and crafts enterprises development and various cooperatives were provided with opportunities to participate in exhibitions and markets, with the purpose of exposing their products to local and international markets. As a result of this support, they received large orders of their products and gained enormous exposure.

During the reporting period, the department, with partners and the private sector managed to change the livelihoods of our rural communities through the provision of agricultural skills and modern day farming equipment to maximise production.

The Rural Enterprise and Industrial Development Programme assisted in addressing food security and creating job opportunities throughout the dairy value chain in several households in Limpopo, working with the provincial Department of Agriculture, the National Development Agency and other stakeholders.

In advancing our mandate of rural development, we ensured that farmers, farming in various commodities, like vegetables, cotton, cattle, ostriches, poultry and building of feedlots, are assisted and supported. We also ensured that sustainable economic opportunities are created and add value to their assets using the asset-based community development approach.

In order to continue with the President's call of creating jobs for all our people, numerous projects in the Rural Infrastructure Development Programme were created, focusing on the socio-economic front, such as the provision of basic services infrastructure and supporting rural economic transformation through the Animal and Veld Management and the River Valley Catalytic Programmes to rural communities.

We have provided 2 211 community members and 3 145 rural youth with skills through the National Rural Youth Service Corps (NARYSEC) programme.

The I-school Africa Rural Development Project, a partnership between a private company, the Core group and the department, was launched in KwaZulu-Natal, where 60 rural schools received ipads, facilitators and the deployment of NARYSEC participants per school for three years with an intention of developing the academic potential of the rural learners.

The provision of infrastructure to our communities forms an important element of our responsibility. Various infrastructure projects were launched throughout the country, in Msinga (KwaZulu-Natal), in KwaNgema (Mpumalanga) and Beaufort West (Western Cape). These multi-million rand projects will enhance the development and sustenance of these rural communities.

Together with the National Treasury we are rolling out and managing the rural component of the Neighbourhood Development Partnership Grant on behalf of treasury. The aim of this partnership is that the Department of Rural Development and Land Reform will over the next two years, build its own capacity to take over and manage a rural grant that will revitalize the rural towns.

It is important that we and our partners, private and civil society, work together in developing our rural communities, because it is when working in unison that we can achieve our ultimate goal and vision.

A handwritten signature in black ink, appearing to be 'Mashego-Dlamini', written over a faint circular stamp or watermark.

Mashego-Dlamini, KC (MP)

Deputy Minister: Rural Development and Land Reform

Date: 15 September 2015

9. Statement by Deputy Minister Skwatsha



The key strategy of the Department of Rural Development and Land Reform is agrarian transformation which is interpreted to denote a rapid and fundamental change in the relations, systems and patterns of ownership and control of land, livestock, cropping and community. In the past financial year there were concerted efforts in ensuring the implementation of its strategy through land reform programmes and initiatives which are aligned to the National Development Plan (NDP) and the New Growth Path.

Mr M Skwatsha (MP)

Deputy Minister of the Department of Rural Development and Land Reform

In the year under review, the department continued to take on the challenges to land reform. Amongst these is marginalisation of the poor, many rural areas and households are trapped in a cycle of poverty, the need to coordinate development planning, resource allocation. Implementation and monitoring require strengthening to address the challenges facing rural areas. Agrarian reform has not yet translated into the desired strategic objective of equitable ownership, establishing sufficient numbers of new black commercial farmers, as well as ensuring productive utilisation of newly allocated land. Food security also needs to be strengthened by overcoming the under-utilisation of productive agricultural resources on communal land and land reform projects.

Amongst the steps taken to address these issues include:

- the roll out the CRDP to all rural municipalities;
- ensuring better decision making in selecting farms and farmers. In this regard the department has been establishing District Land Reform Committees in all districts of the country as outlined in the NDP. It is hoped that these committees will help to take better decisions on land reform by the utilisation of local knowledge in the decision making process;
- improving productivity in land reform projects through effective implementation of the Recapitalisation and Development Programme;
- the reopening of the period for the submission of Land Claims and expediting the finalisation of land claims from the first application period;
- improving corporate governance and ensuring enhanced service delivery;
- implementing proper change management and innovation strategies.

In his State of the Nation address, His Excellency, President Zuma, outlined a nine point plan to ignite growth and create jobs. The second of the nine points is “Revitalising agriculture and the agro-processing value chain.” In this context the Agri-Parks are being rolled out and the Land Reform branches of the department have been realigning the acquisition of land and the Recapitalisation and Development Program (RADP) to this new direction.

The RADP was launched in 2010 with the objectives of:

- increasing agricultural production;
- guaranteeing food security;
- graduating small farmers into commercial farmers; and
- creating employment opportunities in the agricultural sector.

The programme is designed to help struggling land reform farms that have received insufficient support, but have the potential to become successful. These farms receive technical and financial support from the department. Since the inception of this programme, R3.2 billion has been spent on recapitalisation. In the year under review the department has developed a turn-around strategy for the RADP in response to an assessment report by the Department of Monitoring and Evaluation. This has been presented to Cabinet and the Parliamentary portfolio committee.

This Annual Report addresses these areas and how we’ve fared in ensuring that we meet the targets that we had set out for the department and the sector.

The department addresses these challenges through the implementation of the Spatial Planning and Land Use Management Act which provide the country with a single system for spatial planning and land use management



to replace the complex, disjointed and discriminatory spatial planning and land use management system.

It is with my sincere pleasure to thank the Minister for the outstanding role he played in driving this department with goal orientated leadership.

I would like to present this 2014/15 Annual Report of the Department of Rural Development and Land Reform to the Minister of Rural Development and Land Reform, the Honourable GE Nkwinti (MP), for presentation to Parliament.

Mr Mcebisi Skwatsha (MP)
Deputy Minister: Rural Development
and Land Reform
Date: 14 September 2015

10. Overview of the Accounting Officer



In the last few years, my department has formed and implemented a number of programmes and policies that directly address and seek to advance the pace of land reform and distribution. The policies my department has formulated are in line with government's priorities relating to land reform and rural development and set to steer us towards implementing the National Development Plan (NDP)', said Minister GE Nkwinti (MP) in his foreword of the department's 2014/15 Annual Performance Plan (APP).

Mr PM Shabane

Director-General of the Department of Rural Development and Land Reform

These are the words that served as marching orders to the officials in their quest to continue to deliver on the mandate of the department. The 2014/15 financial year marked the first year of the five-year cycle of the implementation of the NDP. In July 2014, Cabinet approved the 2014-2019 Medium Term Strategic Framework (MTSF) which, among other things, formed the basis of the Strategic Plan and the APP which is now the subject of this Annual Report.

During 2014/15, as is expected of every learning organisation, the department sought to improve on performance compared to the previous two to three years. Among the areas targeted for improvement, during this period, were programme performance against targets set in the APP, improvement on the quality of performance information, improved management of the asset register and maintaining, if not improving, on the record of an unqualified audit.

As the audited information will show, the department had mixed results, i.e. exceptional performance in some areas and not so good performance in others. The organisation continues to show strong capacity to spend the allocated budget but struggles at the same time to link such expenditure to the APP targets, which is a cause for concern. As reported in the previous financial year, the department decided to split the erstwhile Land Reform and Administration Branch into two, namely, the Land Redistribution and Development Branch including, the Land Tenure and Administration Branch.

It is these two branches that, in the main, struggled with meeting the set targets while recording a remarkable improvement in other areas, such as improvement in performance information management. It should be noted that it is the first time since the approval of the White Paper on South African Land policy,

in 1997, that a stand-alone Land Tenure and Administration Branch is established in government. The teething problems experienced during implementation can only serve as benefit of hindsight going into the second year of the establishment of this Branch.

The improvement in the number of hectares acquired and allocated, together with the increase in the number of jobs created under the Land Redistribution Branch, is a development we should be happy about, as criticism in the past has been based on the allegation that Land Reform is shedding jobs. The department continues to improve the capacity of these two branches to improve the quality of service offered by the department. In particular, each province will now have four directorates, each responsible for property management, land tenure, land acquisition and finally recapitalisation and development.

The establishment of these strategic positions should serve as the clearest indication that the department is not only serious about building the necessary capacity to improve service delivery, but that there should be a marked qualitative improvement in services rendered by the department. For example, the establishment of the new Land Redistribution and Development Branch and the establishment of new directorates at the provincial level, means that the department is gearing itself to contribute meaningfully to the creation of the NDP's 1 million jobs through the Land Reform Programme. This is achieved by acquiring strategically located land, allocate it to small holder farmers and provide them with requisite support through the Recapitalisation and Development Programme (RADP). This will provide black farmers with an opportunity for direct participation in the real economy thereby sharing in its growth and job creation. Employment of people with the requisite skills

and the right attitude will add value to the endeavour.

During 2014/15 the process of moving the Commission on Restitution of Land Rights (CRLR) towards full autonomy, gathered momentum. The Commission tabled its own Strategic Plan and APP at the beginning of the year and the Chief Land Claims Commissioner started to report directly to the Minister. The Commission will in future report separately to Parliament instead of reporting through the department. We are very proud that the Commission, despite resource constraints as a result of limited budgeted, achieved 100% of its targets.

Programme 3, which is rural development, the biggest by far in terms of the number of targets set in the APP, is making tremendous strides in achieving service delivery related targets, such as support to rural enterprises, skills development and job creation. These results are beginning to show that this critical area is making the required impact and an affirmation of the correctness of the decision in creating the department responsible for rural development. There is no doubt that a lot more needs to be done. The important step has been taken and the results are starting to show as the programmes mature.

Chapter six of the NDP emphasises, among other things, rural socio-economic infrastructure, provision of basic services and rural enterprises. The department's rural development programmes and initiatives are primarily designed to directly respond to challenges set out in the NDP. The intentions of the department, first and foremost, as a service delivery

department and a coordinating department of Outcome 7 of the government's Outcome Based Approach, is clearly set out in the MTSF 2014-2019. The success of this department will, to a large extent, depend on how well it is able to rally the government as a whole towards the achievement of the targets as set out in the MTSF. What is clear is that the department has demonstrated that it has the ability to meet this challenge.

Finally, I am happy to report that the department has a new Chief Financial Officer, who joined the department in February 2015. We wish her all the best in the challenging yet exciting position. At the beginning of the year under review, we were also joined by the DDG in Corporate Support Services, filling a strategic position that was vacant for a while. I wish to take this opportunity to thank the Minister and his two Deputies for their leadership, guidance and support, the management and staff of the entire department for their commitment and dedication. Without all their efforts, the department would not have made the progress we achieved.

To the oversight and governance bodies, such as the Portfolio Committee, the Audit, and Risk and Compliance committees, your vigilance, insight and support is very much appreciated.



PM Shabane

Director-General: Rural Development
and Land Reform

Date: 15 September 2015

PART B

Performance information



1. Accounting Officer's Statement of Responsibility for Performance Information

The department prepared the report on its performance against predetermined objectives in accordance with the requirements of sections 40(3) (a) and 55 (2(a) of the Public Finance Management Act (Act No. 1 of 1999), Chapter 18 section 18.3.1 (b) of Treasury Regulations and Chapter 6 of the National Treasury Framework for Managing Programme Performance Information, issued by the National Treasury. Therefore, the information reported is a product of established internal policies, procedures and controls related to the management of performance information designed to provide reasonable assurance about the integrity and reliability of performance information.

In my opinion, the performance information fairly reflects the performance of the department against objectives set for the financial year ended 31 March 2015.



PM Shabane
Accounting Officer
Date: 31 July 2015

2. Auditor-General's Report: Predetermined Objectives

The AGSA currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the

Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 75 of the Report of the Auditor-General, published as Part E: Financial Information.

3. Overview of Departmental Performance

3.1 Service Delivery Environment

The main focus of the department is to create an enabling environment to ensure that rural communities have greater opportunities to participate fully in the economic, social and political life of the country; supported by good legislation and policies that facilitate accelerated land reform, access to basic services, socio-economic infrastructure, skills development and job creation for the rural communities. The aim is to ensure that the department contributes to the development of an inclusive rural economy.

To this end the department implemented the organisational renewal plan that increased efficiency and improved governance,

accountability and transparency. It developed various policies and legislation that governs service delivery. It also instituted various mechanisms to build capacity and capabilities to improve service delivery including the process of reporting for accountability. This translated in the department recording improved performance of 55% achievement on its set targets on the predetermined objectives.

The department performed significantly in providing 8 087 households with access to basic services, 2 822 youth skilled through the National Rural Youth Service Corps (NARYSEC) Programme, 440 farmers trained, 6 841 jobs created through rural development and land reform initiatives and giving support to 442 rural enterprises. The department settled 428 and



finalised 372 land claims respectively, acquired 354 802 hectares of land, and vested 1646 land parcels. This is indicative of the significant progress in making profound changes to the land ownership patterns and promoting access to land by previously disadvantaged individuals.

3.2 Service Delivery Improvement Plan

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

Main Services provided and Standards

| Main Service | Actual Customers | Potential Customers | Standard of Service | Actual Achievement against Standards |
|--|---|---|--|--|
| 1. To settle restitution claims and provide settlement support | Dispossessed communities | Dispossessed communities | 379 land claims settled 239 land claims finalised | 428 land claims settled 372 land claims finalised |
| 2. To acquire and allocate strategically located land | Rural communities and emerging farmers | Rural communities and emerging farmers | 390 000ha acquired 303 farms recapitalised 909 jobs created through Land Reform projects | 354 802 ha distributed 217 farms recapitalised. 1 925 jobs created through Land Reform projects. |
| 3. Deeds registration that underpins security of land tenure | <ul style="list-style-type: none"> Land owners, Potential land owners Holders of real rights in land Conveyancers / Notaries Municipalities Government departments, Financial institutions | <ul style="list-style-type: none"> Land owners, Potential land owners Holders of real rights in land Conveyancers / Notaries Municipalities Government departments, Financial institutions | 953 424 Deeds registered | 961 518 Deeds registered |

Consultation arrangements with Customers

| Type of Arrangement | Actual Customer | Potential Customer | Actual Achievements |
|---------------------------------------|--|---|--|
| Quarterly Client Satisfaction Surveys | <ul style="list-style-type: none"> Conveyancers General public | <ul style="list-style-type: none"> Internal staff Land reform beneficiaries Land surveyors Conveyancers General public | An external client satisfaction survey was conducted for clients of the branch: Land Reform; in the Eastern Cape, Gauteng and Limpopo Provinces. |

Service Delivery Access Strategy

| Access Strategy | Actual Achievements |
|---------------------------|--|
| Public Service Week (PSW) | Outreach programmes were conducted in the Gauteng, Mpumalanga and Northern Cape Provinces. |

Service Information Tool

| Types of Information Tool | Actual Achievements |
|---------------------------|--|
| Exhibitions, workshops | 106 campaigns were branded and 41 exhibitions on the department's services were conducted in various parts of the country. |

Complaints Mechanism

| Complaint Mechanism | Actual Achievements |
|------------------------------|---|
| No of queries received = 268 | Resolved = 49 Closed = 72 Outstanding = 147 |

3.3 Organisational environment

Over the 2014/15 financial year, the department repositioned itself and reconfigured some of its functional focus in the following areas of work:

The movement of the Chief Directorate: Social Organisation and Youth Development from the establishment of the Branch: Rural Enterprise and Industrial Development to the Branch: Rural Infrastructure Development. The relocation of the unit was necessitated by the fact that the purpose and functions of the NARYSEC programme are more aligned to the work in the Branch: Rural Infrastructure Development.

The organisational structure for the Office of the Valuer-General (OVG) was created. Five functional areas were considered, namely: Policy Formulation, Market Research and Reports, Valuations, Data Management and Monitoring and Contract Management. The OVG will be expected to provide Government Agencies with consulting and advisory services relating to property and real estate matters. It will be expected of this Office to meet with interested parties and stakeholders groups on valuation matters with a view of educating the public on Government related valuations.

The relocation of the Chief Directorate: PLAS Financial Management Services from the

Branch: Land Redistribution and Development to the Branch: Financial Services. The Chief Directorate: PLAS Financial Management Services is responsible for managing the Agricultural Land Holdings Account (ALHA) established in terms of the Provision of Land and Assistance Act (Act 126 of 1993), Section 10(1) (a) giving legal effect to the proactive acquisition of land, where the Minister may, from money appropriated by Parliament for this purpose, acquire land for the purpose of the Act. The ALHA, as a trading entity, is regarded as an entity operating within the administration of the Department of Rural Development and Land Reform.

The Branch: Land Tenure and Administration's provincial organisational structure and post establishment for Tenure Reform Implementation was reviewed in order to formulate the activities for the functional structure and identify the capacity requirements at provincial and district level.

All of the above organisational repositioning is meant to demonstrate both the commitment to take the land reform and rural development priority mandate of government into a new trajectory with the incoming political administration and the increased efficiency in the public administration of this portfolio.

3.4 Key policy developments and legislative changes

During the period under review, there were no major changes in the legislation and policies of the department with the exception of SPLUMA which was taken through the legislative process and it became effective as of 1 July 2015.

In this regard, the President has assented to the following laws:

- Spatial Planning and Land Use Management Act (SPLUMA);
- Restitution of Land Rights Amendment Act;
- Property Valuation Act; and,
- Geomatics Profession Act.

Policy development (including extensive public participation) has also been undertaken in respect of the following areas, with draft policies, underpinning related Bills in place:

- Regulation of Land Holdings Bill;
- Extension of Security of Tenure Amendment Bill;
- Communal Property Associations Amendment Bill;
- Communal Land Tenure Bill; and,
- Electronic Deeds Registries Bill.

4. Strategic Outcome Oriented Goals

- Corporate governance and service excellence
- Improve land administration for integrated and sustainable growth and development
- Promote equitable access and sustainable use of land for development
- Promote sustainable rural livelihoods
- Improved access to services
- Sustainable rural enterprises and industries
- Restoration of land rights

5. Performance Information by Programme

Programme 1: Administration

Purpose: Provide strategic and logistical support in the form of executive and corporate services; acquiring of vehicles for departmental use, oversee departmental capital works, and provide bursaries to non-employees.

Sub-programmes

- Ministry
- Management
- Internal Audit
- Corporate Support Services
- Financial Services

- Provincial Coordination
- Office Accommodation

Strategic Objectives

The following are the strategic objectives of Programme 1: Administration

- Ensure 100% compliance with government regulations and legal prescripts by 2019
- Obtain an unqualified regularity audit opinion on financial and non-financial performance by 2019
- Improve employees and prospective employees skills to enhance service delivery by 2019

| Programme 1: Administration | | | | | |
|---|---|----------------------------------|--|---|--|
| Strategic objective | Performance indicator | Baseline (Actual output) 2013/14 | Actual performance against target | | Reasons for variance |
| | | | Target (2014/15) | Actual (2014/15) | |
| Ensure 100% compliance with government regulations and legal prescripts by 2019 | % allocated budget spent | 99,9% | 100 % | 99,1% | The under-achievement was due to vacant positions not filled. Some projects did not progress as envisaged due to technical requirements of new policies. |
| | % of valid invoices paid within 30 days upon receipt by supply chain management | 91% | 100 % | 92% | The under-achievement was due to invoice discrepancies, Tax Clearance Certificates that expired and <i>ex-post facto</i> invoices. |
| Obtain an unqualified regularity opinion on financial and non-financial performance by 2019 | Unqualified financial statements | New Indicator | Unqualified audit without findings on financial statements | Partially Achieved The department achieved an unqualified audit opinion with findings in the 2013-2014 financial year | The partial-achievement was due to some of the systems, controls and policies taking longer to finalise due to development processes and consultations. |
| | % of external audit findings resolved | 92% | 100% | 92% | The under-achievement was due to the process to approve took longer than anticipated. There were also delays in the process of sourcing service providers. |

| Programme 1: Administration | | | | | |
|---|---|----------------------------------|--|---|--|
| Strategic objective | Performance indicator | Baseline (Actual output) 2013/14 | Actual performance against target | | Reasons for variance |
| | | | Target (2014/15) | Actual (2014/15) | |
| Improve employees' and prospective employees skills to enhance service delivery by 2019 | DRDLR Human Resources Development Strategy approved | New Indicator | DRDLR Human Resources Development Strategy developed | Partially Achieved. Draft strategy is available pending approval | The partial-achievement was due to consultation process that took longer than anticipated. |
| | Number of people trained in Geomatics | 65 | 60 | 61 | The over-achievement was due to the department making more funds available to train more people. |

Under Programme 1, the department achieved one target – on number of people trained in Geomatics, which is part of skills development. The other targets were partially achieved and reasons are stated in the above table. This includes targets on percentage of budget spent and invoices paid within 30 days, which were not achieved due to reasons also stated in the table above.

Further, it includes targets on unqualified financial statements which were not achieved due to systems, controls and policy development taking longer to finalise. It also includes targets on audit findings resolved, which were not achieved due approval processes taking longer than anticipated, including delays in the Supply Chain Management process.

Programme 2: Geospatial and Cadastral Services

Purpose: Provide geospatial information, cadastral surveys, deeds registration and spatial planning as well as technical services in support of sustainable land development.

Sub-programmes

- Registration of Deeds Trading Account
- National Geomatics Management Services

- Spatial Planning and Land Use Management
- South African Council for Planners

Strategic Objectives

- Facilitate integrated spatial planning and land use management in all provinces through the application of relevant legislation by 2019
- Ensure an integrated and comprehensive land administration system

| Programme 2: Geospatial and Cadastral Services | | | | | |
|---|--|---------------------------------|---|---|--|
| Strategic objective | Performance indicator | Baseline (Actual output) 201/14 | Actual performance against target | | Reasons for variance |
| | | | Target (2014/15) | Actual (2014/15) | |
| Facilitate integrated spatial planning and land use management in all provinces through the application of relevant legislation by 2019 | National Spatial Development Framework (NSDF) developed and Implemented | New Indicator | Approved research report and consultation on NSDF | Partially Achieved. Draft research report available and consultation on NSDF research report conducted in various provinces | The partial achievement was due to the consultation process taking longer than expected |
| | % of municipalities supported to implement the Spatial Planning and Land Use Management Act (SPLUMA) | New Indicator | 60%: SDFs | 61% (170 municipalities supported) | The over-achievement was due to Municipalities that were eager to have compliant SDFs as it is a requirement in terms of the Integrated Development Plan (IDP) and the SPLUMA, which came into effect on 01 July 2015. |
| | | New Indicator | 20% Land Use Schemes | 31% (86 Municipalities supported) | The over-achievement was due to Municipalities that were eager to be compliant with the requirements in terms of SPLUMA, which came into effect on 01 July 2015. |
| | | New Indicator | 80%: Functional Land Use Regulator | 0% (0 municipalities supported) | The non-achievement was due to the establishment of all functional land use regulators that was dependent on the finalisation of the regulations. The Regulations to the SPLUMA provide the mechanism to establish the land use regulators. The regulations were published on 23 March 2015. Provincial offices are now facilitating the establishment of Land Use Regulators. |

| Programme 2: Geospatial and Cadastral Services | | | | | |
|---|--|---------------------------------|-----------------------------------|-------------------------------|--|
| Strategic objective | Performance indicator | Baseline (Actual output) 201/14 | Actual performance against target | | Reasons for variance |
| | | | Target (2014/15) | Actual (2014/15) | |
| Facilitate integrated spatial planning and land use management in all provinces through the application of relevant legislation by 2019 | Number of provinces supported to develop Provincial SDFs | New Indicator | 4 | 4 provinces (NC, FS, NW, LIM) | None |
| Ensure an integrated and comprehensive land administration system | Number of State Domestic Facilities (SDFs) surveyed | New Indicator | 1 500 | 1 669 | The over-achievement was due to a number of SDFs approved as a result of implementing a turn-around strategy to catch up with the backlog. |
| | Number of deeds and documents registered | New indicator | 953 424 | 961 518 | The over-achievement was due a higher number of documents that were received than anticipated. |
| | Number of maps of the national map series produced | New Indicator | 1 688 | 1 800 | The over-achievement was due to the time taken to produce an ortho-photo map depends on the amount of detail of the area in question. The lesser the detail, e.g. the Karoo, the quicker the production and thus more maps can be produced in a short space of time. |

The department under Programme 2 achieved most of the targets set for the year. The areas of inadequate achievement were on Functional Land Use Regulators and Approved Research

Report on National Spatial Development Framework. Reasons that led to the inadequate performance are stated in the table above.

Programme 3: Rural Development

Purpose: Initiate, facilitate, coordinate and act as a catalyst for the implementation of a Comprehensive Rural Development Programme (CRDP) that leads to sustainable and vibrant rural communities.

Programme Structure:

- Rural Infrastructure Development
- Rural Enterprises and Industrial Development
- National Rural Youth Services Corps

Strategic Objectives:

- Provide support to rural communities in all rural districts to enable them to improve their livelihoods by 2019.
- Improved access to services in rural areas by coordination and providing integrated infrastructure by 2019.
- Facilitate the development of 235 rural enterprises and industries in areas with economic development potential and opportunities by 2019.
- Increase job opportunities and ensure skills development through CRDP and land reform initiatives by 2019.

| Programme 3: Rural Development | | | | | |
|---|-------------------------------------|----------------------------------|-------------------------------------|---|---|
| Strategic objective | Performance indicator | Baseline (Actual output) 2013/14 | Actual performance against target | | Reasons for variance |
| | | | Target (2014/15) | Actual (2014/15) | |
| Provide support to rural communities in all rural districts to enable them to improve their livelihoods by 2019 | Rural Livelihoods Strategy approved | New Indicator | Rural Livelihoods Strategy approved | <p>Partially achieved</p> <p>A draft concept document and draft strategy was done and presented at the War room meeting.</p> | <p>A draft concept document and draft strategy was done and presented at the War room meeting. It was agreed that the Enterprise and Industrial Development policy encompasses the aspects of rural livelihoods aligned to the department's mandate and focus. The department's focuses on production support and DAFF focuses on the broader issues of food security and has a food security strategy process.</p> <p>DRDLR has established a working relationship with DAFF and the two departments are working together closely.</p> |

| Programme 3: Rural Development | | | | | |
|---|---|----------------------------------|---|--|--|
| Strategic objective | Performance indicator | Baseline (Actual output) 2013/14 | Actual performance against target | | Reasons for variance |
| | | | Target (2014/15) | Actual (2014/15) | |
| Improve access to services in rural areas by coordinating and providing integrated infrastructure by 2019 | Norms and standards for access to rural services developed | New indicator | Norms and standards for rural service access developed | Partially Achieved. Norms and Standards are available, pending approval | The partial-achievement was due to the consultation process taking longer than anticipated. |
| | Rural Development Strategy and systems developed and implemented | New Indicator | Rural Development Strategy and systems developed and approved | Not achieved | The non-achievement was due to the consultation process that took longer than anticipated. The Rural Development Strategy and Systems policies were only approved in April 2015 and this period falls outside the 2014/15 reporting cycle. |
| | Number of socio-economic infrastructure projects coordinated and facilitated | 109 | 114 | 123 | The target was over-achieved due to the rural ICT projects that were planned for the 2015/16 financial year being implemented in 2014/15. The earlier implementation of Phase 2 of the ICT programme enabled connectivity of the rural communal and iSchools ICT and resulted in over-achievement. |
| | Number of households supported with basic services infrastructure | 7 475 | 8 000 | 8 087 | Target was over-achieved due to additional work done by the Independent Development Trust as per previous Memorandum of Understanding. |
| Improve access to services in rural areas by coordinating and providing integrated infrastructure by 2019 | Number of projects implemented in support of the River Valley Catalytic programme | New Indicator | 14 | 31 | The over-achievement was due to KZN and EC having more Irrigation Scheme Programmes. KZN Districts are all covered under the 27 priority districts. |
| | Number of Animal and Veld Management Programme projects implemented | 281 | 200 | 208 | The over-achievement was due to KZN having more Districts under the 27 DM Programme |

Programme 3: Rural Development

| Strategic objective | Performance indicator | Baseline (Actual output) 2013/14 | Actual performance against target | | Reasons for variance |
|---|---|----------------------------------|--|------------------|--|
| | | | Target (2014/15) | Actual (2014/15) | |
| Facilitate the development of rural enterprises and industries in areas with economic development potential and opportunities by 2019 | Rural Enterprises and Industrial Development Strategy implemented | New Indicator | Rural Enterprise and Industrial Development Strategy developed | Not achieved | The non-achievement was due to prolonged consultation process and collaboration with other stakeholders. |
| | Number of enterprises supported in rural development initiatives (agriculture and other sectors) by government stakeholders | 433 | 210 | 442 | The over-achievement was due to the following: <ul style="list-style-type: none"> • More cooperatives have been registered than was anticipated and more portfolio of evidence received of registered cooperatives • ASNAPP SLA projects delivered on large scale. |
| Increase job opportunities and ensure skills development through CRDP and land reform initiatives by 2019 | Number of skills development opportunities provided to support rural development initiatives | 6 302 | 4 200 | 9 509 | The over-achievement was due to more community members who needed to be trained in Fire Fighting Skills. Training provided to members of the communities continued to raise awareness and interest. As a result, more requests for training were received. <ul style="list-style-type: none"> • There was also a high demand for training from cooperatives. • ASNAPP SLA implemented, created additional skills opportunities |

| Programme 3: Rural Development | | | | | |
|---|---|----------------------------------|--|------------------|--|
| Strategic objective | Performance indicator | Baseline (Actual output) 2013/14 | Actual performance against target | | Reasons for variance |
| | | | Target (2014/15) | Actual (2014/15) | |
| Increase job opportunities and ensure skills development through CRDP and land reform initiatives by 2019 | Number of youth skilled in rural development initiatives | 1 273 | 5000 | 2 822 | The target was under-achieved due to SETA registration requirements. There is a challenge with uploading of learners by the SETAs system. Therefore Statement of Results or Certificates could not be issued by relevant SETAs. 2000 Certificates are with SETA awaiting verification. |
| | Number of jobs created in rural development initiatives | 5 044 | 4 000 | 4 916 | The target was over-achieved due to more budget allocated to employment opportunities for community members. |
| | Mega cooperative established to facilitate support to NARYSEC youth | New Indicator | Mega cooperative established to facilitate support | Not achieved | The Mega cooperative was not achieved due to the requirements of the amended Cooperatives Act (Act 6 of 2013). The DTI have not gazetted the operationalisation of the Act. In addition, due to the changed procedures, the establishment of the Mega cooperative required first a minimum of two operational secondary co-operatives, in the case of a tertiary co-operative. |

The department exceeded the planned targets for the year in most of the set targets. There were however, areas of inadequate performance such as establishment of Mega Cooperatives to

support NARYSEC youth, development of Rural Enterprise and Industrial Development Strategy, Rural Development Strategy and systems developed and implemented.

Programme 4: Restitution

Purpose: Settle land restitution claims under the Restitution of Land Rights Act, (1994), and provide settlement support to beneficiaries.

Programme Structure:

- Restitution National Office
- Restitution Regional Offices
- Restitution Grants

Strategic Objectives:

- Facilitate restoration of land rights and alternative forms of equitable redress by 2019.
- Facilitate reopening and finalisation of the lodgement of land restitution claims from people who did not meet the 1998 deadline.

| Programme 4: Restitution | | | | | |
|--|------------------------------------|----------------------------------|-----------------------------------|------------------|--|
| Strategic objective | Performance indicator | Baseline (Actual output) 2013/14 | Actual performance against target | | Reasons for variance |
| | | | Target (2014/15) | Actual (2014/15) | |
| Facilitate the restoration of land rights and alternative forms of equitable redress by 2019 | Number of land claims settled | 270 | 379 | 428 | The over-achievement was mainly attributed to the following reasons: <ul style="list-style-type: none"> • The focus was on settling financial compensation claims with a claim count which could contribute towards the settled claims target e.g. Kraaibosch (WC) settled 30 claims; District Six (WC) settled 15 claims; New Pietersburg (LP) settled 10 claims; Ramputas Individual Claimants (LP) settled 8 claims; St Francis Xavier Community (KZN) settled 6 claims. |
| | Number of land claims finalised | 292 | 239 | 372 | The over-achievement was due to the following reasons: <ul style="list-style-type: none"> • The regional teams that were put in place in the previous financial year focused on cleaning the backlog on the Commitments. • Systems were put in place to ensure alignment where claims are settled and finalised in the same financial year, e.g. 53 of the finalised claims were settled in the 2014/15 financial year. |
| | Number of phased projects approved | New Indicator | 53 | 119 | The over-achievement was due to additional funding made available on projects that were in the pipeline for the 2015/16 financial year was moved forward for settlement and payment. To ensure the expenditure of the additional funding received, Quality Control Committee sittings were increased which facilitated the approval of additional submissions. |

| Programme 4: Restitution | | | | | |
|---|--|----------------------------------|---|---|--|
| Strategic objective | Performance indicator | Baseline (Actual output) 2013/14 | Actual performance against target | | Reasons for variance |
| | | | Target (2014/15) | Actual (2014/15) | |
| Facilitate the restoration of land rights and alternative forms of equitable redress by 2019 | Number of claims lodged by 1998 to be researched | New Indicator | 1 445 | 1 516 | <p>The over-achievement was due to the following:</p> <ul style="list-style-type: none"> • A decision was taken in February 2015 to rectify the shortfall of 639 researched claims in terms of the annual target. • The operational staff from the regional offices was tasked to prioritise the claims for research which assisted with the annual backlog and therefore resulted in exceeding the target. <p>The following offices mainly contributed to the over-achievement of the target:</p> <ul style="list-style-type: none"> • KZN with 303 researched claims • LP with 167 researched claims • WC with 123 researched claims • MP with 104 researched claims |
| Facilitate the reopening and finalisation of the lodgement of restitution land claims people who did not meet the 1998 deadline | Number of lodgement offices functional | New Indicator | 14 Lodgement offices opened and functional | 14 Lodgement offices opened and functional | None |

The department exceeded its targets in four of the five targets set under Programme 4. Most important to note is the achievement on establishment of lodgement offices in all 14 sites that were targeted and over-achievement on

claims lodged by 1998 to be researched. The achievement on the two indicators indicates the determination by the department to speed-up the process of re-opening of claims.

Programme 5: Land Reform

Purpose: Initiate sustainable Land Reform Programmes in South Africa.

Sub-programmes

- Land Reform National Office
- Land Reform Provincial Offices
- Land Reform Grants
- KwaZulu-Natal Ingonyama Trust Board
- Communal Land Rights Programme
- Agricultural Land Holding Account

Strategic Objectives

- Promote equitable land redistribution and agricultural development by acquiring 1 140 000 hectares of strategically located land by 2019
- Provide comprehensive farm development support to smallholder farmers and land reform beneficiaries for agrarian transformation by 2019
- Functional systems and institutional arrangements for tenure and land administration to enable agrarian reform in all provinces by 2019

| Programme 5: Land Reform | | | | | |
|--|---|----------------------------------|-----------------------------------|------------------|---|
| Strategic objective | Performance indicator | Baseline (Actual output) 2013/14 | Actual performance against target | | Reasons for variance |
| | | | Target (2014/15) | Actual (2014/15) | |
| Promote equitable land redistribution and agricultural development by acquiring 1 140 000 hectares of strategically located land by 2019 | Number of hectares acquired and allocated | 153 586ha | 390 000ha | 354 802ha | The under-achievement was due to farms being withdrawn by the sellers and no longer available for purchase. |
| | Office of the Valuer-General (OVG) established | New indicator | 50% | 87% | The over-achievement was due to interventions put in place to expedite the process to establish the office. |
| Provide comprehensive farm development support to smallholder farmers and land reform beneficiaries for agrarian transformation by 2019 | Number of land reform farms recapitalised and developed | 323 | 303 | 217 | The under-achievement was due to an approval process that took longer than anticipated. |
| | Number of jobs created in land reform projects (RADP) | 2 484 | 909 | 1 925 | The over-achievement was due to seasonal work (specifically for harvesting) resulting in a number of employees being appointed to assist during this season. |
| | Number of farm personnel trained through the RADP programme | 1 262 | 909 | 440 | The under-achievement was due to most of the employment opportunities experienced in the year did not necessitate training since it was general work; planting, harvesting, etc. |
| Functional systems and institutional arrangements for tenure and land administration to enable agrarian reform in all provinces by 2019 | Number of Communal Property Associations compliant with legislation | New Indicator | 180 | 0 | The non-achievement was due to the following: <ul style="list-style-type: none"> • Lack of capacity both at National and Provincial level. • Some CPAs not owning and or having lost land. Policy developments within the department. Circular 1 of 2010. • No dedicated budget. |

| Programme 5: Land Reform | | | | | |
|---|---|----------------------------------|-----------------------------------|------------------|---|
| Strategic objective | Performance indicator | Baseline (Actual output) 2013/14 | Actual performance against target | | Reasons for variance |
| | | | Target (2014/15) | Actual (2014/15) | |
| Functional systems and institutional arrangements for tenure and land administration to enable agrarian reform in all provinces by 2019 | Number of labour tenants applications settled | 98 | 130 | 0 | The non-achievement was due to the following: <ul style="list-style-type: none"> • Policy developments within the department. Circular 1 of 2010. • No dedicated budget. • Capacity constraints. |
| Functional systems and institutional arrangements for tenure and land administration to enable agrarian reform in all provinces by 2019 | Number of land parcels transferred under TRANCRAA (Transformation of Certain Rural Areas Act) | New Indicator | 40 | 6 | The under-achievement was due to the following: <ul style="list-style-type: none"> • Community dynamics & disputes. • Complex verification of beneficiaries and land rights enquires. • Some communities demand development before transfer. • Lack of capacity both at National and Provincial level. |
| | Number of State Land parcels confirmed as vested | 863 | 1787 | 1646 | The under-achievement was due to technical uncertainty affecting a holiday resort, registered as Die Bron Vakansiedorp. The vesting projections were based on 965 land parcels appearing in the Deeds Registry System, however the Deeds Office later ruled that it would only accept a vesting certificate for the remaining extent of <i>Die Bron Vakansiedorp</i> situated on Portion 10 of the farm Klipdrift 62 JS. This consequently reduced 965 land parcels to a single land parcel which then affected the vesting target. |
| | % Complete Immovable Asset Register | New Indicator | 100% | 100% | None |

The department under Programme 5 did not perform well in the year under review. The areas of inadequate achievement are mostly on Community Property Associations (CPAs) compliant with legislation, Labour Tenants applications settle, Recapitalisation and Development Programme, Training of

farmers and Land Acquisitions. The reasons for inadequate achievement are stated in the table above. The department performed well on the establishment of the Office of the Valuer-General which is going to deal with matters related to management of land purchases for the purpose of land reform.

6. Summary of Financial Information

6.1 Departmental receipts

| Departmental receipts | 2014/2015 | | | 2013/2014 | | |
|--|---------------|-------------------------|-------------------------|---------------|-------------------------|-------------------------|
| | Estimate | Actual Amount Collected | (Over)/Under Collection | Estimate | Actual Amount Collected | (Over)/Under Collection |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Sale of goods and services other than capital assets | 20 753 | 21 539 | (786) | 20 548 | 21 218 | (670) |
| Interest, dividends and rent on land | 11 507 | 13 503 | (1 996) | 14 501 | 21 469 | (6 968) |
| Sale of capital assets | - | 523 | (523) | 200 | 147 | 53 |
| Financial transactions in assets and liabilities | 6 004 | 51 874 | (45 870) | 42 855 | 61 788 | (18 933) |
| Total | 38 264 | 87 439 | (49 175) | 78 104 | 104 622 | (26 518) |

6.2 Programme Expenditure

| Programme Name | 2014/2015 | | | 2013/2014 | | |
|--|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
| | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Administration | 1 384 430 | 1 382 197 | 2 233 | 1 268 553 | 1 267 482 | 1 071 |
| National Geomatics Management Services | 734 815 | 732 537 | 2 278 | 787 113 | 785 869 | 1 244 |
| Rural Development | 1 850 932 | 1 800 988 | 49 944 | 1 704 840 | 1 701 643 | 3 197 |
| Restitution | 2 998 742 | 2 997 937 | 805 | 2 836 851 | 2 836 703 | 148 |
| Land Reform | 2 486 386 | 2 482 096 | 4 290 | 2 862 383 | 2 862 359 | 24 |
| Total | 9 455 305 | 9 395 755 | 59 550 | 9 459 740 | 9 454 056 | 5 684 |

6.3 Transfer payments, excluding public entities

The table below reflects the transfer payments made for the period 1 April 2014 to 31 March 2015:

| Name of transferee | Purpose for which the funds were used | Compliance with s 38 (1) (j) of the PFMA | Amount transferred (R'000) | Amount spent by the entity | Reasons for the funds unspent by the entity |
|--|--|--|----------------------------|----------------------------|--|
| Agricultural Research Council | <ul style="list-style-type: none"> • Training of the Agricultural Para Professionals. • Training of small holder livestock producers. • Establishment of fruit and vegetables enterprises in different provinces in SA. breed fifty Bonsmara beef cattle and two Bonsmara bulls and also train and mentor beneficiaries of Segogoane's Valley Trust in Thaba Phachoa within Mantsopa Local Municipality in Free State. • Enterprise development sweet potato vine nurseries and farming enterprise. • Reconnaissance survey visit in 9 provinces for the establishment of a production support mechanisation centre for the commodity value chain. • Agri park concept development which entailed conducting of situational analysis in 14 district municipalities in Mpumalanga, Limpopo, Eastern Cape and KwaZulu-Natal. | | 127,996 | 127,996 | |
| Development Bank of Southern Africa | <ul style="list-style-type: none"> • Assist the department with the Sustainable Development Plan for five years in Muyexe. • Assist the department to conduct a full due diligence study that aims to rationalise 658 cooperatives to 110 trading enterprises. | | 29,646 | 28,738 | |
| National Agricultural Marketing Council | <ul style="list-style-type: none"> • Development of red meat production centres through the National red meat development programme. | | 16,670 | 14,162 | R1,9 million was transferred towards the end of the year |
| National Wool Growers Association of SA | <ul style="list-style-type: none"> • Genetic improvement of wool sheep farming in the communal areas of the Eastern Cape | | 19,548 | 14,884 | R9 million was transferred towards the end of the year |
| Agribusiness in sustainable natural plant (ASNAPP) | <ul style="list-style-type: none"> • Implementation of a hydroponics project in the CRDP site in the Sokhulumu Tshwane municipality, Tshwaraganang phase one project and for the Ndluli Ceres phase one project in the Western Cape. | | 9,915 | 9,915 | |

| Name of transferee | Purpose for which the funds were used | Compliance with s 38 (1) (j) of the PFMA | Amount transferred (R'000) | Amount spent by the entity | Reasons for the funds unspent by the entity |
|------------------------------------|--|--|----------------------------|----------------------------|---|
| CSIR | <ul style="list-style-type: none"> Design and deployment of new digital doorways, upgrading 15 container digital doorways and upgrading connectivity in the 18 schools running the I-school Africa Programme. 60 x Schools roll out kit submitted to core computer business (PTY) Ltd for I-school Africa Programme. Feasibility studies for DRDLR project ideas by facilitating skills development, training, mentoring, technology transfer, technical support, productivity enhancement, rural industries development. | | 24,447 | 21,502 | R2 million was transferred towards the end of the year |
| | <ul style="list-style-type: none"> Cofimvaba Nciba District infrastructure costs (School Infrastructure). Establishing an essential oil and Moringa agro processing business at Temotua farm in Driekop. | | | | |
| Mpumalanga Regional Training Trust | <ul style="list-style-type: none"> Joint venture with Department of Human Settlements to build houses in Donkerhoek & Jabulani in the Mkhondo Municipality, Mpumalanga Province | | 787 | 787 | |
| Cheadle Thompson & Hayson (CTH) | <ul style="list-style-type: none"> To manage the Land Rights Management Facility on behalf of the department over a period of three years | | 87,993 | 76,598 | R12 million was transferred towards the end of the year |

The table below reflects the transfer payments which were budgeted for in the period 1 April 2014 to 31 March 2015, but no transfer payments were made.

| Name of transferee | Purpose for which the funds were to be used | Amount budgeted for (R'000) | Amount transferred (R'000) | Reasons why funds were not transferred |
|---|---|-----------------------------|----------------------------|--|
| No payment was made under this category | - | - | - | - |

6.4 Public Entities

| Name of Public Entity | Services rendered by the public entity | Amount transferred to the public entity | Amount spent by the public entity | Achievements of the public entity |
|-------------------------------|--|---|-----------------------------------|-----------------------------------|
| Independent Development Trust | Food security programme | 7,321 | 6,178 | |

6.5 Conditional grants and earmarked funds paid

The table below describes each of the conditional grants and earmarked funds paid by the department.

Conditional Grant 1:

| | |
|---|--|
| Department/ Municipality to whom the grant has been transferred | Witzenberg Municipality |
| Purpose of the grant | Implementation of the integrated development plans for community up-liftment |
| Expected outputs of the grant | Witzenberg IDP |
| Actual outputs achieved | Witzenberg IDP |
| Amount per amended DORA | N/A |
| Amount transferred (R'000) | 4,577 |
| Reasons if amount as per DORA not transferred | N/A |
| Amount spent by the department/ municipality (R'000) | 4,577 |
| Reasons for the funds unspent by the entity | Allocated funds were spent accordingly |
| Monitoring mechanism by the transferring department | Expenditure reports and budget |

6.6 Conditional grants and earmarked funds received

The department did not receive any conditional grants in the 2014/15 financial year.

6.7 Donor Funds

| | |
|---|--|
| Name of donor | Belgium Development Corporation |
| Full amount of the funding | R60 000 000 |
| Period of the commitment | 01 September 2011 to 30 August 2015 |
| Purpose of the funding | Poverty reduction through the recreation of rural sustainable livelihoods of land reform beneficiaries |
| Expected outputs | Poverty reduction |
| Actual outputs achieved | Infrastructure development for land reform beneficiaries |
| Amount received in current period (R'000) | 28,17 6 |
| Amount spent by the department (R'000) | 14,327 |
| Reasons for the funds unspent | Allocated funds were spent accordingly |
| Monitoring mechanism by the donor | Expenditure reports and budget |

6.8 Capital investment, maintenance and asset management plan

| Infrastructure projects | 2014/2015 | | | 2013/2014 | | |
|--|---------------------------|--------------------------|--------------------------------|---------------------------|--------------------------|--------------------------------|
| | Final Appropriation R'000 | Actual Expenditure R'000 | (Over)/Under Expenditure R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | (Over)/Under Expenditure R'000 |
| New and replacement assets | | | | | | |
| Existing infrastructure assets | - | - | - | - | - | |
| Upgrades and additions | - | - | - | 2 446 | 2 445 | |
| Rehabilitation, renovations and refurbishments | 7671 | 7670 | - | - | - | - |
| Maintenance and repairs | 923 | 922 | - | 712 | 712 | |
| Infrastructure transfer | | | | | | |
| Current | - | - | - | - | - | |
| Capital | - | - | - | - | - | |
| Total | 8 594 | 8 592 | - | 3 158 | 3 157 | |

PART C

Governance



1. Introduction

The department continued with the institutionalization of mechanisms and building the capacity which is necessary to promote good governance in conducting its business. These efforts include promoting good ethical conduct necessary to combat and prevent fraud

and corruption, implementing risk management strategies, promoting occupational health and safety measures, proper delegation of authority, proper management of information, communication, technology and other mechanisms required to entrench good governance.

2. Risk management

The department has established governance committees to assist the Accounting Officer in discharging his duties and responsibilities for the effective administration of the department. These include:

- The Risk and Compliance Committee chaired by an independent chairperson who drives the implementation of the Risk Management Policy and Strategy. The committee met quarterly in line with its approved charter to consider and review the risk management policies and provide oversight on the effectiveness of risk management within the department. The policies approved included the Risk Management Policy, Risk Management Strategy, Fraud Prevention Policy, Fraud Prevention Plan, Compliance Management Policy, Compliance Management Framework and Business Continuity Policy.
- As part of implementing the Risk Management Strategy, the department

conducted a comprehensive risk assessment. The assessment focused on risks at process, operational and strategy level. The risk profile also includes corruption, business continuity, Information technology and financial risks which form the basis for the department's internal audit plans. The assessment was aligned to the Operational and Annual Performance Plans in order to ensure that efficient management of risks contribute to improved performance. The continuous identification of emerging risks was done as part of risk management monitoring activities. The committee continues to oversee the management of key enterprise-wide and compliance risks. The Audit Committee and Internal Audit respectively operated in accordance with the approved Audit Committee Charter and Internal Audit Charter. The activities of the Audit Committee are reported separately in this Annual Report.

3. Fraud and corruption

The department has an approved Fraud Prevention Policy and Plan that provides mechanisms for the implementation of fraud prevention.

Education and awareness programmes were also conducted to encourage whistle blowing. The National Anti-Corruption Hotline number was also communicated to staff members in order to ensure that they know how and where

to report suspected fraud and corruption cases anonymously.

The department also receives and administers formal, informal and anonymous matters from various communication mediums. As part of implementing the Fraud Prevention Policy the department also implemented the ethics governance training programme for Senior Managers.

4. Minimising conflict of interest

The objective of Chapter 3 of the Public Service Regulations is to identify any conflict of interests in order to promote just and fair administrative actions of officials in senior positions and thereby to protect the public service from actions

that may be detrimental to its functioning and that may constitute unlawful administrative actions as a result of ulterior motives. In general, it aims to promote open and accountable government and the lawful use of taxpayers'



money and therefore the principles and values in section 195(1) of the Constitution.

Senior Management Service (SMS) members are obliged to disclose their financial interests, and thereby placing a responsibility on the employer (i.e. executing authority) to determine whether the employees' financial interests will not negatively impact on the execution of their duties.

5. Code of conduct

The Code of Conduct for the Public Service is a set of rules regulating standards of conduct. It outlines what is expected of employees, from an ethical point of view; in their relationship with the legislature, political and executive office-bearers, other employees and the public. Compliance with the Code of Conduct is important within the department, as it enhances professionalism by promoting exemplary conduct, which instills confidence in the department and contributes to

Of the 262 SMS's, financial disclosures targeted for submission to the Public Service Commission, 253 were submitted during the year under review. This is indicative of 96.56 % compliance. No conflict of interest was identified during the year under review.

efficient and effective service delivery. A training initiative on the Code of Conduct was identified as a measure of promoting and improving ethical and professional conduct and minimizing non-compliance with the Code of Conduct. A total of 2233 employees at levels 1 to 12 were trained on the Code of Conduct during the year under review. It is anticipated that this training initiative will contribute positively to the ethical and professional culture that the department seeks to achieved.

6. Health, safety and environmental issues

The following were achieved in the 2014/15 Financial Year, in total four (4) Safety and Security awareness sessions were conducted to promote corporate culture for health and safety and ensure protection of information in the department.

A total of 61 Occupational Health and Safety (OHS) audits and inspections have been conducted in the offices of the department to determine the level of compliance where the recommendations outlining the corrective measures were forwarded to the heads of offices and Facilities Management to be implemented.

16 NARYSEC facilities have been assessed to determine the level of compliance where the recommendations outlining the corrective measures were forwarded to the NARYSEC coordinators to facilitate implementation before the facility can be regarded as suitable accommodation for NARYSEC participants.

Eight (8) Rural Infrastructure Development (RID) projects were monitored to ensure compliance with the Construction Regulations of 2014 and technical advice was provided to the provincial directors of RID on the areas that must be complied with in terms of OHS Act.

56 Health and Safety Assessments were conducted during the Ministerial events to ensure that health and safety standard are adhered to.

13 Emergency evacuation drills were conducted in the following offices to ensure that employees know the procedure to follow during emergency situation:

- RLCC Biccard Limpopo office
- SSC Office- Jabu Ndlovu Street
- SG Limpopo office
- Deeds Nelspruit office
- JHB Deeds office
- Worcester SSC office
- RLCC Mmabatho office

- National office (old building)
- RLCC Durban office
- PSSC Mpumalanga office
- SG (MP) office
- SPI Limpopo office
- PSSC Limpopo office.

The OHS Policy was approved on the 24th of October 2014 by the Director-General in terms of Section 16.1 of the Occupational Health and Safety Act, Act 85 of 1993.

113 First Aiders were trained in first aid training level 1 course; 80 Fire fighters were trained in Firefighting level 1 course and 111 Evacuation Marshalls were trained in emergency procedure course.

The impact

Protected the image of the department and prevented litigations that could have been instigated.

Reduced the number of contravention notices that could have been issued by department of labour

Protected the image of the department and prevented the NARYSEC participants from being exposed to unsafe conditions.

Proactively prevented the incidents such as food poisoning or collapsing of temporary structure during the events.

Increase the cooperation of working together to fulfil the mandate of the department and promote good governance – provide technical advice to NARYSEC unit.

Raise awareness and outlined the role of OHS in the RID project to RID Branch – through the development of draft OHS specification for RID projects.

Enforced change management through promoting the integration approach in dealing with matters of facility management and Occupational Health and Safety Services.

Facilitated emergency preparedness to sensitize employees on the proper procedure that must be followed in case of emergency.

7. Internal Control Unit

The department performed the following functions with regards to internal controls:

- Verification of payments before and after processing in order to ensure validity and accuracy.
- Internal control awareness campaigns.
- Identification of internal control weaknesses and provision of recommendations to improve those recommendations.
- Monitoring of the implementation of internal and external audit recommendations as well as those of the MPAT.
- Roll-out of all approved financial management policies.
- Drafted the Standard Operating Procedures for Cell Phone unit (including process flow).
- Drafted Internal Control Framework for the department.
- Issued Circular to regulate training for HRD.

8. Report of the Audit Committee

The Department of Rural Development and Land Reform (DRDLR) Audit Committee is pleased to present its draft report for the financial year ended 31 March 2015. This report includes the Deeds Registration Trading Account and the Agricultural Land Holding Account.

This report is presented in accordance with the requirements of the Public Finance Management Act, No 1 of 1999 (PFMA), as amended.

The recommendations of the King Report on Governance (King III) have also been taken into consideration.

Audit Committee members and attendance

During the year under review the Audit Committee consisted of six members and had eight meetings as indicated in the table hereunder. The audit Committee is considered to

have the correct mix of experience, qualifications and skills to carry out its responsibilities.

| Name of member | Number of meetings attended |
|--|-----------------------------|
| Mr F.K. Buthelezi (Chairperson – 2014/04/01 to 2015/01/31) | 7 |
| Ms N Z Qunta (Chairperson – 2015/02/01 to 2015/03/31) | 1 |
| Mr A N Mhlongo (Member – 2015/02/01 to 2015/03/31) | 1 |
| Mr H G Hlomane (Member – 2015/02/01 to 2015/03/31) | 1 |
| Ms M.A.F. Moja (Member – 2014/04/01 to 2015/03/31) | 7 |
| Mr L.M Mangquku (Member – 2014/04/01 to 2015/01/31) | 6 |

Audit Committee Responsibility

The Audit Committee reports that it complied with its responsibilities arising from section 38 (1) (a) of the Public Finance Management Act, No.1 of 1999, as amended and Treasury Regulation 3.1. The Audit Committee also reports that it had adopted an appropriate formal terms of reference as contained in its charter, conducted its affairs in compliance with the charter and has discharged its responsibilities as contained therein.

Duties and responsibilities

The Audit Committee was responsible for the following duties:

- The efficiency and effectiveness of the system of internal control applied by the DRDLR;
- Risk Management and its effectiveness, efficiency and transparency and King III;
- The effectiveness of the Internal Audit function;
- The adequacy, reliability and accuracy of the financial information provided by management to various stakeholders;
- The DRDLR compliance with legal and regulatory provisions;
- Any accounting and audit concerns identified as a result of Internal and external audits performed;
- The activities of the internal audit function, including its annual work program, coordination with the Auditor-General (AGSA), the reports of significant recommendations and the response of management to those recommendations;
- The scope and results of the external audit function, its cost effectiveness as well as the independence and objectivity of the AGSA;

- Reporting to the DRDLR and the AGSA where a report implicates the Accounting Officer in fraud, corruption or gross negligence;
- Communicating any concerns it deemed necessary to the Executive Authority, AGSA and Internal Audit function;
- Approving the Internal Audit Charter and Plan; and
- Reviewing the Annual Financial Statements (AFS) prior to and after the annual audit.

The effectiveness of internal control

In line with the PFMA requirements and the Audit Committee mandate to provide oversight on the department, the efficiency and effectiveness of the systems of Internal Control and Risk Management was considered.

The system of internal control was not entirely effective for the year under review. Deficiencies were detected and reported through internal audits performed on the system of internal control. Management continued to address control weaknesses reported by the Internal Audit function.

The Audit Committee is satisfied that the internal audit function is operating effectively, and that it has taken into consideration the risks pertinent to the DRDLR in its audits. Internal Audit has made significant progress with audits conducted in terms of its strategic three-year rolling internal audit plan, as well as with the forensic investigations that were performed in addition to the plan.

The following were areas of concern during the financial year:

Corporate Governance control deficiencies were evident from numerous repeat findings reported on control inadequacies in internal audit follow-up audit reports. Strategic and operational planning; and human resource and demand management planning processes take place concurrently, but not in an integrated manner. Performance Information verification and reporting processes improved since the previous financial year; however controls in the DRDLR's provinces regarding the collation, verification and reporting of performance information were inadequate.

Information Technology access, security, back-up and disaster recovery controls were inadequate and critical information technology projects were not managed effectively. Records Management practices are inadequate to ensure the preservation of all the records and databases of the DRDLR and its institutional memory. Policies and Procedures pertinent to some of the DRDLR's service delivery mandates and programmes are inadequate to ensure statutory alignment and compliance.

Controls are inadequate to ensure that Contract terms and management protect the department. Financial management policies, procedures and controls were inadequate to ensure effective budget and planning processes, collection of outstanding receivables and payment within 30 days. Human Resource Management policies, procedures and controls were inadequate to ensure effective and compliant performance, business process and organisational design and establishment management. Although a central Project Management Office is established, project management is not yet institutionalized in the DRDLR.

In-Year Management and Monthly/Quarterly Report

During the year under review, the Audit Committee was not always satisfied with the content and quality of the quarterly reports prepared and issued by the DRDLR in terms of the PFMA. Furthermore, the Audit Committee was not satisfied with progress towards the achievement of planned targets, especially when compared to the budget spent. Improvement in quarterly performance reporting, including the quality of supporting evidence to validate the integrity of performance reported, remained essential.

Evaluation of Financial Statements

The Audit Committee has:

- Reviewed and discussed the draft Annual Financial Statements to be included in the annual report, with the AGSA, the Accounting Officer and management;
- Reviewed and discussed the draft information on predetermined objectives to be included in the annual report;
- Reviewed the AGSA's interim management report and management's response thereto; and
- Reviewed possible changes in accounting policies and practices.

The Audit Committee will:

- Review the AGSA's management letter and management's response thereto;
- Review and discuss the report and audit opinion of the AGSA; and
- Review significant adjustments resulting from the audit.

Report

The Audit Committee reviewed the DRDLR's implementation plan for audit issues raised in the prior year and concluded that not all matters were resolved before the interim audit results were issued.

The Audit Committee will consider the AGSA's report on the Annual Financial Statements, and comment on the audited Annual Financial Statements, read together with the report of the AGSA and the AGSA's opinion on the Annual Financial Statements.

The Audit Committee will meet with the AGSA to ensure that there are no unresolved issues.



Ms. N.Z. Qunta

Chairperson of the Audit Committee
Department of Rural Development and Land Reform, Deeds Registration Trading Account and Agricultural Land Holdings Account
Date: 29 May 2015

PART D

Human resource management



1. Legislation that govern Human Resource Management

The information provided in this part is prescribed by the Public Service Regulations (Chapter 1, Part III J.3 and J.4).

2. Introduction

This section addresses the human resource matters of the department. The focus is on human resource issues prioritised for the year under review, key strategies implemented to attract and recruit a skilled and capable workforce, the employee performance management framework and employee wellness programmes. It further provides highlights on human resource policy development achievements, challenges and future human resource strategies.

(a) Overview of HR matters at the department

In the financial year under review, the department focused mainly on the following human resource matters:

- Managed human resource policies, planning and research
- Implemented and managed performance management systems
- Provided staffing services including recruitment and selection and mobility
- Managed employee health and wellness programmes
- Managed human resource benefits
- Facilitated and monitored the implementation of employment equity
- Ensured that an effective PERSAL management infrastructure is in place and maintained

- Monitored and managed statistics and information on PERSAL
- Provided strategic advice to management regarding PERSAL information
- Managed salary administration and OSDs
- Facilitated code of conduct, labour relations' guidelines and practices
- Facilitated labour relations services
- Managed employee grievances
- Managed labour disputes
- Managed collective bargaining
- Managed and monitor the implementation of the Skills Development Act and internship/ learnerships programmes
- Coordinated and facilitated the training and development of employees
- To managed and administered bursaries
- Provided organisational development services
- Provided organisational development administrative support services

(b) Set HR priorities for the year under review and the impact of these priorities

In the financial year under review, the department focused on the priorities presented in the table below. These priorities are informed by the HR challenges experienced in the previous financial years.

| HRP OBJECTIVE | HRP PRIORITY | TARGETS (Achieved/Not Achieved) |
|---|---|--|
| Manage and review organisational structure | <ul style="list-style-type: none"> • Align structure to MTEF • Determine further amendments to structure • Communicate to stakeholders involved • Obtain approval | <p>Achieved Structure 2.9 approved and implemented. Rationalisation of structure. Partly achieved – continuous process.</p> <ul style="list-style-type: none"> • Further amendments determined. • Amendments communicated to stakeholders. • Approval of certain amendments. |



| HRP OBJECTIVE | HRP PRIORITY | TARGETS (Achieved/Not Achieved) |
|--|--|---|
| Maintenance of JD's | <ul style="list-style-type: none"> Facilitate development of job description for each job. This job description will be maintained regularly. Inform managers accordingly. | <p>Partly achieved</p> <ul style="list-style-type: none"> 154 job descriptions facilitated. In process of facilitating development of further job. |
| Determine priority posts to be filled | <ul style="list-style-type: none"> Communicate to all stakeholders involved. Request identification of all critical/priority posts as all posts will not be filled during the next financial year. Adopt a project management approach. Determine funded posts. Implement a recruitment programme by branches for the year. | <p>Partly achieved</p> <ul style="list-style-type: none"> New structure with posts implemented. Managers requested to determine priority posts. Approval of more posts poses a challenge as not all posts are funded. |
| Reduce vacancy rate | <ul style="list-style-type: none"> Branches to determine priority posts. Advertised funded prioritised posts. Reduce recruitment and selection timeframe. Communicate with different stakeholders. | <p>Partly achieved</p> <ul style="list-style-type: none"> Structure with more posts recently implemented. Manage the vacancy rate – on an on-going basis. New approved posts, budget and internal promotions poses a challenge. Priority posts identified in process to fill these posts. |
| Monitor the compliance and adherence to the EE Plan | <ul style="list-style-type: none"> Implement EE Plans. Establish EE forums nationally as well as provincially. Align policies with framework and diversity management. | <p>Partly achieved</p> <ul style="list-style-type: none"> EE forums established nationally. In process of finalising diversity management. |
| Develop/ensure critical skills | <ul style="list-style-type: none"> Develop/ensure that HRD strategy is aligned with NSDS III NSD III requires the prioritisation and communication of critical skills for sustainable growth, development and EE. Partnership with other tertiary institutions enhanced by developing employees. Promoting and accelerating training | <p>Partly achieved</p> <ul style="list-style-type: none"> Continuous process. Partners with tertiary institutions. Promote and accelerated training. 394 prospective bursary holders and 500 serving employees are on the bursary programme. |
| Signing/ submission of PA's and assessments | <p>All PA's signed/submitted and employees assessed.</p> <ul style="list-style-type: none"> All employees to be informed about due dates. Assist with signing of PA's/ assessments. Training. Disciplinary action. | <p>Partly achieved</p> <ul style="list-style-type: none"> Employees informed about the due date. Assists with signing of PA's. for level 1 – 12. Assists with signing of PA's for SMS's. |
| Alignment of HR policies | <ul style="list-style-type: none"> Review policies. Obtain & rework input. Consult policies. Obtain approval. Implement policies. | <p>Partly achieved</p> <ul style="list-style-type: none"> Draft policies submitted for approval. Other policies still to be consulted. Policies to be implemented after approval. |

(c) Workforce planning framework and key strategies to attract and recruit a skilled and capable workforce

Workforce planning is a systematic business process which brings together information about workforce segments, the internal and external environments, strategic objectives, budgets and future workforce needs to inform the development of workforce strategies and actions. The HR Plan of the department is in place and currently implemented to address the current and future human resource needs of the department. The plan also guides HR Strategies in the areas of recruitment, performance management, training and development and employee wellness.

The successful implementation of the HR Plan will contribute towards servicing the gap between current and future HR needs of the department and will also address the HR requirements for the execution of the diverse functions of the department.

(d) Employee performance management framework

The Employee Performance Management System and Performance Management and Development System provide a standardised framework for managing employee performance in the department. Performance management is determined by three main levels of performance management namely:

- **Organisational level:** top management determines the strategic priorities and overall key result areas of the department, while objectives are identified for the priorities and assigned to components within the department.
- **Component level:** components undertake the execution of projects and activities that lead to the achievement of the integrated business plans.
- **Employee level:** each employee develops a performance agreement jointly with his/her supervisor.

(e) Employee wellness programmes

The activities of the employee wellness programmes include the following:

Psychosocial counseling services

- Direct and confidential access to a 24-hour personal support service.
- Individual and/ group face-to-face counseling sessions shall be considered where short-term psychological counseling is appropriate.
- Critical incident service offers prompt and professional trauma debriefing and counseling to employees exposed to incidents of trauma.
- EWP is responsible for rehabilitation in line with internal Human Resource Policy and PILIR.

Life Skills, Health and Wellness Promotion

Life Skills, health and wellness programmes and interventions are provided to employees as and when a need arise.

(f) Policy development

The department implemented approved HR Policies. It continues reviewing these policies to ensure alignment with the developments in the legislative framework. The department has 42 approved HR Policies which are published on the website. The department already consulted 25 policies that were aligned, updated and drafted with organised labour. All these policies have been submitted for final approval and implementation.

Achievements

The following are significant achievements recorded in the year under review:

- The department awarded 98 bursaries to prospective bursary employees to obtain qualifications in Land Surveying to address scarce skills in the department and the country. Another 265 bursaries were awarded to serving employees in various fields during December 2014. The department experienced a return on investment during the financial year, as 54 bursary holders completed their studies and were employed permanently in the department and 118 prospective bursary holders were placed for experiential training in various branches.
- The department received an Internship Award at the 2014 Public Service Trainers Forum (PSTF) Conference for being the best department in the Internship Programme.

- The department trained 2233 officials from salary level 1 to 12 on the Code of Conduct. This is seen as a major achievement in advancing ethical and acceptable conduct in the workplace.
- A total of 29 SMS posts were filled. Among these were the appointments that included two Deputy Ministers, the Chief Financial Officer and the Chief Director: PLAS Trading Account.
- A 100 % electronic submission of 270 financial disclosures on the eDisclosure Register by 30 June 2014, for Members of SMS in the department.
- Co-ordination of separate office-based health and wellness services based at Capitol Towers and ICD offices. In the past these components were invited to national office to receive health and wellness services. This had an impact on the service delivery as these employees had to leave their components to receive health and wellness services.

Challenges faced by the department

Efforts to align strategies for the implementation of the mandate of the department necessitated the review the organisational structure. This impacted on the management of the vacancy rate. It also delayed the implementation of service delivery programmes. The department also experienced challenges in the following business operational areas:

- Vacancy rate and filling of vacant posts within 12 months – Line Managers;
- Scarcity of targeted skills in the labour market affects the filling of vacant posts;
- contract appointments; office accommodation; continuous restructuring of branches and positions;
- Non-validated and signed-off of JD's by senior and middle managers;
- JE's not effectively implemented;
- Resolution 3 of 2009 (appointment of Assistant and Deputy Directors) EE and OSD's;
- Employees additional to the establishment (Pupil State Land Officers);
- Training and development;
- Employees' data on PERSAL system;
- Mentorship, coaching, career-pathing etc.;
- Signing of PA's;
- Assessment of employees;
- Exit interviews not conducted;
- Rationalisation of support services positions linked to the functions;
- Decentralisation of HR functions – PSSC's to be trained in all benefits functions.

Future HR plans/goals

These HR plans/goals were identified and addressed in the HR Plan. The following are key recommendations emanating from the Action Plan:

- **Manage and review structure** – The structure will be reviewed to create the necessary capacity for delivery. Further amendments and changes to the structure of Branches will form part of this.
- **Maintenance of job descriptions** - The Directorate: OD will develop a job description for each job and should continue to maintain them.
- **Determine priority posts to be filled** – Following approval of the amended structure, priority posts should be identified, funded and filled. Costing for these posts also needs to be in place.
- **Reduce vacancy rate** - Develop and implement recruitment plans by Line Managers for each branch including headhunting and retention of People with Disabilities.
- **Monitor the compliance & adherence to the EE Plan** – Develop a diversity management programme and monitor compliance of all components with the EE Targets. Recruit People with Disabilities in all components.
- **Develop critical skills** - The department will develop an HRD Strategy that is in line with NSDS III and scarce skills appointed and managed and relevant, appropriate and priority skills and competencies. The department must develop a Framework for skills development for the SMS members and it should be implemented and managed as approved.
- **Signing/submission of PA's & assessments** – Plan to be implemented to adhere to the timeframes regarding the signing/submission of PA's and assessments.
- **Alignment of HR Policies** – Develop, align and implement HR Policies.

- **Employee Health & Wellness** – Ensure effective implementation of EHWP services and Senior/middle managers trained in EHWP services.
- **Improvement of labour relations management in the department** – Ensure effective management of discipline by senior/middle managers in the workplace.

3. Human Resources Oversight Statistics

3.1 Personnel related expenditure

The department budgeted in terms of clearly defined programmes for the 2014/15 financial year. The following tables summarise the final audited expenditure by programmes (Table 3.1.1) and by salary bands (Table 3.1.2).

In particular, it provides an indication of the amount spent on Personnel Expenditure in terms of each of the programmes or salary bands within the department. The tables thereafter provide a summary per programme (Table 3.1.3) and salary bands (Table 3.1.4), of expenditure incurred as a result of salaries, overtime, housing allowance and medical assistance.

Table 3.1.1 – Personnel Expenditure by Programme

| Programme | Total Expenditure (R'000) | Personnel Expenditure (R'000) | Training Expenditure (R'000) | Professional and Special Services (R'000) | Personnel Expenditure as a % of Total Expenditure | Average Personnel Cost per Employee (R'000) |
|------------------------------------|---------------------------|-------------------------------|------------------------------|---|---|---|
| Administration | 517058 | 477969 | 5905 | 33185 | 22.79 | 304 |
| Geo-Spatial and Cadastral Services | 403416 | 315461 | 1551 | 86403 | 15.04 | 283 |
| Rural Development | 212586 | 183473 | 1022 | 28091 | 8.75 | 347 |
| Restitution | 219484 | 201157 | 424 | 17903 | 9.59 | 280 |
| Land Reform | 188644 | 186399 | 397 | 1848 | 8.89 | 325 |
| Deeds Registration | 555901 | 405643 | 382 | 55806 | 19.34 | 314 |
| Total | 2097089 | 1770102 | 9681 | 223236 | 84.41 | 305 |

Table 3.1.2 – Personnel Costs by Salary Band

| Salary bands | Personnel Expenditure (R'000) | % of total Personnel Cost | Number of Employees | Average Personnel Cost per Employee (R'000) |
|--|-------------------------------|---------------------------|---------------------|---|
| Lower skilled (Levels 1-2) | 0 | 0.00 | 0 | 0 |
| Skilled (Levels 3-5) | 90308 | 5.10 | 958 | 94 |
| Highly skilled production (Levels 6-8) | 539202 | 30.46 | 2604 | 207 |
| Highly skilled supervision (Levels 9-12) | 958855 | 54.17 | 1960 | 489 |
| SMS (Levels 13-16) | 181737 | 10.27 | 276 | 658 |
| Total | 1770102 | 100.00 | 5798 | 305 |

Table 3.1.3 – Salaries, Overtime, Housing Allowance and Medical Assistance by Programme

| Programme | Salaries | | Overtime | | Housing Allowance | | Medical Assistance | |
|------------------------------------|----------------|-------|----------------|-------|-------------------|-------|--------------------|-------|
| | Amount (R'000) | % | Amount (R'000) | % | Amount (R'000) | % | Amount (R'000) | % |
| Administration | 428615 | 27.51 | 12597 | 63.80 | 14817 | 28.42 | 21940 | 28.18 |
| Geo-Spatial and Cadastral Services | 293530 | 18.84 | 335 | 1.70 | 9090 | 17.44 | 12506 | 16.06 |
| Rural Development | 171760 | 11.02 | 820 | 4.15 | 4462 | 8.56 | 6431 | 8.26 |

| Programme | Salaries | | Overtime | | Housing Allowance | | Medical Assistance | |
|--------------------|----------------|---------------|----------------|---------------|-------------------|---------------|--------------------|---------------|
| | Amount (R'000) | % | Amount (R'000) | % | Amount (R'000) | % | Amount (R'000) | % |
| Restitution | 181944 | 11.68 | 2569 | 13.01 | 6315 | 12.11 | 10329 | 13.27 |
| Land Reform | 171781 | 11.02 | 567 | 2.87 | 5099 | 9.78 | 8952 | 11.50 |
| Deeds Registration | 310633 | 19.93 | 2858 | 14.47 | 12347 | 23.69 | 17692 | 22.73 |
| Total | 1558263 | 100.00 | 19746 | 100.00 | 52130 | 100.00 | 77850 | 100.00 |

Table 3.1.4 – Salaries, Overtime, Housing Allowance and Medical Assistance by Salary Bands

| Salary Bands | Salaries | | Overtime | | Housing Allowance | | Medical Assistance | |
|--|----------------|---------------|----------------|---------------|-------------------|---------------|--------------------|---------------|
| | Amount (R'000) | % | Amount (R'000) | % | Amount (R'000) | % | Amount (R'000) | % |
| Lower skilled (Levels 1-2) | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Skilled (Levels 3-5) | 68163 | 4.37 | 1609 | 8.15 | 4032 | 7.73 | 5368 | 6.90 |
| Highly skilled production (Levels 6-8) | 610298 | 39.17 | 12569 | 63.65 | 29261 | 56.13 | 45225 | 58.09 |
| Highly skilled supervision (Levels 9-12) | 647317 | 41.54 | 5568 | 28.20 | 14997 | 28.77 | 23925 | 30.73 |
| SMS (Levels 13-16) | 232485 | 14.92 | 0 | 0.00 | 3840 | 7.37 | 3332 | 4.28 |
| Total | 1558263 | 100.00 | 19746 | 100.00 | 52130 | 100.00 | 77850 | 100.00 |

3.2 Employment and Vacancies

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff additional to the establishment. This information is presented in terms of three key variables: - Programme (Table 3.2.1), Salary Band (Table 3.2.2) and Critical Occupations

(Table 3.3.3) and vacancy information for the key critical occupations of the department.

DRDLR has identified critical occupations that need to be monitored. In terms of the current Regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 – Employment and Vacancies by Programme

| Programme | Number of posts on approved establishment | Number of posts filled | Vacancy Rate | Number of employees additional to the establishment |
|------------------------------------|---|------------------------|--------------|---|
| Administration | 1673 | 1573 | 5.98 | 12 |
| Geo-Spatial and Cadastral Services | 1136 | 1114 | 1.94 | 264 |
| Rural Development | 531 | 528 | 0.56 | 19 |
| Restitution | 912 | 719 | 21.16 | 9 |
| Land Reform | 776 | 574 | 26.03 | 108 |
| Deeds Registration | 1430 | 1290 | 9.79 | 132 |
| Total | 6458 | 5798 | 10.22 | 544 |

Table 3.2.2 – Employment and Vacancies by Salary Band

| Salary Band | Number of posts on approved establishment | Number of posts filled | Vacancy Rate | Number of employees additional to the establishment |
|--|---|------------------------|--------------|---|
| Lower skilled (Levels 1-2) | 0 | 0 | 0.00 | 0 |
| Skilled (Levels 3-5) | 1020 | 958 | 6.08 | 156 |
| Highly skilled production (Levels 6-8) | 2891 | 2604 | 9.93 | 235 |

| Salary Band | Number of posts on approved establishment | Number of posts filled | Vacancy Rate | Number of employees additional to the establishment |
|--|---|------------------------|--------------|---|
| Highly skilled supervision (Levels 9-12) | 2199 | 1960 | 10.87 | 151 |
| SMS (Levels 13-16) | 348 | 276 | 20.69 | 2 |
| Total | 6458 | 5798 | 10.22 | 544 |

Table 3.2.3 – Employment and Vacancies by Critical Occupations

| Critical occupations | Number of posts on approved establishment | Number of posts filled | Vacancy Rate | Number of employees additional to the establishment |
|--|---|------------------------|--------------|---|
| Architects | 73 | 73 | 0.00 | 34 |
| Cartographers and Surveyors | 367 | 359 | 2.18 | 91 |
| Community Development Workers | 494 | 494 | 0.00 | 173 |
| Engineers | 22 | 19 | 13.64 | 12 |
| General Legal Administration & Related Professionals | 1182 | 1087 | 8.04 | 124 |
| Natural Sciences Related | 1179 | 1012 | 14.16 | 73 |
| Other | 3141 | 2754 | 12.32 | 37 |
| Total | 6458 | 5798 | 10.22 | 544 |

3.3 Job Evaluation

Using a determined framework, the Executing Authority may evaluate or re-evaluate any job in his/her department in accordance with the Public Service Regulations, 2001. Table 3.3.1 summarises the number of jobs that were evaluated during the year under review. Table 3.3.2 provides a summary of the number

of employees whose salary positions were upgraded in line with their post upgrades. Table 3.3.3 summarises the number of all the cases as on 31 March 2015, where remuneration levels exceeded the grade determined by job evaluation. The job evaluation was not necessary implemented in the year under review. Table 3.3.4 summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 3.3.1 – Job Evaluation by salary band

| Salary band | Number of posts on approved establishment | Number of Jobs Evaluated | % of posts evaluated by Salary Bands | Posts Upgraded | | Posts downgraded | |
|--|---|--------------------------|--------------------------------------|----------------|-------------|------------------|-------------|
| | | | | Number | % | Number | % |
| Lower skilled (Levels 1-2) | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Skilled (Levels 3-5) | 1020 | 5 | 0.49 | 0 | 0.00 | 1 | 0.10 |
| Highly skilled production (Levels 6-8) | 2891 | 62 | 2.14 | 1 | 0.03 | 0 | 0.00 |
| Highly skilled supervision (Levels 9-12) | 2199 | 78 | 3.55 | 3 | 0.14 | 14 | 0.64 |
| SMS Band A | 245 | 20 | 8.16 | 0 | 0.00 | 0 | 0.00 |
| SMS Band B | 86 | 6 | 6.98 | 0 | 0.00 | 0 | 0.00 |
| SMS Band C | 13 | 1 | 7.69 | 0 | 0.00 | 0 | 0.00 |
| SMS Band D | 4 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Total | 6458 | 172 | 2.66 | 4 | 0.06 | 15 | 0.23 |

Table 3.3.2 – Profile of Employees whose salaries were upgraded in line with their posts upgrades

| Beneficiaries | African | Asian | Coloured | White | Total |
|---------------|----------|----------|----------|----------|----------|
| Female | 0 | 0 | 0 | 0 | 0 |
| Male | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 | 0 |

| | |
|------------------------------------|----------|
| Employees with a disability | 0 |
|------------------------------------|----------|

Table 3.3.3 – Employees with salary levels higher than those determined by job evaluation and occupation

| Occupation | Number of employee | Job Evaluation Level | Remuneration Level | Reason for Deviation |
|---|--------------------|----------------------|--------------------|-----------------------|
| General Legal Administration & Related Professionals | 1 | 7 | 9 | Recruitment/Retention |
| General Legal Administration & Related Professionals | 1 | 9 | 11 | Recruitment/Retention |
| General Legal Administration & Related Professionals | 1 | 9 | 12 | Recruitment/Retention |
| General Legal Administration & Related Professionals | 1 | 12 | 13 | Recruitment/Retention |
| Natural Sciences Related | 3 | 8 | 9 | Recruitment/Retention |
| Natural Sciences Related | 1 | 10 | 12 | Recruitment/Retention |
| Natural Sciences Related | 1 | 12 | 13 | Recruitment/Retention |
| Other | 16 | 5 | 7 | Recruitment/Retention |
| Other | 3 | 5 | 8 | Recruitment/Retention |
| Other | 23 | 6 | 7 | Recruitment/Retention |
| Other | 3 | 8 | 9 | Recruitment/Retention |
| Other | 1 | 9 | 12 | Recruitment/Retention |
| Other | 2 | 10 | 11 | Recruitment/Retention |
| Other | 1 | 11 | 13 | Recruitment/Retention |
| Other | 2 | 12 | 13 | Recruitment/Retention |
| Other | 3 | 13 | 14 | Recruitment/Retention |
| Other | 3 | 14 | 15 | Recruitment/Retention |
| Number of Employees whose salaries exceeded the level determined by JE | | 66 | | |
| Percentage of total Employment | | 1.13 % | | |

Table 3.3.4 – Profile of employees who have salary levels higher than those determined by job evaluation

| Beneficiaries | African | Coloured | Asian | White | Total |
|---------------|-----------|----------|----------|-----------|-----------|
| Female | 19 | 2 | 1 | 19 | 41 |
| Male | 14 | 6 | 0 | 5 | 25 |
| Total | 33 | 8 | 1 | 24 | 66 |

| | |
|------------------------------------|----------|
| Employees with a disability | 1 |
|------------------------------------|----------|

3.4 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 3.4.1) and by Critical Occupations (Table 3.4.2). Table 3.4.3 identifies major reasons why staff left the department.

Table 3.4.1 – Annual Turnover rates by Salary Band

| Salary Band | Number of Employees per band as on 1 April 2014 | Appointments and Transfers into the department | Terminations and Transfers out of the department | Turnover Rate |
|--|---|--|--|---------------|
| Lower skilled (Levels 1-2) | 0 | 0 | 0 | 0.00 |
| Skilled (Levels 3-5) | 733 | 225 | 0 | 0.00 |
| Highly skilled production (Levels 6-8) | 2724 | 137 | 257 | 9.43 |
| Highly skilled supervision (Levels 9-12) | 1869 | 105 | 14 | 0.75 |
| SMS Band A | 183 | 12 | 3 | 1.64 |
| SMS Band B | 72 | 1 | 3 | 4.17 |
| SMS Band C | 9 | 1 | 0 | 0.00 |
| SMS Band D | 1 | 3 | 0 | 0.00 |
| Total | 5591 | 484 | 277 | 4.95 |

Table 3.4.2 – Annual Turnover Rates by Critical Occupation

| Critical Occupation | Number of Employees per occupation as on 1 April 2014 | Appointments and Transfers into the department | Terminations and Transfers out of the department | Turnover Rate |
|--|---|--|--|---------------|
| Architects | 41 | 32 | 0 | 0.00 |
| Cartographers and Surveyors | 337 | 43 | 21 | 6.23 |
| Community Development Workers | 457 | 39 | 2 | 0.44 |
| Engineers | 1 | 18 | 0 | 0.00 |
| General Legal Administration and Related Professionals | 998 | 142 | 53 | 5.31 |
| Natural Sciences Related | 1006 | 6 | 0 | 0.00 |
| Other | 2751 | 204 | 201 | 7.31 |
| Total | 5591 | 484 | 277 | 4.95 |

Table 3.4.3 – Reasons why staff left the department

| Termination Type | Number | % of Total Terminations |
|---|------------|-------------------------|
| Death | 14 | 5.05 |
| Resignation | 128 | 46.21 |
| Expiry of contract | 90 | 32.49 |
| Dismissal – misconduct | 9 | 3.25 |
| Discharged due to ill-health | 1 | 0.36 |
| Retirement | 33 | 11.91 |
| Transfers to other Public Service departments | 2 | 0.72 |
| Total | 277 | 100.00 |

Table 3.4.4 – Promotions by Critical Occupation

| Critical Occupation | Employees as at 1 April 2014 | 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 |
|--|------------------------------|------------------------------------|---|---|--|
| Architects | 41 | 1 | 2.44 | 18 | 43.90 |
| Cartographers and Surveyors | 337 | 4 | 1.19 | 352 | 104.45 |
| Community Development Workers | 457 | 1 | 0.22 | 122 | 26.70 |
| Engineers | 1 | 0 | 0.00 | 1 | 100.00 |
| General Legal Administration and Related Professionals | 998 | 14 | 1.40 | 630 | 63.13 |
| Natural Sciences Related | 1006 | 13 | 1.29 | 254 | 25.25 |
| Other | 2751 | 152 | 5.53 | 2139 | 77.75 |
| Total | 5591 | 185 | 3.31 | 3516 | 62.89 |

Table 3.4.5 – Promotions by Salary Band

| Salary Band | Employees 1 April 2014 | Promotions to another salary level | Salary bands 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) | 0 | 0 | 0.00 | 0 | 0.00 |
| Skilled (Levels 3-5) | 733 | 7 | 0.95 | 233 | 31.79 |
| Highly skilled production (Levels 6-8) | 2724 | 74 | 2.72 | 1999 | 73.38 |
| Highly skilled supervision (Levels 9-12) | 1869 | 89 | 4.76 | 1133 | 60.62 |
| SMS (Levels 13-16) | 265 | 15 | 5.66 | 151 | 56.98 |
| Total | 5591 | 185 | 3.31 | 3516 | 62.89 |

3.5 Employment Equity

Ensuring representation in the public service is a requirement in terms of Chapter 10, Section 195(i) of the Constitution of the Republic of South Africa. The Department of Rural Development and Land Reform has developed an Employment Equity (EE) Plan, that is

informed by Chapter 10 (Section 195) and the provisions of the Employment Equity Act, no 55 of 1998 (EEA) to support the creation of an enabling environment for improved service delivery as outlined in its strategic plan for the period 2011 to 2014. The tables in this section are based on the formats prescribed by the EEA.

Table 3.5.1 – Total number of employees (including employees with disabilities) in each of the following Occupational Categories

| Occupational categories (SASCO) | Male | | | | Female | | | | Total |
|--|---------|----------|--------|-------|---------|----------|--------|-------|-------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Legislators, senior officials and managers | 119 | 11 | 11 | 26 | 77 | 8 | 8 | 16 | 276 |
| Professionals | 989 | 74 | 23 | 150 | 962 | 93 | 36 | 186 | 2513 |
| Technicians and associate professionals | 746 | 37 | 8 | 23 | 674 | 41 | 14 | 89 | 1632 |
| Clerks | 360 | 25 | 7 | 9 | 642 | 72 | 14 | 65 | 1194 |

| Occupational categories (SASCO) | Male | | | | Female | | | | Total |
|----------------------------------|-------------|------------|-----------|------------|-------------|------------|-----------|------------|-------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Service and sales workers | 18 | 2 | 0 | 4 | 10 | 1 | 0 | 1 | 36 |
| Craft and related trades workers | 19 | 1 | 1 | 2 | 1 | 1 | 0 | 3 | 28 |
| Elementary occupations | 63 | 5 | 0 | 1 | 40 | 10 | 0 | 0 | 119 |
| Total | 2314 | 155 | 50 | 215 | 2406 | 226 | 72 | 360 | 5798 |

| | | | | | | | | | |
|------------------------------------|-----------|----------|----------|-----------|-----------|----------|----------|-----------|------------|
| Employees with disabilities | 31 | 5 | 3 | 16 | 26 | 4 | 1 | 15 | 101 |
|------------------------------------|-----------|----------|----------|-----------|-----------|----------|----------|-----------|------------|

Table 3.5.2 – Total number of employees (including employees with disabilities) in each of the following Occupational Bands as on the 31 March 2015

| Occupational categories (SASCO) | Male | | | | Female | | | | Total |
|---|-------------|------------|-----------|------------|-------------|------------|-----------|------------|-------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top Management | 6 | 2 | 0 | 0 | 4 | 0 | 1 | 1 | 14 |
| Senior Management | 113 | 9 | 11 | 26 | 73 | 8 | 7 | 15 | 262 |
| Professionally qualified specialists and mid-management | 625 | 40 | 22 | 117 | 498 | 26 | 17 | 85 | 1430 |
| Skilled technical and academically qualified workers, | 1314 | 75 | 15 | 64 | 1593 | 166 | 47 | 256 | 3530 |
| Semi-skilled and discretionary decision making | 251 | 29 | 2 | 8 | 236 | 26 | 0 | 3 | 555 |
| Unskilled and defined decision making | 5 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 7 |
| Total | 2314 | 155 | 50 | 215 | 2406 | 226 | 72 | 360 | 5798 |

Table 3.5.3 – Recruitment

| Occupational categories (SASCO) | Male | | | | Female | | | | Total |
|---|------------|----------|----------|-----------|------------|-----------|----------|-----------|------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top Management | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 |
| Senior Management | 9 | 0 | 0 | 1 | 7 | 2 | 0 | 2 | 21 |
| Professionally qualified specialists and mid-management | 47 | 3 | 2 | 17 | 26 | 1 | 1 | 7 | 104 |
| Skilled technical and academically qualified workers, | 120 | 4 | 0 | 2 | 128 | 6 | 1 | 9 | 270 |
| Semi-skilled and discretionary decision making | 37 | 2 | 1 | 0 | 42 | 4 | 0 | 2 | 88 |
| Unskilled and defined decision making | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 213 | 9 | 3 | 20 | 204 | 13 | 2 | 20 | 484 |

| | | | | | | | | | |
|------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Employees with disabilities | 3 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 4 |
|------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|

Table 3.5.4 – Promotions

| Occupational categories (SASCO) | Male | | | | Female | | | | Total |
|---|-----------|----------|----------|----------|-----------|----------|----------|----------|------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top Management | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Senior Management | 8 | 0 | 0 | 0 | 5 | 2 | 0 | 2 | 17 |
| Professionally qualified specialists and mid-management | 20 | 2 | 1 | 2 | 13 | 0 | 1 | 0 | 39 |
| Skilled technical and academically qualified workers, | 57 | 2 | 0 | 2 | 62 | 3 | 1 | 1 | 128 |
| Semi-skilled and discretionary decision making | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unskilled and defined decision making | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 85 | 5 | 1 | 4 | 80 | 5 | 2 | 3 | 185 |

| | | | | | | | | | |
|------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Employees with disabilities | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 2 |
|------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|

Table 3.5.5 – Terminations

| Occupational categories (SASCO) | Male | | | | Female | | | | Total |
|---|------------|----------|----------|-----------|-----------|----------|----------|-----------|------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top Management | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management | 6 | 0 | 0 | 1 | 3 | 1 | 0 | 0 | 11 |
| Professionally qualified specialists and mid-management | 33 | 2 | 0 | 8 | 24 | 1 | 0 | 3 | 71 |
| Skilled technical and academically qualified workers, | 49 | 2 | 0 | 2 | 29 | 3 | 0 | 14 | 99 |
| Semi-skilled and discretionary decision making | 44 | 4 | 0 | 1 | 36 | 3 | 0 | 0 | 88 |
| Unskilled and defined decision making | 5 | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 8 |
| Total | 137 | 8 | 0 | 12 | 95 | 8 | 0 | 17 | 277 |

| | | | | | | | | | |
|------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Employees with disabilities | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 1 | 4 |
|------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|

Table 3.5.6 – Disciplinary Action

| Disciplinary Action | Male | | | | Female | | | | Total |
|-------------------------|---------|----------|--------|-------|---------|----------|--------|-------|-------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Correctional Counseling | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Written Warning | 10 | 3 | 0 | 2 | 6 | 1 | 2 | 0 | 24 |
| Final Written Warning | 6 | 1 | 0 | 0 | 2 | 1 | 0 | 1 | 11 |
| Demotion | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 |
| Dismissal | 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6 |
| Not guilty | 5 | 0 | 0 | 1 | 4 | 0 | 0 | 0 | 10 |

| Disciplinary Action | Male | | | | Female | | | | Total |
|---|-----------|----------|----------|----------|-----------|----------|----------|----------|-----------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Suspension without pay and final written warning | 5 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 6 |
| Suspension without pay, final written warning and corrective counseling | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Final written warning and counseling | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Final written warning and liable to pay cost incurred | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Suspension | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Matter dismissed, resigned before sanction / referred to new Dept. | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| Total | 37 | 4 | 0 | 3 | 14 | 2 | 2 | 1 | 63 |

| | | | | | | | | | |
|------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Employees with disabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
|------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|

Table 3.5.7 – Skills Development

| Occupational categories (SASCO) | Male | | | | Female | | | | Total |
|--|-------------|-----------|-----------|-----------|-------------|------------|-----------|------------|-------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Legislators, senior officials and managers | 90 | 4 | 4 | 9 | 107 | 4 | 3 | 12 | 233 |
| Professionals | 492 | 35 | 11 | 34 | 630 | 62 | 25 | 70 | 1359 |
| Technicians and associate professionals | 499 | 25 | 9 | 31 | 586 | 49 | 10 | 50 | 1259 |
| Clerks | 350 | 26 | 7 | 4 | 362 | 24 | 12 | 21 | 806 |
| Service and sales workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Elementary occupations | 169 | 0 | 0 | 0 | 157 | 0 | 0 | 0 | 326 |
| Total | 1600 | 90 | 31 | 78 | 1842 | 139 | 50 | 153 | 3983 |

| | | | | | | | | | |
|------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Employees with disabilities | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 2 |
|------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|

3.6 Performance Rewards

To encourage good performance, the department granted the following performance rewards during

the year 2014/15 financial year. Information is presented in terms of race, gender, and disability (Table 3.6.1), salary bands (table 3.6.2) and critical occupations (Table 3.6.3).

Table 3.6.1 – Performance Rewards by Race, Gender, and Disability

| Beneficiary Profile | | | | Cost | |
|---------------------|-------------------------|---------------------|-------------------------|--------------|-------------------------------|
| Race and Gender | Number of beneficiaries | Number of employees | % of total within group | Cost (R'000) | Average cost per employee (R) |
| African Female | 699 | 2380 | 29.37 | 10165 | 14.542 |
| African Male | 626 | 2283 | 27.42 | 9987 | 15.954 |
| Coloured Female | 23 | 222 | 10.36 | 435 | 18.913 |
| Coloured Male | 14 | 150 | 9.33 | 474 | 33.857 |

| Beneficiary Profile | | | | Cost | |
|-----------------------------|-------------------------|---------------------|-------------------------|--------------|-------------------------------|
| Race and Gender | Number of beneficiaries | Number of employees | % of total within group | Cost (R'000) | Average cost per employee (R) |
| Indian Female | 68 | 71 | 95.77 | 986 | 14.500 |
| Indian Male | 41 | 47 | 87.23 | 541 | 13.195 |
| White Female | 150 | 345 | 43.48 | 2764 | 18.427 |
| White Male | 62 | 199 | 31.16 | 1736 | 28.000 |
| Employees with a disability | 53 | 101 | 52.48 | 527 | 9.943 |
| Total | 1736 | 5798 | 29.94 | 27615 | 15.907 |

Table 3.6.2 – Performance Rewards by Salary Bands for personnel below Senior Management Service

| Beneficiary Profile | | | | Cost | |
|--|-------------------------|---------------------|-------------------------|--------------|-------------------------------|
| Salary band | Number of beneficiaries | Number of employees | % of total within group | Cost (R'000) | Average cost per employee (R) |
| Lower skilled (Levels 1-2) | 0 | 0 | 0.00 | 0 | 0.00 |
| Skilled (Levels 3-5) | 123 | 958 | 12.84 | 836 | 6.797 |
| Highly skilled production (Levels 6-8) | 937 | 2604 | 35.98 | 9932 | 10.600 |
| Highly skilled supervision (Levels 9-12) | 595 | 1960 | 30.36 | 13072 | 21.970 |
| Total | 1655 | 5522 | 29.97 | 23840 | 14.405 |

Table 3.6.3 – Performance Rewards by Critical Occupation

| Beneficiary Profile | | | | Cost | |
|--|-------------------------|---------------------|-------------------------|--------------|-------------------------------|
| Critical Occupation | Number of beneficiaries | Number of employees | % of total within group | Cost (R'000) | Average cost per employee (R) |
| Architects | 4 | 73 | 5.48 | 123 | 30.750 |
| Cartographers and Surveyors | 137 | 359 | 38.16 | 2499 | 18.241 |
| Community Development Workers | 78 | 494 | 15.79 | 1047 | 13.423 |
| Engineers | 2 | 19 | 10.53 | 87 | 43.500 |
| General Legal Administration and Related Professionals | 126 | 1087 | 11.59 | 1687 | 13.389 |
| Natural Sciences Related | 142 | 1012 | 14.03 | 2858 | 20.127 |
| Other | 1247 | 2754 | 45.28 | 19314 | 15.488 |
| Total | 1736 | 5798 | 29.94 | 27615 | 15.907 |

Table 3.6.4 – Performance related rewards (cash bonus), by salary band, for Senior Management Service

| Beneficiary Profile | | | | Cost | |
|---------------------|-------------------------|---------------------|-------------------------|--------------|-------------------------------|
| Salary band | Number of beneficiaries | Number of employees | % of total within group | Cost (R'000) | Average cost per employee (R) |
| SMS Band A | 57 | 192 | 29.69 | 2470 | 43.333 |
| SMS Band B | 22 | 70 | 31.43 | 1217 | 55.318 |
| SMS Band C | 2 | 10 | 20.00 | 88 | 44.000 |
| SMS Band D | 0 | 4 | 0.00 | 0 | 0.00 |
| Total | 81 | 276 | 29.35 | 3775 | 46.605 |

3.7 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 major occupation.

Table 3.7.1 – Foreign Workers

| Salary Band | 1 April 2014 | | 31 March 2015 | | Change | |
|--|--------------|---------------|---------------|---------------|----------|-------------|
| | Number | % of total | Number | % of total | Number | % change |
| Lower skilled (Levels 1-2) | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Skilled (Levels 3-5) | 2 | 20.00 | 1 | 10.00 | 1 | 0.00 |
| Highly skilled production (Levels 6-8) | 1 | 10.00 | 1 | 10.00 | 0 | 0.00 |
| Highly skilled supervision (Levels 9-12) | 6 | 60.00 | 8 | 80.00 | -2 | 0.00 |
| SMS (Levels 13-16) | 1 | 10.00 | 0 | 0.00 | 1 | 0.00 |
| Total | 10 | 100.00 | 10 | 100.00 | 0 | 0.00 |

Table 3.7.2 – Foreign Worker by major occupation

| Major Occupation | 1 April 2014 | | 31 March 2015 | | Change | |
|--|--------------|---------------|---------------|---------------|----------|-------------|
| | Number | % of total | Number | % of total | Number | % change |
| Architects | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Cartographers and Surveyors | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Community Development Workers | 7 | 70.00 | 6 | 60.00 | 1 | 0.00 |
| Engineers | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| General Legal Administration and Related Professionals | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Natural Sciences Related | 3 | 30.00 | 0 | 0.00 | 3 | 0.00 |
| Other | 0 | 0.00 | 4 | 40.00 | -4 | 0.00 |
| Total | 10 | 100.00 | 10 | 100.00 | 0 | 0.00 |

3.8 Leave Utilisation

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 3.8.1) and disability leave (Table 3.8.2). In both cases, the estimated cost of the leave

is also provided. Table 3.8.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the Public Service Coordinating Bargaining Council in 2000, requires management of annual leave to prevent high levels of accrued leave paid at the time of termination of service.

Table 3.8.1 – Sick leave, 1 January 2014 to 31 December 2014

| Salary Band | Total days | % days with medical certification | Number of Employees using sick leave | % of total employees using sick leave | Average days per employee | Estimated Cost (R'000) |
|--|------------|-----------------------------------|--------------------------------------|---------------------------------------|---------------------------|------------------------|
| Lower skilled (Levels 1-2) | 0 | 0.00 | 0 | 0.00 | 0 | 0 |
| Skilled (Levels 3-5) | 3377 | 70.97 | 596 | 62.21 | 6 | 1938 |
| Highly skilled production (Levels 6-8) | 21644 | 61.45 | 2488 | 95.55 | 9 | 21122 |

| 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) |
|--|--------------|-----------------------------------|--------------------------------------|---------------------------------------|---------------------------|------------------------|
| Highly skilled supervision (Levels 9-12) | 10215 | 77.12 | 1529 | 78.01 | 7 | 19081 |
| SMS (Levels 13-16) | 1418 | 69.12 | 206 | 74.64 | 7 | 4733 |
| Total | 36654 | 278.66 | 4819 | 83.11 | 8 | 46874 |

Table 3.8.2 – Disability leave (temporary and permanent), 1 January 2014 to 31 December 2014

| 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) |
|--|------------------|-----------------------------------|--|---|---------------------------|------------------------|
| Lower skilled (Levels 1-2) | 0 | 0.00 | 0 | 0.00 | 0 | 0 |
| Skilled (Levels 3-5) | 114 | 100.00 | 14 | 11.90 | 9 | 62 |
| Highly skilled production (Levels 6-8) | 2039 | 100.00 | 77 | 78.30 | 25 | 1898 |
| Highly skilled supervision (Levels 9-12) | 882 | 100.00 | 34 | 45.00 | 22 | 1622 |
| SMS (Levels 13-16) | 40 | 100.00 | 5 | 14.49 | 9 | 156 |
| Total | 3075 | 100.00 | 130 | 53.04 | 22 | 3738 |

Table 3.8.3 – Annual Leave, 1 January 2014 to 31 December 2014

| Salary Bands | Total days taken | Number of Employees who took leave | Average per employee |
|--|------------------|------------------------------------|----------------------|
| Lower skilled (Levels 1-2) | 0 | 0 | 0 |
| Skilled (Levels 3-5) | 10241 | 835 | 12 |
| Highly skilled production (Levels 6-8) | 67155 | 2600 | 26 |
| Highly skilled supervision (Levels 9-12) | 41960 | 1943 | 22 |
| SMS (Levels 13-16) | 6739 | 271 | 25 |
| Total | 126095 | 5649 | 22 |

Table 3.8.4 – Capped leave, 1 January 2014 to 31 December 2014

| Salary Bands | Total days of capped leave taken | Number of Employees who took leave | Average number of days taken per employee | Average capped leave per employee as on 31 December 2014 |
|--|----------------------------------|------------------------------------|---|--|
| Lower skilled (Levels 1-2) | 0 | 0 | 0 | 0 |
| Skilled (Levels 3-5) | 31 | 5 | 7 | 33 |
| Highly skilled production (Levels 6-8) | 65 | 19 | 4 | 22 |
| Highly skilled supervision (Levels 9-12) | 257 | 34 | 7 | 33 |
| SMS (Levels 13-16) | 19 | 7 | 3 | 47 |
| Total | 372 | 65 | 6 | 29 |

Table 3.8.5 – Leave payouts for the period 1 April 2014 to 31 March 2015

The following table summarises payments 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 2014/15 due to non-utilisation of leave for the previous cycle | 1151 | 60 | 17,888 |
| Capped leave payouts on termination of service for 2014/15 | 5691 | 196 | 27,074 |
| Current leave payout on termination of service for 2014/15 | 1430 | 119 | 11,485 |
| Total | 8272 | 375 | 20,430 |

3.9 HIV/AIDS & Health Promotion Programmes

Table 3.9.1 – Steps taken to reduce the risk of occupational exposure

| Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any) | Key steps taken to reduce the risk |
|--|------------------------------------|
| None | None |

Table 3.9.2 – Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

| Question | Yes | No | Details, if yes |
|--|-----|----|--|
| 1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position. | X | | Mr T Mogashoa Director: Human Resource Management |
| 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 | | Sub directorate: Employee Health and Wellness 1 x Deputy Director, 2 x Assistant Directors (National Coordinators) 1 x Occupational Health Specialist (ASD) 8 x Assistant Directors (Provincial Coordinators) 1 x Administrative Officer for support services. Annual budget – R2 824 550.00 |
| 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 | | 2 Policies have been developed (EHWP Policy and HIV/AIDS, TB & STIs Policy) Psycho-social services, Health Promotion activities, Life-skills programmes and HIV/AIDS and TB Management including VCT. |
| 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 | | 9 x Provincial EHWM Committees have been established. The committee members have been trained and appointed formally as per the Employee Assistance Programme Association (EAPA) Standards and DPSA Framework. Representation includes EHWP Coordinators, HR Managers and union representatives. |
| 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 | | <ul style="list-style-type: none"> HIV/AIDS, TB and STI Policy. Employee Health and Wellness Policy under review. |
| 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 | | HIV/AIDS policy is being implemented. Awareness and education on HIV&AIDS Management. Provision of Care and Support by in-house EHWP Specialists and service providers through Psycho-social Services. |

| Question | Yes | No | Details, if yes |
|---|-----|----|---|
| 7. Does the department encourage its employees to undergo Voluntary Counseling and Testing? If so, list the results that you have you achieved. | X | | Voluntary Counselling and Testing (VCT) was incorporated into Health and Wellness events/ office based services, World AIDS Day and Sexually Transmitted Infections/Condom Week Observation Sessions. The total number of attendance was 3119 (53.79 %); the number of VCT participants was 1135 which gives a percentage of 19.57 %. |
| 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 | | Analysis of health screening (Chronic conditions HIV/AIDS and TB) results. Analysis of evaluation forms by participants. |

EHWP OFFICIALS

| | |
|--------------------------------|-----------------|
| Programme Manager | Bongeka Gcwabe |
| National Coordinator | Khonjiwe Radebe |
| National Coordinator | Nocawe Morake |
| Occupational Health Specialist | Lucia Lethola |

EHWP MANAGEMENT COMMITTEE MEMBERS

| Provinces | KwaZulu-Natal | Western Cape | Mpumalanga | North West | Free State |
|--------------------------------|---|--|---|----------------------------------|--|
| Provincial Coordinators | Happy Kwela | Vuyolwethu Noyi | Silindile Mbuyazi | Pheagane Modipane | Khulubone Mkhonza |
| HRManagers | Johannes Zwane | Tobani Mtintsilana | Asandi Mdala | Phillip Maponyane | Zola Mokoena |
| Committee Members | Bruce Gunkel Sindiswa Shandu Sabelo Dlamini | Mponzo Siyakubonga Tame Nomsangaphi Sazi Nzimande Fatima Williams Semela Teddy | Guster Mbatha Lesiba Molefe Zithini Dlamini Thandi Ngomane | Ali Van Der Ross Poppy Mongae | Khanyile Innocent Thandiwe Mothibi Sandile Nhlapo PJ Molemi |
| Provinces | Limpopo | Gauteng | Northern Cape | Eastern Cape | National Office |
| Provincial Coordinators | Mashangu Nefale | Post Vacant | Haroldine Wells | Siphokazi Njongi | Tshuba Mogashoa (Chair-person) |
| HR Managers | Moraka Shai | Mohemedi Molefi | Thapelo Mashoi | Mcebisi Ciko | Bongeka Gcwabe Mpho Ramokolo Lizelle Strydom Cebo Mntwini Constance Matabane Julius Mothate |
| Committee Members | Florance Dikgale Lorraine Mosebedi Mashele Jeffry | Mahlangu Makaziwe Agnes Kibe Thami Yohane Munyai Dovhani Tshikalanga Vidah Karien Klopper W. Jansen v Vuuren | David Mngcolwani Katheho Modise Clement Makebe | Malerato Molokoane | |

3.10 Labour Relations

Table 3.10.1 – Collective agreements, 1 April 2014 to 31 March 2015

| | |
|-----------------------------|---|
| Total collective agreements | 0 |
|-----------------------------|---|

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.10.2 – Misconduct and disciplinary hearings finalised, 1 April 2014 to 31 March 2015

| Outcomes of disciplinary hearings | Number | % of total |
|--|-----------|---------------|
| Written warning | 1 | 5.56 |
| Demotion | 1 | 5.56 |
| Dismissal | 6 | 33.33 |
| Suspension without pay and final written warning | 6 | 33.33 |
| Allegations withdrawn, matter dismissed and resigned before sanction | 4 | 22.22 |
| Total | 18 | 100.00 |

Table 3.10.3 – Types of misconduct addressed at disciplinary hearings

| Type of misconduct | Number | % of total |
|--|-----------|---------------|
| Abuse of State Vehicle | 1 | 5.56 |
| Theft/Fraud/Corruption | 3 | 16.67 |
| Unauthorised Absenteeism/Late coming | 3 | 16.67 |
| Dereliction of Duties | 2 | 11.11 |
| Insubordination/insolence/misrepresentation | 3 | 16.67 |
| Gross dishonesty/Misrepresentation/Falsification | 6 | 33.33 |
| Total | 18 | 100.00 |

Table 3.10.4 – Grievances lodged for the period 1 April 2014 to 31 March 2015

| Grievances Lodged | Number | % of Total |
|-----------------------------------|------------|---------------|
| Number of grievances resolved | 73 | 67.59 |
| Number of grievances not resolved | 35 | 32.41 |
| Total | 108 | 100.00 |

Table 3.10.5 – Disputes lodged with Councils for the period 1 April 2014 to 31 March 2015

| Disputes Lodged | Number | % of Total |
|------------------------------|-----------|---------------|
| Number of disputes upheld | 2 | 16.67 |
| Number of disputes dismissed | 10 | 83.33 |
| Total | 12 | 100.00 |

Table 3.10.6 – Strike actions for the period 1 April 2014 to 31 March 2015

| | |
|--|-------------|
| Total number of person working days lost | 0 |
| Total cost (R'000) of working days lost | 0.00 |
| Amount (R'000) recovered as a result of no work no pay | 0.00 |

Table 3.10.7 – Precautionary suspensions for the period 1 April 2014 to 31 March 2015

| | |
|--|--------------|
| Number of people suspended | 7 |
| Number of people whose suspension exceeded 30 days | 7 |
| Average number of days suspended | 88.42 |
| Cost (R'000) of suspensions | 720 |

3.11 Skills Development

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

Table 3.11.1 - Training needs identified 1 April 2014 to 31 March 2015

| Occupational Categories | Gender | Number of employees as at 1 April 2014 | Training needs identified at start of reporting period | | | |
|--|--------|--|--|---|-------------------------|-------|
| | | | Learnerships | Skills Programmes & other short courses | Other forms of training | Total |
| Legislators, senior officials and managers | Female | 102 | 0 | 97 | 0 | 97 |
| | Male | 154 | 0 | 90 | 0 | 90 |
| Professionals | Female | 1193 | 0 | 755 | 0 | 755 |
| | Male | 1141 | 0 | 592 | 0 | 592 |

| Occupational Categories | Gender | Number of employees as at 1 April 2014 | Training needs identified at start of reporting period | | | |
|---|--------|--|--|---|-------------------------|-------------|
| | | | Learnerships | Skills Programmes & other short courses | Other forms of training | Total |
| Technicians and associate professionals | Female | 841 | 0 | 746 | 0 | 746 |
| | Male | 861 | 0 | 535 | 0 | 535 |
| Clerks | Female | 747 | 0 | 419 | 0 | 419 |
| | Male | 362 | 0 | 385 | 0 | 385 |
| Service and sales workers | Female | 14 | 0 | 0 | 0 | 0 |
| | Male | 21 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | Female | 5 | 0 | 0 | 0 | 0 |
| | Male | 24 | 0 | 0 | 0 | 0 |
| Elementary occupations | Female | 53 | 0 | 167 | 0 | 167 |
| | Male | 73 | 0 | 197 | 0 | 197 |
| Sub Total | Female | 2955 | 0 | 2184 | 0 | 2184 |
| | Male | 2636 | 0 | 1799 | 0 | 1799 |
| Total | | 5591 | 0 | 3983 | 0 | 3983 |

Table 3.11.2 - Training provided 1 April 2014 to 31 March 2015

| Occupational Categories | Gender | Number of employees as at 1 April 2014 | Training needs identified at start of reporting period | | | |
|--|--------|--|--|---|-------------------------|-------------|
| | | | Learnerships | Skills Programmes & other short courses | Other forms of training | Total |
| Legislators, senior officials and managers | Female | 102 | 0 | 97 | 0 | 97 |
| | Male | 154 | 0 | 90 | 0 | 90 |
| Professionals | Female | 1193 | 0 | 755 | 0 | 755 |
| | Male | 1141 | 0 | 592 | 0 | 592 |
| Technicians and associate professionals | Female | 841 | 0 | 746 | 0 | 746 |
| | Male | 861 | 0 | 535 | 0 | 535 |
| Clerks | Female | 747 | 0 | 419 | 0 | 419 |
| | Male | 362 | 0 | 385 | 0 | 385 |
| Service and sales workers | Female | 14 | 0 | 0 | 0 | 0 |
| | Male | 21 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | Female | 5 | 0 | 0 | 0 | 0 |
| | Male | 24 | 0 | 0 | 0 | 0 |
| Elementary occupations | Female | 53 | 0 | 167 | 0 | 167 |
| | Male | 73 | 0 | 197 | 0 | 197 |
| Sub Total | Female | 2955 | 0 | 2184 | 0 | 2184 |
| | Male | 2636 | 0 | 1799 | 0 | 1799 |
| Total | | 5591 | 0 | 3983 | 0 | 3983 |

3.12 Injury on Duty

The following table provides basic information on injury on duty.

| Nature of injury on duty | Number | % of total |
|---------------------------------------|-----------|---------------|
| Required basic medical attention only | 11 | 100.00 |
| Temporary Total Disablement | 0 | 0.00 |
| Permanent Disablement | 0 | 0.00 |
| Fatal | 0 | 0.00 |
| Total | 11 | 100.00 |

13.3 Utilisation of Consultants

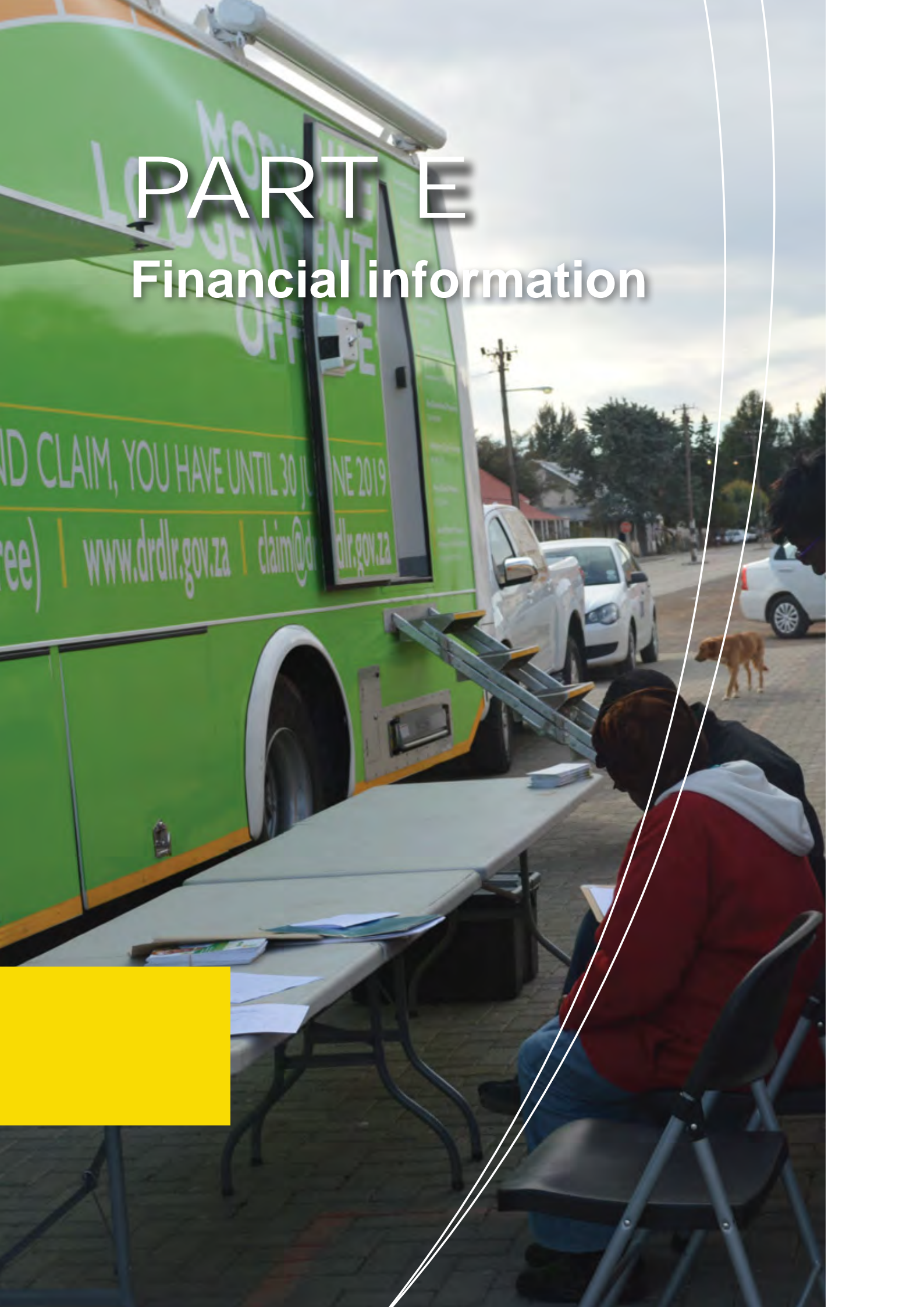
Consulting services are obtained by the department to assist with implementation of certain projects because of the number of projects. However, the details per project are not

disclosed on the table below. The appointment of these consultants is done through Supply Chain Management Processes taking into account the Preferential Procurement Framework. The contractual agreement is managed in line with the service level agreements.

| Nature of Consulting Services | Amount Paid (R'000) |
|--|---------------------|
| Audit Committee (non-officials) | 954 |
| Board Member | 10 |
| Financial Management | 5351 |
| Project Management | 51122 |
| Research and Advisor | 98573 |
| Valuers | 9298 |
| Com & Com of Enquiry | 194 |
| Qualification Verification | 258 |
| Translation & Transcription | 637 |
| Geo Information Services | 3107 |
| Land & Quantity Surveying Services | 98 |
| Town Planner | 866 |
| Legal Advice PVY Firms | 88092 |
| State Attorney Legal Advice | 42101 |
| L/State Attorney: Messenger of Court Services | 19 |
| Artist & Performers | 4 |
| Aerial Photography | 12799 |
| Auctioneers | 6 |
| Audio-visual | 299 |
| Casual Labourers | 20 |
| Employee Wellness | 1747 |
| Event Promoters | 843 |
| Graphic Designs | 566 |
| Interior Decorators | 1 |
| Stage and Sound Crew | 411 |
| Transport/Relocation Contr. | 1183 |
| Plant Flower & Other Decorations | 70 |
| Outs Contracts: Maintenance and Repair N-INF Ass | 4144 |
| A&/S/O/S: Administration and Support Staff | 5471 |
| A&/S/O/S: Nutrition Services: Communities | 2658 |
| A&/S/O/S: Internal Auditors | 9274 |
| A&/S/O/S: Land Claim Verifications | 834 |
| A&/S/O/S: Personnel and Labour | 242 |
| A&/S/O/S: Professional Staff | 220 |
| A&/S/O/S: Medical Services | 19 |
| A&/S/O/S: Researcher | 14416 |
| A&/S/O/S: Security Services | 704 |
| Total | 356611 |

PART E

Financial information



1. Report of the Accounting Officer

1.1 Overview of the operations of the department

The Department of Rural Development and Land Reform is made up of five programmes as follows:

- Programme 1. – Administration.
- Programme 2. – National Geomatics Management Services.
- Programme 3. – Rural Development.
- Programme 4. – Restitution.
- Programme 5. – Land Reform.

The department received an appropriation of R9.455 billion which represents a decrease of

R4,4 million from prior year. A total of R9.396 billion or 99.1% was spent compared to 99.9% spending in the prior year. This is a decline in spending compared to prior year.

Goods & services decreased by R833 million or 38.2% from R2.1 billion to R1.3 billion in 2014/15. This is due SCOA reclassification of the NARYSEC expenditure to households and cost containment measures that were implemented following cost containment circular issued by National Treasury.

The decrease indicates that the department spent most its budget towards achieving its mandate supported by the fact that 61% of the total spent was on Transfers and subsidies.

1.2 Departmental revenue

| Department receipts | 2014/15 | | | 2013/14 | | |
|---|-----------|-------------------------|-------------------------|-----------|-------------------------|-----------------------|
| | Estimates | Actual amount collected | (Over)/under collection | Estimates | Actual Amount collected | Over/under collection |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Sales of goods and services other than capital assets | 20 753 | 21 539 | (786) | 20548 | 21 218 | (670) |
| Interest, dividends and rent on land | 11 507 | 13 503 | (1 996) | 14 501 | 21 469 | (6 968) |
| Sales of capital assets | - | 523 | (523) | 200 | 147 | 53 |
| Transactions in financial assets and liabilities | 6 004 | 51 874 | (45 870) | 42 855 | 61 788 | (18 933) |
| Transfer received | - | - | - | - | - | - |
| Total revenue collected | 38 264 | 87 439 | (49 175) | 78 104 | 104 622 | (26 518) |
| Departmental revenue collected | 38 264 | 87 439 | (49 175) | 78 104 | 104 622 | 26 518 |

The variance can be attributed to the following:

1.2.1 Sales of goods and services other than capital assets

The higher variance is attributable to the collection of more surveyor inspection fees than what was anticipated. This was also the reason for the variance between the accrual collected in the current year as compared to the prior year.

1.2.2 Interest, dividends and rent on land

The variance between the estimate and the actual collection is attributable to a favourable bank balance.

There is however a decrease from the actual collected in current year compared to prior year. This is as a result of the non-collection of lease revenue, which resulted from the moratorium that was placed on collection and billing.

1.2.3 Transactions in financial assets and liabilities

The variance is due to recoveries of amounts from debts that had been recognised in prior financial years. Although there was an increase, the department also had to write off bad debts amounting to R2,3 million.



The actual amount collected however decreased as compared to the prior year. This is due to the fact that for the most part of the current year the department did not have an external collection agency assisting it with the collection of outstanding debts. An agency has now been appointed.

1.2.4 Revenue from capital assets

The Revenue from capital assets was due to the sale of scrap assets that had become obsolete. There was an increase in the actual sales amount due to the department having identified more obsolete assets in the current year.

1.3 Programme expenditure

| Programme | 2014/15 | | | 2013/14 | | |
|--|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
| | Final Appropriation | Actual Expenditure | (Over)/under expenditure | Final Appropriation | Actual expenditure | (Over)/under expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Administration | 1 384 430 | 1 382 197 | 2 233 | 1 268 553 | 1 267 482 | 71 |
| National Geomatics Management Services | 734 815 | 732 537 | 2 278 | 787 113 | 785 869 | 1 244 |
| Rural Development | 1 850 932 | 1 800 988 | 49 944 | 1 704 840 | 1 701 643 | 3 197 |
| Restitution | 2 998 742 | 2 997 937 | 805 | 2 836 851 | 2 836 703 | 148 |
| Land Reform | 2 486 386 | 2 482 096 | 4 290 | 2 862 383 | 2 862 359 | 24 |
| Total | 9 455 305 | 9 395 755 | 59 550 | 9 459 740 | 9 454 056 | 5 684 |

Expenditure for the year amounted to R9,396 billion representing 99.4% of the final appropriation compared to R9,455 billion representing 99.9% of the final appropriation in the 2013/14 financial year. This reflects a decreased spending of 0.5%.

As disclosed in the Appropriation Statement, the following virements were effected, in order to accommodate excess expenditure in the relevant programmes. The shifting of funds within a program was also effected in accordance with the Public Finance Management Act.

1.4 Virements/Rollovers

The department had no rollovers.

The Virements effected is indicated in the following table:

| Shift From | Shift To | Amount R'000 | Reasons |
|---|--------------------|--------------|--|
| 2. Geospatial and Cadastral Service | | | |
| National Geomatics Management Services | Corporate Services | 15 414 | To augment shortfall under the machinery & equipment |
| 3. Rural Development | | | |
| Rural Infrastructure Development | Corporate Services | 1 000 | To augment shortfall under the machinery & equipment |
| Rural Enterprise and Industrial Development | Corporate Services | 2 986 | To augment shortfall under the machinery & equipment |
| National Rural Youth Services Corps | Corporate Services | 15 278 | To augment shortfall under the machinery & equipment |

| Shift From | Shift To | Amount R'000 | Reasons |
|---|--|--------------|--|
| National Rural Youth Services Corps | Spatial Planning and Land Use Management | 23 | To augment shortfall on compensation |
| Rural Enterprise and Industrial Development | Spatial Planning and Land Use Management | 3 000 | To augment the departmental agencies |
| Rural Infrastructure Development | Restitution Grants | 20 000 | To augment the Restitution Grants allocation for the implementation of new household transfers |
| Rural Enterprise and Industrial Development | Restitution Grants | 55 000 | To augment the Restitution Grants allocation for the implementation of new household transfers |
| National Rural Youth Services Corps | Restitution Grants | 62 000 | To augment the Restitution Grants allocation for the implementation of new household transfers |
| 5. Land Reform | | | |
| Land Reform Provincial Offices | Corporate Services | 1 000 | To augment shortfall under the machinery & equipment |
| Agricultural Land Holding Account | Restitution Grants | 105 000 | To augment the Restitution Grants allocation for the implementation of new household transfers |
| Agricultural Land Holding Account | Land Reform | 228 | To augment payment of the rates and taxes |
| Land Reform Grants | Restitution Grants | 76 000 | To augment the Restitution Grants allocation for the implementation of new household transfers |

1.5 Irregular, Fruitless and Wasteful expenditure

The cases of fruitless and wasteful expenditure have increased by 12% from R5,417 million in 2013/14 to R6,073 million. This is due to the extension on the NARYSEC training program from 2 to 4 years due to unavailability of accredited work place sites, unavailability of space at accredited colleges for further education and training and interest paid as compelled by the courts on restitution matters.

Furthermore, the department's Irregular expenditure saw an increase of 100% from R12,647 million in 2013/14 to R25 286 million in 2014/15. This is due to non-compliance with Supply Chain prescripts.

On all cases of fruitless and irregular expenditure, warning letters were issued and disciplinary actions are underway for the officials who were found to be negligent. The department remains committed to eradicating non-compliance with laws and regulations applicable to it.

The internal controls environment is continuously being monitored for its effectiveness and weaknesses identified are addressed to improve financial management and the overall efficiency in the operations of the department.

In addition, the department has improved its standard operating procedures to identify potential fruitless and wasteful expenditure before it occurs.

2. Service rendered by the department

2.1 Tariff policy

The Deeds Trading Account Schedule of Fees of Office is prescribed by regulation 84 of the Deeds Registries Act, 1937 (Act 47 of 1937) (the Schedule), and is published in the Government Notice after approval by the Minister of Rural Development and Land Reform.

The schedules of fees for the Deeds Trading Account were revised effective 1 May 2015.

The Fees of Office for the Surveyor-General is

prescribed by regulation 27 of the Land Survey Act, 1997 (Act 8 of 1997) (the Schedule), and is published in the Government Notice after approval by the Minister of Rural Development and Land Reform and National Treasury.

2.2 Free Services

The department provides map tricks kits, map work teaching aids and map packs to the Department of Education for distribution to disadvantaged schools that teach geography.

3. Future plans of the department

3.1 Establishment of Mega Agri-Parks

Government has identified agriculture as one of the sectors that presents very promising possibilities for substantial job creation and the revival of the rural economy.

The department's interventions in this regard will centre on increasing investment and capacity in rural infrastructure that supports, among others, production and market opportunities and the entire agricultural value chain by way of initiatives like the establishment of Mega Agri-Parks in each of the 44 District Municipalities.

3.2 Roll-out of phase 3 of the Comprehensive Rural Development Programme

This phase lies at the heart of transforming the rural economy and it is referred to as the Agro-Village Industries and credit facilities. The roll-out thereof will commence in the 215/16 financial year.

It will also serve as a vehicle for the implementation of the concept of "One District, One Agri-Park", making every municipality a CRDP site.

The Agri-Parks are conceived as providing for the creation of sustainable rural enterprises, agro-processing, trade development, production hubs for food security, local markets and financial services.

3.3 Establishment of the Office of the Valuer-General

The aim is to establish the Office of the Valuer-General (OVG), at the beginning of the 2015/16 financial year, as provided for in the Property Valuation Act, 2014.

3.4 Other

Chapter 6 of the NDP sets a target of transferring 20% of agricultural land to black people by 2030. To meet the NDP target, the department needs to transfer another 8.9 million hectares of agricultural land by 2030.

The department also intends to acquire 209 580 hectares of land at a cost of R1.253 million. Of this, R141.19 million will be spent on acquiring land for farm dwellers.

4. Public Private Partnerships

The DRDLR is in the process of finalising a PPP for the provision of office space for its Tshwane based operations. The National Treasury has granted approval of contract documentation in

principle in order for the contract to be signed and construction to commence. Discussions and engagements are on-going between the department and the National Treasury.

5. Discontinued activities/activities to be discontinued

There were no activities which were discontinued in the current financial year.

6. Supply Chain Management

6.1 Unsolicited bid proposals concluded for the year under review

No unsolicited bid proposals were processed in the year under review.

6.2 SCM processes and systems that are in place to prevent irregular expenditure

The department maintains a Supply Chain Management Policy (SCMP), Delegations of Authority (DoA) and Standard Operating Procedures (SOP). These prescripts collectively create a system aimed at preventing irregular expenditure.

In the year under review the revised SCMP and DoA were approved by the Accounting Officer in line with the Public Finance Management Act (PFMA). Any detected deviations from these prescripts are processed through National Bid Adjudication Committee and the Finance Compliance Committee (FCC) which proposes the way forward, including consequences, to the Accounting Officer.

6.3 Challenges experienced in SCM and how they were resolved

Responsibility managers amended/ revised their Demand Management Plans (DMP) in the course of the financial year without any delegation. The revised DoA assigned all deviations in the DMP to the Director: Demand and Acquisition Management/ Director: Finance and Supply Chain Management.

Validation of Tax Clearance Certificates (TCC) submitted by bidders proved to be a challenge. The South African Revenue Services (SARS) has made it possible for the department to do the validation online and the department is exploiting this opportunity to ensure compliance to prescripts. Departmental SCM officials confirm with SARS regarding the validity of the TCC and record the case number as well as relate the information to the service provider prior to a decision either to disqualify or qualify such bidders.

Despite maintaining a high percentage of invoices paid within 30 days, the Treasury Regulations required payment of service providers within 30 days remained a challenge in the year under review. The department continued to implement measures to ensure further improvement in the payment of service providers within 30 days. These measures included continuous education of staff and service providers.

7. Gifts and donations received in kind from non-related parties

The department did not provide in kind goods and services to non-related parties nor did it receive same from such parties.

8. Exemptions and deviations received from National Treasury

The department received exemption from complying with the Modified Cash Standard 11.

9. Events after the reporting date

On the 28th of May 2015 Cabinet approved the appointment of the Valuer-General. Fruitless and wasteful expenditure of R40 million was resolved

and irregular expenditure amounting to R26 million was condoned on the 25th of May 2015.

10. Conclusion

In conclusion, the department has collectively strived to accomplish its mandate of creating vibrant, equitable and sustainable rural communities through prudent financial management amid difficult economic climate

conditions. We continue to make a meaningful and substantial contribution to the economic and social upliftment of the poorest and most vulnerable rural communities.

11. Acknowledgements/appreciation

I would like to thank the Minister and Deputy Ministers for their support and guidance as well as the officials serving in the department for their hard work and dedication in ensuring that the department achieves its objectives.

The department would also like to thank the Audit Committee, whose tenure has just ended,

for their guidance and support throughout the financial year as well as the Risk and Compliance Committee.

The effective oversight role played by the Portfolio Committee on Rural Development and Land Reform is also acknowledged.

12. Approval and sign off

The Annual Financial Statements set out on pages 79 to 311 have been approved by the Accounting Officer.



MDUDUZI SHABANE
ACCOUNTING OFFICER
DATE: 31 JULY 2015

Accounting Officer's statement of responsibility for the Annual Financial Statements

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

The department's financial statements for the year ended 31 March 2015 have been examined by the external auditors and their report is presented on page 75.

The Annual Financial Statements of the department set out on page 79 to page 311 have been approved.



Mduduzi Shabane
ACCOUNTING OFFICER
Department of Rural Development and Land Reform
Date: 31 July 2015

Report of the Auditor-General to Parliament on **vote 33: Department of Rural Development and Land Reform**

Report on the financial statements

Introduction

1. I have audited the financial statements of the Department of Rural Development and Land Reform set out on pages 79 to 245, which comprise the appropriation statement, the statement of financial position as at 31 March 2015, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2011 (Act No. 6 of 2011) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Rural Development and Land Reform as at 31 March 2015 and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard prescribed by the National Treasury and the requirements of the PFMA and DoRA.

Emphasis of matters

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

Significant uncertainties

8. As disclosed in note 19.1 to the financial statements, claims were instituted against

the department amounting to R2 123 million. These claims are subject to the outcome of legal proceedings. The ultimate outcome of these matters cannot be determined at present, with the result that no provision for any liability that may result has been made in the department's financial statements.

9. As disclosed in note 19.1 to the financial statements, the department has a possible liability towards the claimants in terms of the Restitution of Lands Rights Act, 1994 (Act No. 22 of 1994). The total amount in claims verified and pending approval in terms of section 42D of this act is approximately R113 million which, once approved by the Minister, will increase the commitment amount disclosed in note 20 to the annual financial statements.

Impairments

10. As disclosed in note 13.1 to the financial statements, provision is made for impairment of an investment of R16 million. This relates to Inala Farms (Pty) Ltd which is in the process of being liquidated and the investment might not be recovered.
11. As disclosed in note 29 to the financial statements, provision was made for impairment of R99 million, of which R43 million relates to non-recovery of lease debtors and R28 million relates to provision for doubtful debts: Conveyancers as a result of inadequate debt-collection controls.

Restatement of corresponding figures

12. As disclosed in note 35.1 to the financial statements, the corresponding figures for 31 March 2014 have been restated as a result of an error discovered during 2014/15 financial year in the financial statements of the department at, and for the year ended, 31 March 2014.

Report on other legal and regulatory requirements

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

Predetermined objectives

14. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2015:
 - Programme 2 : Geospatial and Cadastral Services on pages 24 to 25;
 - Programme 3 : Rural Development on pages 26 to 29;
 - Programme 4 : Restitution on pages 30 to 31;
 - Programme 5: Land Reform on pages 32 to 33.
15. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
16. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPI).
17. I assessed the reliability of the reported

performance information to determine whether it was valid, accurate and complete.

18. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following selected programmes:

- Programme 2 : Geospatial and Cadastral Services
- Programme 3 : Rural Development
- Programme 4 : Restitution
- Programme 5: Land Reform.

Additional matters

19. Although I raised no material findings on the usefulness and reliability of the reported performance information for the selected programmes, I draw attention to the following matters:

Achievement of planned targets

20. I draw your attention to the annual performance report on pages 22 to 33 for information on the achievement of the planned targets for the year.

Adjustment of material misstatements

21. I identified material misstatements in the annual performance report submitted for auditing on the reported performance information for Programme 3: Rural Development, and Programme 5: Land Reform. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Compliance with legislation

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

Expenditure management

23. The accounting officer did not take effective steps to prevent unauthorised/irregular, fruitless and wasteful expenditure as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.

Financial statements

24. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1)(b) of the PFMA. Material misstatements relating to contingencies, immovable assets, commitments and other disclosure requirements identified by the auditors in the submitted financial statements were adequately corrected and/or the supporting records could be provided subsequently, which resulted in the financial statements receiving an unqualified audit opinion.

Internal control

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

Leadership

26. Improvement is required regarding the department's oversight of financial and performance reporting and related internal controls. This is evidenced by the fact that the department still needs to improve its internal monitoring controls to ensure full compliance with the MCS for financial reporting and accurate reporting of the performance report given that the auditors had identified misstatements in this regard. The department needs to focus on implementing action plans to address the root causes of the internal control

deficiencies identified going forward.

Financial and performance management

27. Daily and monthly controls to ensure accurate record keeping and preparation of financial and performance information require attention going forward. This is evidenced by the material adjustments which were made to the annual financial statements and performance report submitted for auditing as well as the material non-compliance matters identified during the audit. Specific attention should also be given to the information systems environment as systems were found with several weaknesses and do not constitute an ideal mature information system environment.

Governance

28. The department does have governance structures in place that are functioning effectively. This has contributed to the department's unchanged outcomes from the prior year.

Other reports

Investigations

29. As at 31 March 2015, 55 cases were under investigation by internal audit and the SIU, as requested by the department. These investigations relate mainly to the following:

- Allegations of fraud and procurement

irregularities

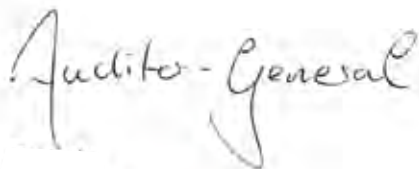
- Allegations relating to S&T
- Allegations of fraud and corruption
- Allegations of misuse of funds and state assets
- Allegations of falsified leave and leave irregularities
- Alleged undertaking of remunerative work outside the public service
- The appointment of a service provider
- The appointment of an official within the department.

30. The financial impact of the above has not been quantified at this stage as the investigations are still in progress.

31. As at 31 March 2015, internal audit had completed 15 investigations for the period under review. These investigations related mainly to the following:

- Allegations of mismanagement of communal property association
- Allegations relating to nepotism
- Allegations of misuse of government garage and rental vehicles and state assets
- Allegations relating to fronting
- Allegations relating to corruption
- Allegations relating to housing allowance mismanagement
- Allegations of misconduct by employees
- Allegations relating to information technology procurement irregularities.

32. The financial impact of these cases have been considered and found not to be material to the annual financial statements.



Pretoria
31 July 2015



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Appropriation per programme

| Programme | 2014/15 | | | | | 2013/14 | | | | |
|---|---------------------------------|----------------------------|-------------------|------------------------------|-----------------------------|-------------------|--|------------------------------|-----------------------------|--|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 | |
| 1. Administration | 1,348,752 | - | 35,678 | 1,384,430 | 1,382,197 | 2,233 | 99.8% | 1,268,553 | 1,267,482 | |
| 2. National Geomatics Management Services | 745,806 | - | (10,991) | 734,815 | 732,537 | 2,278 | 99.7% | 787,113 | 785,869 | |
| 3. Rural Development | 2,011,619 | - | (160,687) | 1,850,932 | 1,800,988 | 49,944 | 97.3% | 1,704,840 | 1,701,643 | |
| 4. Restitution | 2,680,742 | - | 318,000 | 2,998,742 | 2,997,937 | 805 | 100.0% | 2,836,851 | 2,836,703 | |
| 5. Land Reform | 2,668,386 | - | (182,000) | 2,486,386 | 2,482,096 | 4,290 | 99.8% | 2,862,383 | 2,862,359 | |
| TOTAL | 9,455,305 | - | - | 9,455,305 | 9,395,755 | 59,550 | 99.4% | 9,459,740 | 9,454,056 | |

| | 2014/15 | | 2013/14 | |
|--|---------------------|--------------------|---------------------|--------------------|
| | Final Appropriation | Actual Expenditure | Final Appropriation | Actual Expenditure |
| TOTAL (brought forward) | | | | |
| Reconciliation with statement of financial performance | | | | |
| ADD | | | | |
| Departmental receipts | 87,439 | | 104,622 | |
| NRF Receipts | - | | - | |
| Aid assistance | 30,316 | | 7,909 | |
| Actual amounts per statement of financial performance (total revenue) | 9,573,060 | | 9,572,271 | |
| ADD | | | | |
| Aid assistance | | 11,904 | | 3,346 |
| Prior year unauthorised expenditure approved without funding | | | | |
| Actual amounts per statement of financial performance (total expenditure) | | 9,407,659 | | 9,457,402 |

Appropriation per economic classification

| | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|-----------------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Current payments | 3,675,491 | (457,851) | (32,692) | 3,184,948 | 3,139,697 | 45,251 | 98.6% | 3,730,673 | 3,722,173 |
| <i>Compensation of employees</i> | 1,999,753 | (186,060) | (14,414) | 1,799,279 | 1,791,559 | 7,720 | 99.6% | 1,552,555 | 1,541,261 |
| <i>Salaries and wages</i> | 1,756,594 | (161,547) | (14,414) | 1,580,633 | 1,573,315 | 7,318 | 99.5% | 1,362,034 | 1,351,365 |
| <i>Social contributions</i> | 243,159 | (24,513) | - | 218,646 | 218,244 | 402 | 99.8% | 190,521 | 189,896 |
| <i>Goods and services</i> | 1,675,738 | (277,469) | (18,278) | 1,379,991 | 1,342,464 | 37,527 | 97.3% | 2,178,118 | 2,175,153 |
| <i>Administrative fees</i> | 42,591 | (13,556) | - | 29,035 | 27,070 | 1,965 | 93.2% | 61,558 | 61,444 |
| <i>Advertising</i> | 68,643 | (40,189) | - | 28,454 | 28,344 | 110 | 99.6% | 47,915 | 47,896 |
| <i>Minor assets</i> | 105,311 | (94,994) | - | 10,317 | 8,954 | 1,363 | 86.8% | 12,722 | 12,676 |
| <i>Audit costs: External</i> | 16,367 | (1,638) | - | 14,729 | 14,728 | 1 | 100% | 24,513 | 24,513 |
| <i>Bursaries: Employees</i> | 4,581 | (161) | - | 4,420 | 4,419 | 1 | 100% | 3,604 | 3,604 |
| <i>Catering: Departmental activities</i> | 9,608 | (4,030) | - | 5,578 | 5,423 | 155 | 97.2% | 15,117 | 15,098 |
| <i>Communication</i> | 46,396 | 21,050 | - | 67,446 | 67,100 | 346 | 99.5% | 54,728 | 54,260 |
| <i>Computer services</i> | 144,181 | (39,599) | 1,400 | 105,982 | 105,944 | 38 | 100% | 97,367 | 96,570 |
| <i>Consultants: Business and advisory services</i> | 206,894 | (39,345) | - | 167,549 | 166,395 | 1,154 | 99.3% | 237,469 | 238,838 |
| <i>Infrastructure and planning services</i> | 9,533 | (5,459) | - | 4,074 | 4,071 | 3 | 99.9% | 10,544 | 10,533 |
| <i>Laboratory services</i> | - | - | - | - | - | - | - | - | - |
| <i>Scientific and technological services</i> | - | - | - | - | - | - | - | - | - |
| <i>Legal services</i> | 43,326 | 86,905 | - | 130,231 | 130,213 | 18 | 100% | 105,297 | 104,706 |
| <i>Contractors</i> | 27,247 | (4,959) | - | 22,288 | 22,093 | 195 | 99.1% | 53,621 | 53,618 |
| <i>Agency and support/outsourced services</i> | 50,890 | (16,871) | - | 34,019 | 33,838 | 181 | 99.5% | 84,947 | 84,942 |
| <i>Entertainment</i> | 15 | (9) | - | 6 | 4 | 2 | 66.7% | 9 | 8 |
| <i>Fleet services</i> | 10,064 | 1,325 | - | 11,389 | 11,170 | 219 | 98.1% | 17,017 | 16,999 |
| <i>Housing</i> | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Inventory: Clothing material and supplies | 6,357 | (6,277) | - | 80 | 72 | 8 | 90.0% | 4,272 | 4,271 | | |
| Inventory: Farming supplies | 623 | (546) | - | 77 | 75 | 2 | 97.4% | 2,335 | 2,333 | | |
| Inventory: Food and food supplies | 71 | (71) | - | - | - | - | - | 4 | - | | |
| Inventory: Fuel, oil and gas | 578 | (578) | - | - | - | - | - | 215 | 215 | | |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - | | |
| Inventory: Materials and supplies | 5,149 | (2,149) | - | 3,000 | 2,650 | 350 | 88.3% | 4,251 | 4,240 | | |
| Inventory: Medical supplies | 36 | (1) | - | 35 | 33 | 2 | 94.3% | 18 | 18 | | |
| Inventory: Medicine | - | - | - | - | - | - | - | 4 | 4 | | |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - | | |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | | |
| Consumable supplies | 12,200 | (5,934) | - | 6,266 | 4,391 | 1,875 | 70.1% | 6,308 | 6,279 | | |
| Consumable: Stationery, printing and office supplies | 38,963 | (14,482) | - | 24,481 | 23,682 | 799 | 96.7% | 25,590 | 25,562 | | |
| Operating leases | 63,768 | 125,426 | - | 189,194 | 189,142 | 52 | 100% | 180,616 | 180,457 | | |
| Property payments | 206,363 | (100,548) | - | 105,815 | 105,610 | 205 | 99.8% | 93,672 | 93,659 | | |
| Transport provided: Departmental activity | 4,022 | 3,416 | - | 7,438 | 7,428 | 10 | 99.9% | 3,223 | 3,223 | | |
| Travel and subsistence | 420,242 | (98,758) | (19,678) | 301,806 | 277,842 | 23,964 | 92.1% | 791,229 | 790,961 | | |
| Training and development | 37,585 | (27,687) | - | 9,898 | 9,482 | 416 | 95.8% | 109,113 | 108,725 | | |
| Operating payments | 30,808 | (14,689) | - | 16,119 | 15,336 | 783 | 95.1% | 21,461 | 20,451 | | |
| Venues and facilities | 58,714 | 14,518 | - | 73,232 | 70,164 | 3,068 | 95.8% | 98,877 | 98,783 | | |
| Rental and hiring | 4,612 | 2,421 | - | 7,033 | 6,791 | 242 | 96.6% | 10,502 | 10,267 | | |
| Interest and rent on land | - | 5,678 | - | 5,678 | 5,674 | 4 | 99.9% | - | 5,759 | | |
| Interest (incl interest on unitary payments (PPP)) | - | 5,494 | - | 5,494 | 5,490 | 4 | 99.9% | - | 5,417 | | |
| Rent on land | - | 184 | - | 184 | 184 | - | 100.0% | - | 342 | | |

| 2014/15 | | | | | | | | | | 2013/14 | | |
|--|------------------------|-------------------|------------------|---------------------|--------------------|---------------|---|---------------------|--------------------|---------|--|--|
| Economic classification | 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 | | | |
| Transfers and subsidies | 5,721,864 | (254,447) | 3,000 | 5,470,417 | 5,458,275 | 12,142 | 99.8% | 5,472,092 | 5,470,892 | | | |
| <i>Provinces and municipalities</i> | 64,453 | 63,321 | - | 127,774 | 125,617 | 2,157 | 98,3% | 10,599 | 10,477 | | | |
| Provinces | - | - | - | - | - | - | - | 3 | - | | | |
| Provincial Revenue Funds | - | - | - | - | - | - | - | 3 | - | | | |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | | | |
| Municipalities | 64,453 | 63,321 | - | 127,774 | 125,617 | 2,157 | 98.3% | 10,596 | 10,477 | | | |
| Municipal bank accounts | 64,453 | 63,321 | - | 127,774 | 125,617 | 2,157 | 98.3% | 10,593 | 10,474 | | | |
| Municipal agencies and funds | - | - | - | - | - | - | - | 3 | 3 | | | |
| <i>Departmental agencies and accounts</i> | 1,852,647 | 2,031 | (102,000) | 1,752,678 | 1,752,447 | 231 | 100.0% | 2,235,588 | 2,235,583 | | | |
| Social security funds | - | - | - | - | - | - | - | - | - | | | |
| Departmental agencies and accounts (non-business activities) | 1,852,647 | 2,031 | (102,000) | 1,752,678 | 1,752,447 | 231 | 100.0% | 2,235,588 | 2,235,583 | | | |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Foreign governments and international organisations</i> | 1,450 | 614 | - | 2,064 | 2,063 | 1 | 100.0% | 1,772 | 1,772 | | | |
| <i>Public corporations and private enterprises</i> | 1 | 7,320 | - | 7,321 | 7,320 | 1 | 100% | 69,455 | 69,453 | | | |
| Public corporations | 1 | 7,320 | - | 7,321 | 7,320 | 1 | 100% | 52,021 | 52,021 | | | |
| Subsidies on products and production | 1 | 7,320 | - | 7,321 | 7,320 | 1 | 100% | 52,021 | 52,021 | | | |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | | | |
| Private enterprises | - | - | - | - | - | - | - | 17,434 | 17,432 | | | |
| Subsidies on products and production | - | - | - | - | - | - | - | 6,433 | 6,433 | | | |
| Other transfers to private enterprises | - | - | - | - | - | - | - | 17,434 | 17,432 | | | |
| <i>Non-profit institutions</i> | 3,020 | 735 | - | 3,755 | 3,755 | - | 100.0% | 6,433 | 6,433 | | | |
| <i>Households</i> | 3800,293 | (328,468) | 105,000 | 3,576,825 | 3,567,073 | 9,752 | 99.7% | 3,148,245 | 3,147,174 | | | |
| Social benefits | 812 | 3,260 | - | 4,072 | 4,039 | 33 | 99.2% | 3,049 | 3,035 | | | |
| Other transfers to households | 3,799,481 | (331,728) | 105,000 | 3,572,753 | 3,563,034 | 9,719 | 99.7% | 3,145,196 | 3,144,139 | | | |

| 2014/15 | | | | | | | | | | 2013/14 | |
|---|------------------------|-------------------|---------------|---------------------|--------------------|----------------|---|---------------------|--------------------|---------|-------|
| | 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 | R'000 | R'000 |
| Economic classification | | | | | | | | | | | |
| Payments for capital assets | 57,950 | 712,298 | 29,692 | 799,940 | 793,422 | 6,518 | 99.2% | 256,975 | 254,463 | | |
| <i>Buildings and other fixed structures</i> | 6,159 | 395,006 | - | 401,165 | 401,145 | 20 | 100.0% | 154,786 | 154,784 | | |
| Buildings | 2,639 | 390,835 | - | 393,474 | 393,474 | - | 100.0% | 1,100 | 1,100 | | |
| Other fixed structures | 3,520 | 4,171 | - | 7,691 | 7,671 | 20 | 99.7% | 153,686 | 153,684 | | |
| <i>Machinery and equipment</i> | 50,234 | 90,358 | 29,692 | 170,284 | 165,595 | 4,689 | 97.2% | 43,723 | 41,215 | | |
| Transport equipment | 8,190 | 23,302 | - | 31,492 | 30,249 | 1,243 | 96.1% | - | - | | |
| Other machinery and equipment | 42,044 | 67,056 | 29,692 | 138,792 | 135,346 | 3,446 | 97.5% | 43,723 | 41,215 | | |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Biological assets</i> | - | - | - | - | - | - | - | 256 | 256 | | |
| <i>Land and subsoil assets</i> | - | 226,934 | - | 226,934 | 226,682 | 252 | 99.9% | 58,210 | 58,208 | | |
| <i>Intangible assets</i> | 1,557 | - | - | 1,557 | - | 1,557 | - | - | - | | |
| Payments for financial assets | - | - | - | - | 4,361 | (4,361) | - | - | 6,528 | | |
| Total | 9,455,305 | - | - | 9,455,305 | 9,395,755 | 59,550 | 99.4% | 9,459,740 | 9,454,056 | | |

Programme 1 : Administration

| 2014/15 | | | | | | | | | | 2013/14 | |
|-----------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|
| | 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 | R'000 | R'000 |
| Sub programme | | | | | | | | | | | |
| 1. Ministry | 36,257 | 5,026 | - | 41,283 | 41,210 | 73 | 99.8% | 35,034 | 34,945 | | |
| 2. Management | 143,460 | (9,003) | - | 134,457 | 133,840 | 617 | 99.5% | 114,351 | 114,238 | | |
| 3. Internal Audit | 48,246 | (7,200) | - | 41,046 | 40,953 | 93 | 99.8% | 32,982 | 32,787 | | |
| 4. Corporate Services | 446,815 | 16,567 | 35,678 | 499,060 | 498,996 | 64 | 100.0% | 461,811 | 461,791 | | |
| 5. Financial Services | 189,417 | (20,400) | - | 169,017 | 168,209 | 808 | 99.5% | 144,693 | 144,134 | | |

| 2014/15 | | | | | | | | | | 2013/14 | | |
|---|------------------------|-------------------|---------------|---------------------|--------------------|--------------|---|---------------------|--------------------|------------------|------------------|--|
| Sub programme | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure | 2013/14 | | |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 | R'000 | R'000 | |
| 6. Provincial Coordination | 292,466 | 2,626 | - | 295,092 | 294,516 | 576 | 99.8% | 277,977 | 277,977 | 277,977 | 277,882 | |
| 7. Office Accommodation | 192,091 | 12,384 | - | 204,475 | 204,473 | 2 | 100.0% | 201,705 | 201,705 | 201,705 | 201,705 | |
| Total for sub programmes | 1,348,752 | - | 35,678 | 1,384,430 | 1,382,197 | 2,233 | 99.8% | 1,268,553 | 1,268,553 | 1,268,553 | 1,267,482 | |
| 2014/15 | | | | | | | | | | 2013/14 | | |
| Economic classification | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure | 2013/14 | | |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 | R'000 | R'000 | |
| Current payments | 1,288,684 | (64,704) | - | 1,223,980 | 1,222,044 | 1,936 | 99.8% | 1,215,001 | 1,215,001 | 1,215,001 | 1,213,652 | |
| <i>Compensation of employees</i> | 682,413 | (46,414) | - | 635,999 | 635,546 | 453 | 99.9% | 532,270 | 531,234 | 532,270 | 531,234 | |
| Salaries and wages | 594,897 | (36,133) | - | 558,764 | 558,468 | 296 | 99.9% | 466,974 | 465,973 | 466,974 | 465,973 | |
| Social contributions | 87,516 | (10,281) | - | 77,235 | 77,078 | 157 | 99.8% | 65,296 | 65,261 | 65,296 | 65,261 | |
| <i>Goods and services</i> | 606,271 | (18,290) | - | 587,981 | 586,498 | 1,483 | 99.7% | 682,731 | 682,385 | 682,731 | 682,385 | |
| Administrative fees | 9,101 | (754) | - | 8,347 | 8,294 | 53 | 99.4% | 8,669 | 8,643 | 8,669 | 8,643 | |
| Advertising | 28,372 | (8,301) | - | 20,071 | 20,049 | 22 | 99.9% | 38,598 | 38,597 | 38,598 | 38,597 | |
| Minor assets | 9,842 | (7,542) | - | 2,300 | 2,231 | 69 | 97.0% | 2,271 | 2,268 | 2,271 | 2,268 | |
| Audit costs: External | 16,367 | (1,737) | - | 14,630 | 14,629 | 1 | 100.0% | 15,675 | 15,675 | 15,675 | 15,675 | |
| Bursaries: Employees | 4,581 | (161) | - | 4,420 | 4,419 | 1 | 100.0% | 3,604 | 3,604 | 3,604 | 3,604 | |
| Catering: Departmental activities | 1,837 | (821) | - | 1,016 | 996 | 20 | 98.0% | 2,733 | 2,720 | 2,733 | 2,720 | |
| Communication | 9,982 | 15,590 | - | 25,572 | 25,488 | 84 | 99.7% | 18,653 | 18,651 | 18,653 | 18,651 | |
| Computer services | 105,604 | (16,382) | - | 89,222 | 89,194 | 28 | 100.0% | 84,376 | 84,375 | 84,376 | 84,375 | |
| Consultants: Business and advisory services | 61,713 | (27,416) | - | 34,297 | 34,291 | 6 | 100.0% | 96,453 | 96,442 | 96,453 | 96,442 | |
| Infrastructure and planning services | - | - | - | - | - | - | - | - | - | - | - | |
| Laboratory services | - | - | - | - | - | - | - | - | - | - | - | |
| Scientific and technological services | - | - | - | - | - | - | - | - | - | - | - | |

| Economic classification | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | 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 |
| Legal services | 3,422 | 7,008 | - | 10,430 | 10,425 | 5 | 100.0% | 5,280 | 5,269 |
| Contractors | 4,223 | 84 | - | 4,307 | 4,287 | 20 | 99.5% | 2,290 | 2,288 |
| Agency and support/outsourced services | 17,417 | (6,156) | - | 11,261 | 11,254 | 7 | 99.9% | 13,819 | 13,818 |
| Entertainment | 3 | (1) | - | 2 | 1 | 1 | 50.0% | 5 | 4 |
| Fleet services | 2,489 | 1,828 | - | 4,317 | 4,216 | 101 | 97.7% | 6,910 | 6,900 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and supplies | 556 | (524) | - | 32 | 31 | 1 | 96.9% | 470 | 470 |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | 4 | - |
| Inventory: Fuel, oil and gas | 2 | (2) | - | - | - | - | - | 215 | 215 |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | 756 | (219) | - | 537 | 478 | 59 | 89.0% | 143 | 136 |
| Inventory: Medical supplies | 34 | (34) | - | - | - | - | - | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - |
| Consumable supplies | 3,495 | (1,775) | - | 1,720 | 1,509 | 211 | 87.7% | 1,544 | 1,534 |
| Consumable: Stationery, printing and office supplies | 9,447 | (1,898) | - | 7,549 | 7,446 | 103 | 98.6% | 10,106 | 10,098 |
| Operating leases | 53,925 | 120,151 | - | 174,076 | 174,050 | 26 | 100.0% | 172,124 | 172,123 |
| Property payments | 184,403 | (97,317) | - | 87,086 | 87,070 | 16 | 100.0% | 73,471 | 73,471 |
| Transport provided: Departmental activity | - | 86 | - | 86 | 85 | 1 | 98.8% | 191 | 191 |
| Travel and subsistence | 54,658 | 11,582 | - | 66,240 | 65,705 | 535 | 99.2% | 85,716 | 85,545 |
| Training and development | 7,705 | (1,778) | - | 5,927 | 5,906 | 21 | 99.6% | 16,409 | 16,374 |

| 2014/15 | | | | | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|-----------|---|---------------------|--------------------|---------|-------|--|
| | 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 | R'000 | R'000 | |
| Economic classification | | | | | | | | | | | | |
| Operating payments | 8,244 | (2,329) | - | 5,915 | 5,852 | 63 | 98.9% | 6,279 | 6,257 | | | |
| Venues and facilities | 7,570 | 1,032 | - | 8,602 | 8,574 | 28 | 99.7% | 14,215 | 14,210 | | | |
| Rental and hiring | 523 | (504) | - | 19 | 18 | 1 | 94.7% | 2,508 | 2,507 | | | |
| <i>Interest and rent on land</i> | - | - | - | - | - | - | - | - | 33 | | | |
| Interest | - | - | - | - | - | - | - | - | 33 | | | |
| Rent on land | - | - | - | - | - | - | - | - | - | | | |
| Transfers and subsidies | 37,923 | 1,404 | - | 39,327 | 39,301 | 26 | 99.9% | 34,899 | 34,786 | | | |
| <i>Provinces and municipalities</i> | 124 | (99) | - | 25 | 20 | 5 | 80.0% | 119 | 10 | | | |
| Provinces | - | - | - | - | - | - | - | - | - | | | |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - | | | |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | | | |
| Municipalities | 124 | (99) | - | 25 | 20 | 5 | 80.0% | 119 | 10 | | | |
| Municipal bank accounts | 124 | (99) | - | 25 | 20 | 5 | 80.0% | 119 | 10 | | | |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | | | |
| <i>Departmental agencies and accounts</i> | 3,402 | 123 | - | 3,525 | 3,523 | 2 | 99.9% | 5,417 | 5,416 | | | |
| Social security funds | - | - | - | - | - | - | - | - | - | | | |
| Departmental agencies | 3,402 | 123 | - | 3,525 | 3,523 | 2 | 99.9% | 5,417 | 5,416 | | | |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - | | | |
| Public corporations | - | - | - | - | - | - | - | - | - | | | |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | | | |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | | | |
| Private enterprises | - | - | - | - | - | - | - | - | - | | | |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | | | |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | | | |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - | | | |
| Households | 34,397 | 1,380 | - | 35,777 | 35,758 | 19 | 99.9% | 29,363 | 29,360 | | | |

| | 2014/15 | | | | | | 2013/14 | | |
|---|------------------------|-------------------|---------------|---------------------|--------------------|----------------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Social benefits | 514 | 1,555 | - | 2,069 | 2,052 | 17 | 99.2% | 678 | 676 |
| Other transfers to households | 33,883 | (175) | - | 33,708 | 33,706 | 2 | 100.0% | 28,685 | 28,684 |
| Payments for capital assets | 22,145 | 63,300 | 35,678 | 121,123 | 119,413 | 1,710 | 98.6% | 18,653 | 17,808 |
| <i>Buildings and other fixed structures</i> | | | | | | | | | |
| Buildings | 3,500 | 4,171 | - | 7,671 | 7,671 | - | 100.0% | 2,511 | 2,511 |
| Other fixed structures | 3,500 | 4171 | - | 7,671 | 7,671 | - | 100.0% | 65 | 65 |
| <i>Machinery and equipment</i> | | | | | | | | | |
| Machinery and equipment | 18,645 | 59,129 | 35,678 | 113,452 | 111,742 | 1,710 | 98.5% | 16,142 | 15,297 |
| Transport equipment | 4,290 | (875) | - | 3,415 | 2,705 | 710 | 79.2% | - | - |
| Other machinery and equipment | 14,355 | 60,004 | 35,678 | 110,037 | 109,037 | 1,000 | 99.1% | 16,142 | 15,297 |
| <i>Heritage assets</i> | | | | | | | | | |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| <i>Specialised military assets</i> | | | | | | | | | |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| <i>Biological assets</i> | | | | | | | | | |
| Biological assets | - | - | - | - | - | - | - | - | - |
| <i>Land and subsoil assets</i> | | | | | | | | | |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - |
| <i>Intangible assets</i> | | | | | | | | | |
| Intangible assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 1,439 | (1,439) | - | - | 1,236 |
| Total | 1,348,752 | - | 35,678 | 1,384,430 | 1,382,197 | 2,233 | 99.8% | 1,268,553 | 1,267,482 |

1.1 Ministry

| | 2014/15 | | | | | | 2013/14 | | |
|----------------------------------|------------------------|-------------------|----------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Current payments | 35,860 | 4,859 | - | 40,719 | 40,640 | 79 | 99.8% | 34,462 | 34,313 |
| <i>Compensation of employees</i> | | | | | | | | | |
| Salaries and wages | 19,562 | 596 | - | 20,158 | 20,138 | 20 | 99.9% | 15,632 | 15,565 |
| Social contribution | 17,956 | 599 | - | 18,555 | 18,541 | 14 | 99.9% | 14,205 | 14,145 |
| | 1,606 | (3) | - | 1,603 | 1,597 | 6 | 99.6% | 1,427 | 1,420 |

| 2014/15 | | | | | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|--|
| | 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 | R'000 | R'000 | |
| Economic classification | | | | | | | | | | | | |
| Goods and services | 16,298 | 4,263 | - | 20,561 | 20,502 | 59 | 99.7% | 18,830 | 18,748 | | | |
| Administrative fees | 753 | (281) | - | 472 | 468 | 4 | 99.2% | 753 | 750 | | | |
| Advertising | 22 | 10 | - | 32 | 32 | - | 100.0% | - | - | | | |
| Minor assets | 563 | (485) | - | 78 | 76 | 2 | 97.4% | 48 | 48 | | | |
| Catering: Departmental activities | 56 | (21) | - | 35 | 34 | 1 | 97.1% | 68 | 68 | | | |
| Communication (G&S) | 1,247 | 227 | - | 1,474 | 1,472 | 2 | 99.9% | 1,299 | 1,299 | | | |
| Computer services | - | - | - | - | - | - | - | 10 | 10 | | | |
| Consultants: Business and advisory services | 962 | 236 | - | 1,198 | 1,198 | - | 100.0% | 557 | 557 | | | |
| Contractors | - | - | - | - | - | - | - | 11 | 11 | | | |
| Agency and support/outsourced services | 31 | (31) | - | - | - | - | - | - | - | | | |
| Fleet services | 949 | (376) | - | 573 | 564 | 9 | 98.4% | 995 | 994 | | | |
| Inventory: Materials and supplies | - | 7 | - | 7 | 5 | 2 | 71.4% | 1 | 1 | | | |
| Consumable supplies | 119 | (30) | - | 89 | 82 | 7 | 92.1% | 54 | 54 | | | |
| Consumable: stationery, printing and office supplies | 624 | (226) | - | 398 | 394 | 4 | 99.0% | 439 | 439 | | | |
| Operating leases | 1,043 | 492 | - | 1,535 | 1,534 | 1 | 99.9% | 1,138 | 1,138 | | | |
| Travel and subsistence | 9,316 | 5,105 | - | 14,421 | 14,396 | 25 | 99.8% | 13,141 | 13,065 | | | |
| Training and development | 130 | (109) | - | 21 | 21 | - | 100.0% | - | - | | | |
| Advertising | 22 | 10 | - | 32 | 32 | - | 100.0% | - | - | | | |
| Operating payments | 408 | (339) | - | 69 | 67 | 2 | 97.1% | 121 | 120 | | | |
| Venues and facilities | 75 | 84 | - | 159 | 159 | - | 100.0% | 195 | 194 | | | |
| Interest and rent on land | - | - | - | - | - | - | - | - | - | | | |
| Transfers and subsidies | 1 | - | - | 1 | - | 1 | - | - | - | | | |
| Provinces and municipalities | - | - | - | - | - | - | - | - | - | | | |
| Departmental agencies and accounts | 1 | - | - | 1 | - | 1 | - | - | - | | | |
| Departmental agencies | 1 | - | - | 1 | - | 1 | - | - | - | | | |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|-------------|---|---------------------|--------------------|---------------|---------------|
| Economic classification | 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 | R'000 | R'000 |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Households</i> | - | - | - | - | - | - | - | - | - | - | - |
| Payments for capital assets | 396 | 167 | - | 563 | 558 | 5 | 99.1% | 572 | 567 | 567 | 567 |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Machinery and equipment</i> | 396 | 167 | - | 563 | 558 | 5 | 99.1% | 572 | 567 | 567 | 567 |
| <i>Other machinery and equipment</i> | 396 | 167 | - | 563 | 558 | 5 | 99.1% | 572 | 567 | 567 | 567 |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Biological assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Land and subsoil assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 12 | (12) | - | - | - | - | 65 |
| Total | 36,257 | 5,026 | - | 41,283 | 41,210 | 72 | 99.8% | 35,034 | 34,945 | 34,945 | 34,945 |

1.2 Management

| 2014/15 | | | | | | | | | | 2013/14 | |
|----------------------------------|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|----------------|----------------|
| Economic classification | 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 | R'000 | R'000 |
| Current payments | 141,033 | (9,032) | - | 132,001 | 131,664 | 337 | 99.7% | 108,522 | 108,457 | 108,457 | 108,457 |
| <i>Compensation of employees</i> | 70,187 | (10,665) | - | 59,522 | 59,439 | 83 | 99.9% | 49,527 | 49,519 | 49,519 | 49,519 |
| <i>Salaries and wages</i> | 63,719 | (10,892) | - | 52,827 | 52,777 | 50 | 99.9% | 44,205 | 44,199 | 44,199 | 44,199 |

| | | 2014/15 | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Social contribution | 6,468 | 227 | - | 6,695 | 6,662 | 33 | 99.5% | 5,322 | 5,320 |
| Goods and services | 70,846 | 1,633 | - | 72,479 | 72,225 | 254 | 99.6% | 58,995 | 58,937 |
| Administrative fees | 1,513 | 415 | - | 1,928 | 1,918 | 10 | 99.5% | 838 | 816 |
| Advertising | 945 | (580) | - | 365 | 361 | 4 | 98.9% | 102 | 102 |
| Minor assets | 1,193 | (768) | - | 425 | 408 | 17 | 96.0% | 520 | 519 |
| Catering Departmental activities | 359 | (126) | - | 233 | 229 | 4 | 98.3% | 247 | 247 |
| Communication (G&S) | 1,295 | 276 | - | 1,571 | 1,558 | 13 | 99.2% | 1,280 | 1,279 |
| Computer Services | 5,124 | (3,348) | - | 1,776 | 1,772 | 4 | 99.8% | 2,231 | 2,231 |
| Consultants: Business and advisory services | 9,222 | (793) | - | 8,429 | 8,426 | 3 | 100.0% | 10,144 | 10,138 |
| Legal services | 2,800 | - | - | 2,800 | 2,800 | - | 100.0% | 36 | 36 |
| Contractors | 2,223 | (799) | - | 1,424 | 1,421 | 3 | 99.8% | 56 | 56 |
| Agency and support/outsourced services | 2,000 | (1,623) | - | 377 | 376 | 1 | 99.7% | 148 | 147 |
| Fleet services | 181 | (84) | - | 97 | 85 | 12 | 87.6% | 136 | 133 |
| Inventory: Clothing material and accessories | 556 | (537) | - | 19 | 18 | 1 | 94.7% | 320 | 320 |
| Inventory: Material and supplies | 304 | (103) | - | 201 | 195 | 6 | 97.0% | 81 | 81 |
| Inventory: Medical supplies | 34 | (34) | - | - | - | - | - | - | - |
| Consumable supplies | 473 | (163) | - | 310 | 272 | 38 | 87.7% | 209 | 206 |
| Consumable: Stationery, printing and office supplies | 1,384 | (370) | - | 1,014 | 996 | 18 | 98.2% | 1,414 | 1,412 |
| Operating lease | 192 | 124 | - | 316 | 313 | 3 | 99.1% | 96 | 95 |
| Property payments | 28,083 | 9,957 | - | 38,040 | 38,038 | 2 | 100.0% | 26,800 | 26,800 |
| Travel and subsistence | 9,913 | (181) | - | 9,732 | 9,632 | 100 | 99.0% | 11,914 | 11,898 |
| Training and development | 1,312 | (29) | - | 1,283 | 1,278 | 5 | 99.6% | 721 | 721 |
| Operating payments | 396 | - | - | 396 | 392 | 4 | 99.0% | 186 | 185 |
| Venues and facilities | 1,344 | 399 | - | 1,743 | 1,737 | 6 | 99.7% | 1,507 | 1,507 |

| Economic classification | 2014/15 | | | | | | 2013/14 | | |
|---|------------------------|-------------------|----------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | 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 |
| Rental and hiring | - | - | - | - | - | - | - | 9 | 8 |
| Interest and rent on land | - | - | - | - | - | - | - | - | 1 |
| Interest | - | - | - | - | - | - | - | - | 1 |
| Transfers and subsidies | 172 | 128 | - | 300 | 298 | 2 | 99.3% | 3,306 | 3,303 |
| Provinces and municipalities | - | - | - | - | - | - | - | - | - |
| Departmental agencies and accounts | - | - | - | - | - | - | - | 3,040 | 3,039 |
| Departmental agencies | - | - | - | - | - | - | - | 3,040 | 3,039 |
| Higher education institutions | - | - | - | - | - | - | - | - | - |
| Foreign governments and international organisations | - | - | - | - | - | - | - | - | - |
| Public corporations and private enterprises | - | - | - | - | - | - | - | - | - |
| Non-profit institutions | - | - | - | - | - | - | - | - | - |
| Households | 172 | 128 | - | 300 | 298 | 2 | 99.3% | 266 | 264 |
| Social benefit | 172 | 128 | - | 300 | 298 | 2 | 99.3% | 266 | 264 |
| Payments for capital assets | 2,255 | (99) | - | 2,156 | 1,726 | 430 | 80.1% | 2,523 | 2,444 |
| Buildings and other fixed structures | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 2,255 | (99) | - | 2,156 | 1,726 | 430 | 80.1% | 2,523 | 2,444 |
| Other machinery and equipment | 2,255 | (99) | - | 2,156 | 1,726 | 430 | 80.1% | 2,523 | 2,444 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - |
| Intangible assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 152 | (152) | - | - | 34 |
| Total | 143,460 | (9,003) | - | 134,457 | 133,840 | 617 | 99.5% | 114,351 | 114,238 |

1.3 Internal Audit

| | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Current payments | 46,377 | (7,023) | - | 39,354 | 39,259 | 95 | 99.8% | 32,745 | 32,673 |
| Compensation of employees | 26,419 | (1,303) | - | 25,116 | 25,091 | 25 | 99.9% | 16,402 | 16,391 |
| Salaries and wages | 21,991 | 483 | - | 22,474 | 22,459 | 15 | 99.9% | 14,642 | 14,631 |
| Social contribution | 4,428 | (1,786) | - | 2,642 | 2,632 | 10 | 99.6% | 1,760 | 1,760 |
| Goods and services | 19,958 | (5,720) | - | 14,238 | 14,168 | 70 | 99.5% | 16,343 | 16,282 |
| Administrative fees | 592 | (98) | - | 494 | 490 | 4 | 99.2% | 604 | 604 |
| Advertising | 60 | (40) | - | 20 | 20 | - | 100.0% | - | - |
| Minor assets | 196 | 135 | - | 331 | 329 | 2 | 99.4% | 4 | 4 |
| Catering Departmental activities | 80 | (33) | - | 47 | 46 | 1 | 97.9% | 98 | 98 |
| Communication (G&S) | 214 | 72 | - | 286 | 283 | 3 | 99.0% | 210 | 210 |
| Computer Services | 159 | 51 | - | 210 | 208 | 2 | 99.0% | 616 | 616 |
| Consultants: Business and advisory services | 868 | 67 | - | 935 | 935 | - | 100.0% | 1,007 | 1,007 |
| Legal services | - | - | - | - | - | - | - | - | - |
| Contractors | 50 | 1 | - | 51 | 51 | - | 100.0% | - | - |
| Agency and support/outsourced services | 13,130 | (3,853) | - | 9,277 | 9,274 | 3 | 100.0% | 11,648 | 11,648 |
| Fleet services | 2 | 1 | - | 3 | 1 | 2 | 33.3% | 4 | 3 |
| Inventory: Clothing material and accessories | - | - | - | - | - | - | - | - | - |
| Inventory: Material and supplies | 5 | (1) | - | 4 | 3 | 1 | 75.0% | 5 | 4 |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - |
| Consumable supplies | 96 | (10) | - | 86 | 77 | 9 | 89.5% | 42 | 42 |
| Consumable: Stationery, printing and office supplies | 169 | (5) | - | 164 | 161 | 3 | 98.2% | 224 | 223 |
| Operating lease | 7 | (3) | - | 4 | 3 | 1 | 75.0% | 6 | 6 |
| Property payments | - | - | - | - | - | - | - | 1 | 1 |

| 2014/15 | | | | | | | | | | 2013/14 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|--|
| Economic classification | 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 | | |
| Travel and subsistence | 2,546 | (1,123) | - | 1,423 | 1,391 | 32 | 97.8% | 1,538 | 1,480 | | |
| Training and development | 1,567 | (856) | - | 711 | 707 | 4 | 99.4% | 213 | 213 | | |
| Operating payments | 194 | (29) | - | 165 | 162 | 3 | 98.2% | 123 | 123 | | |
| Venues and facilities | 23 | 4 | - | 27 | 27 | - | 100.0% | - | - | | |
| Rental and hiring | - | - | - | - | - | - | - | - | - | | |
| Interest and rent on land | - | - | - | - | - | - | - | - | - | | |
| Interest | - | - | - | - | - | - | - | - | - | | |
| Transfers and subsidies | 23 | 9 | - | 32 | 32 | - | 100.0% | - | - | | |
| Provinces and municipalities | - | - | - | - | - | - | - | - | - | | |
| Departmental agencies and accounts | - | - | - | - | - | - | - | - | - | | |
| Departmental agencies | - | - | - | - | - | - | - | - | - | | |
| Higher education institutions | - | - | - | - | - | - | - | - | - | | |
| Foreign governments and international organisations | - | - | - | - | - | - | - | - | - | | |
| Public corporations and private enterprises | - | - | - | - | - | - | - | - | - | | |
| Non-profit institutions | - | - | - | - | - | - | - | - | - | | |
| Households | 23 | 9 | - | 32 | 32 | - | 100.0% | - | - | | |
| Social benefit | 23 | 9 | - | 32 | 32 | - | 100.0% | - | - | | |
| Payments for capital assets | 1,846 | (186) | - | 1,660 | 1,659 | 1 | 99.9% | 237 | 107 | | |
| Buildings and other fixed structures | - | - | - | - | - | - | - | - | - | | |
| Machinery and equipment | 1,846 | (186) | - | 1,660 | 1,659 | 1 | 99.9% | 237 | 107 | | |
| Other machinery and equipment | 1,846 | (186) | - | 1,660 | 1,659 | 1 | 99.9% | 237 | 107 | | |
| Heritage assets | - | - | - | - | - | - | - | - | - | | |
| Specialised military assets | - | - | - | - | - | - | - | - | - | | |
| Biological assets | - | - | - | - | - | - | - | - | - | | |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - | | |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 3 | (3) | - | - | - | - | 7 |
| Total | 48,246 | (7,200) | - | 41,046 | 40,953 | 93 | 99.8% | 32,982 | 32,787 | | |

1.4 Corporate Services

| 2014/15 | | | | | | | | | | 2013/14 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Current payments | 403,912 | (43,137) | - | 360,775 | 360,301 | 474 | 99.9% | 424,021 | 423,071 | | |
| <i>Compensation of employees</i> | 211,186 | (23,350) | - | 187,836 | 187,727 | 109 | 99.9% | 161,472 | 160,604 | | |
| Salaries and wages | 191,593 | (24,067) | - | 167,526 | 167,452 | 74 | 100.0% | 144,779 | 143,915 | | |
| Social contributions | 19,563 | 717 | - | 20,310 | 20,275 | 35 | 99.8% | 16,693 | 16,689 | | |
| <i>Goods and services</i> | 192,726 | (19,787) | - | 172,939 | 172,574 | 365 | 99.8% | 262,549 | 262,467 | | |
| Administrative fees | 3,845 | (626) | - | 3,219 | 3,208 | 11 | 99.7% | 2,418 | 2,417 | | |
| Advertising | 26,244 | (7,333) | - | 18,911 | 18,905 | 6 | 100.0% | 36,488 | 36,488 | | |
| Minor assets | 4,114 | (3,734) | - | 380 | 364 | 16 | 95.8% | 885 | 885 | | |
| Audit costs: External | - | - | - | - | - | - | - | - | - | | |
| Bursaries: Employees | 4,581 | (161) | - | 4,420 | 4,419 | 1 | 100.0% | 3,604 | 3,604 | | |
| Catering: Departmental activities | 643 | (425) | - | 218 | 215 | 3 | 98.6% | 727 | 727 | | |
| Communication | 2,626 | 942 | - | 3,568 | 3,548 | 20 | 99.4% | 2,375 | 2,374 | | |
| Computer services | 99,879 | (13,454) | - | 86,425 | 86,408 | 17 | 100.0% | 79,265 | 79,264 | | |
| Consultants: Business and advisory services | 18,450 | 2,392 | - | 20,842 | 20,840 | 2 | 100.0% | 80,137 | 80,132 | | |
| Infrastructure and planning services | - | - | - | - | - | - | - | - | - | | |
| Laboratory services | - | - | - | - | - | - | - | - | - | | |

| Economic classification | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | 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 |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | 613 | 6,395 | - | 7,008 | 7,006 | 2 | 100.0% | 4,676 | 4,666 |
| Contractor | 1,549 | 952 | - | 2,501 | 2,497 | 4 | 99.8% | 1,535 | 1,535 |
| Agency and support/outsourced services | 646 | (216) | - | 430 | 429 | 1 | 99.8% | 368 | 368 |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services | 185 | (80) | - | 105 | 86 | 19 | 81.9% | 301 | 301 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | - | - | - | - | - | - | - | 23 | 23 |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Fuel, oil and gas | 2 | (2) | - | - | - | - | - | - | - |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | 313 | (106) | - | 207 | 203 | 4 | 98.1% | 32 | 32 |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - |
| Consumable supplies | 793 | (377) | - | 416 | 361 | 55 | 86.8% | 502 | 500 |
| Consumable: Stationery, printing and office supplies | 2,505 | (811) | - | 1,694 | 1,663 | 31 | 98.2% | 3,420 | 3,418 |
| Operating leases | 349 | (303) | - | 46 | 40 | 6 | 87.0% | 73 | 73 |
| Property payments | 305 | (143) | - | 162 | 161 | 1 | 99.4% | 106 | 106 |
| Transport provided: Departmental activity | - | 86 | - | 86 | 85 | 1 | 98.8% | - | - |
| Travel and subsistence | 12,214 | 1,049 | - | 13,263 | 13,125 | 138 | 99.0% | 22,126 | 22,105 |
| Training and development | 3,428 | (444) | - | 2,984 | 2,979 | 5 | 99.8% | 13,298 | 13,264 |

| 2014/15 | | | | | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|--|
| | 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 | R'000 | R'000 | |
| Economic classification | | | | | | | | | | | | |
| Operating payments | 3,659 | (1,397) | - | 2,262 | 2,248 | 14 | 99.4% | 2,095 | 2,092 | | | |
| Venues and facilities | 5,298 | (1,506) | - | 3,792 | 3,784 | 8 | 99.8% | 8060 | 8058 | | | |
| Rental and hiring | 485 | (485) | - | - | - | - | - | 35 | 35 | | | |
| <i>Interest and rent on land</i> | - | - | - | - | - | - | - | - | - | | | |
| Interest | - | - | - | - | - | - | - | - | - | | | |
| Rent on land | - | - | - | - | - | - | - | - | - | | | |
| Transfers and subsidies | 37,349 | 599 | - | 37,948 | 37,942 | 6 | 100.0% | 31,117 | 31,116 | | | |
| <i>Provinces and municipalities</i> | - | - | - | - | - | - | - | - | - | | | |
| Provinces | - | - | - | - | - | - | - | - | - | | | |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - | | | |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | | | |
| <i>Municipalities</i> | - | - | - | - | - | - | - | - | - | | | |
| Municipal bank accounts | - | - | - | - | - | - | - | - | - | | | |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | | | |
| <i>Departmental agencies and accounts</i> | 3,401 | 117 | - | 3,518 | 3,518 | - | 100.0% | 2,377 | 2,377 | | | |
| Social security funds | - | - | - | - | - | - | - | - | - | | | |
| Departmental agencies | 3,401 | 117 | - | 3,518 | 3,518 | - | 100.0% | 2,377 | 2,377 | | | |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - | | | |
| Public corporations | - | - | - | - | - | - | - | - | - | | | |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | | | |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | | | |
| Private enterprises | - | - | - | - | - | - | - | - | - | | | |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | | | |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | | | |

| 2014/15 | | | | | | | | | | 2013/14 | | |
|---|------------------------|-------------------|---------------|---------------------|--------------------|--------------|---|---------------------|--------------------|---------|-------|--|
| Economic classification | 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 | R'000 | R'000 | |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - | - | - | |
| <i>Households</i> | 33,948 | 482 | - | 34,430 | 34,424 | 6 | 100.0% | 28,740 | 28,739 | | | |
| <i>Social benefits</i> | 65 | 689 | - | 754 | 749 | 5 | 99.3% | 55 | 55 | | | |
| <i>Other transfers to households</i> | 33,883 | (207) | - | 33,676 | 33,675 | 1 | 100.0% | 28,685 | 28,684 | | | |
| Payments for capital assets | 5,554 | 59,105 | 35,678 | 100,337 | 99,814 | 523 | 99.5% | 6,673 | 6,656 | | | |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Buildings</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Other fixed structures</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Machinery and equipment</i> | 5,554 | 59,105 | 35,678 | 100,337 | 99,814 | 523 | 99.5% | 6,673 | 6,656 | | | |
| <i>Transport equipment</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Other machinery and equipment</i> | 5,554 | 59,105 | 35,678 | 100,337 | 99,814 | 523 | 99.5% | 6,673 | 6,656 | | | |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Biological assets</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Land and subsoil assets</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - | | | |
| Payments for financial assets | - | - | - | - | 939 | (939) | - | - | 948 | | | |
| Total | 446,815 | 16,567 | 35,678 | 499,060 | 498,996 | 64 | 100.0% | 461,811 | 461,791 | | | |

1.5 Financial Services

| 2014/15 | | | | | | | | | | 2013/14 | | |
|----------------------------------|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|---------|-------|--|
| Economic classification | 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 | R'000 | R'000 | |
| Current payments | 180,312 | (25,450) | - | 154,862 | 154,592 | 270 | 99.8% | 138,727 | 138,750 | | | |
| <i>Compensation of employees</i> | 112,630 | (12,234) | - | 100,396 | 100,339 | 57 | 99.9% | 84,320 | 84,312 | | | |
| <i>Salaries and wages</i> | 97,667 | (10,156) | - | 87,511 | 87,470 | 41 | 100.0% | 73,050 | 73,044 | | | |

| | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Social contributions | 14,963 | (2,078) | - | 12,885 | 12,869 | 16 | 99.9% | 11,270 | 11,268 |
| <i>Goods and services</i> | 67,682 | (13,216) | - | 54,466 | 54,253 | 213 | 99.6% | 54,407 | 54,406 |
| Administrative fees | 1,286 | (316) | - | 970 | 963 | 7 | 99.3% | 1,690 | 1,690 |
| Advertising | 552 | (242) | - | 310 | 307 | 3 | 99.0% | 319 | 319 |
| Minor assets | 1,756 | (1,316) | - | 440 | 425 | 15 | 96.6% | 353 | 353 |
| Audit costs: External | 16,367 | (1,737) | - | 14,630 | 14,629 | 1 | 100.0% | 15,675 | 15,675 |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | 189 | (101) | - | 88 | 87 | 1 | 98.9% | 137 | 137 |
| Communication | 1,874 | 11,066 | - | 12,940 | 12,929 | 11 | 99.9% | 9,739 | 9,739 |
| Computer services | 346 | 432 | - | 778 | 775 | 3 | 99.6% | 2,118 | 2,118 |
| Consultants: Business and advisory services | 22,197 | (19,304) | - | 2,893 | 2,892 | 1 | 100.0% | 3,922 | 3,922 |
| Infrastructure and planning services | - | - | - | - | - | - | - | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | - | - | - | - | - | - | - | - | - |
| Contractor | 247 | (145) | - | 102 | 99 | 3 | 97.1% | 363 | 363 |
| Agency and support/outsourced services | 25 | (15) | - | 10 | 10 | - | 100.0% | 11 | 11 |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services | 254 | 478 | - | 732 | 711 | 21 | 97.1% | 497 | 497 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | - | 13 | - | 13 | 13 | - | 100.0% | 115 | 115 |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - |

| | | 2014/15 | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| Economic classification | 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 |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | 66 | (22) | - | 44 | 30 | 14 | 68.2% | 19 | 18 |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - |
| Consumable supplies | 1,407 | (908) | - | 499 | 466 | 33 | 93.4% | 420 | 420 |
| Consumable: Stationery, printing and office supplies | 1,602 | 244 | - | 1,846 | 1,832 | 14 | 99.2% | 1,857 | 1,857 |
| Operating leases | 448 | 2,077 | - | 2,525 | 2,520 | 5 | 99.8% | 1,281 | 1,281 |
| Property payments | 11,926 | (5,610) | - | 6,316 | 6,314 | 2 | 100.0% | 4,881 | 4,881 |
| Transport provided: | - | - | - | - | - | - | - | - | - |
| Departmental activity | - | - | - | - | - | - | - | - | - |
| Travel and subsistence | 4,858 | 2,330 | - | 7,188 | 7,129 | 59 | 99.2% | 7,834 | 7,834 |
| Training and development | 833 | (250) | - | 583 | 579 | 4 | 99.3% | 684 | 684 |
| Operating payments | 1,381 | (19) | - | 1,362 | 1,347 | 15 | 98.9% | 1,682 | 1,682 |
| Venues and facilities | - | - | - | - | - | - | - | 652 | 651 |
| Rental and hiring | - | - | - | - | - | - | - | 159 | 159 |
| <i>Interest and rent on land</i> | - | - | - | - | - | - | - | - | 32 |
| Interest | - | - | - | - | - | - | - | - | 32 |
| Rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 8 | 311 | - | 319 | 314 | 5 | 98.4% | 118 | 102 |
| <i>Provinces and municipalities</i> | 8 | - | - | 8 | 7 | 1 | 87.5% | 17 | 1 |
| Provinces | - | - | - | - | - | - | - | - | - |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|--------------|--------------|
| Economic classification | 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 | R'000 | R'000 |
| Municipalities | 8 | - | - | 8 | 7 | 1 | 87.5% | 17 | 1 | 17 | 1 |
| Municipal bank accounts | 8 | - | - | 8 | 7 | 1 | 87.5% | 17 | 1 | 17 | 1 |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | - | - |
| <i>Departmental agencies and accounts</i> | - | - | - | - | - | - | - | - | - | - | - |
| Social security funds | - | - | - | - | - | - | - | - | - | - | - |
| Departmental agencies | - | - | - | - | - | - | - | - | - | - | - |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - | - | - |
| Public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| Households | - | 311 | - | 311 | 307 | 4 | 98.7% | 101 | 4 | 101 | 101 |
| Social benefits | - | 311 | - | 311 | 307 | 4 | 98.7% | 101 | 4 | 101 | 101 |
| Other transfers to households | - | - | - | - | - | - | - | - | - | - | - |
| Payments for capital assets | 9,097 | 4,739 | - | 13,836 | 13,114 | 722 | 94.8% | 5,848 | 722 | 5,848 | 5,235 |
| <i>Buildings and other fixed structures</i> | 3,500 | 4,171 | - | 7,671 | 7,671 | - | 100.0% | 2,446 | - | 2,446 | 2,446 |
| Buildings | - | - | - | - | - | - | - | - | - | - | - |
| Other fixed structures | 3,500 | 4,171 | - | 7,671 | 7,671 | - | 100.0% | 2,446 | - | 2,446 | 2,446 |
| <i>Machinery and equipment</i> | 5,597 | 568 | - | 6,165 | 5,443 | 722 | 88.3% | 3,402 | 722 | 3,402 | 2,789 |
| Transport equipment | 4,290 | (875) | - | 3,415 | 2,705 | 710 | 79.2% | - | 710 | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|--------------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Other machinery and equipment | 1,307 | 1,443 | - | 2,750 | 2,738 | 12 | 99.6% | 3,402 | 2,789 | | |
| Heritage assets | - | - | - | - | - | - | - | - | - | | |
| Specialised military assets | - | - | - | - | - | - | - | - | - | | |
| Biological assets | - | - | - | - | - | - | - | - | - | | |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - | | |
| Intangible assets | - | - | - | - | - | - | - | - | - | | |
| Payments for financial assets | - | - | - | - | 189 | (189) | - | - | 47 | | |
| Total | 189,417 | (20,400) | - | 169,017 | 168,209 | 808 | 99.5% | 144,693 | 144,134 | | |

1.6 Provincial Coordination

| 2014/15 | | | | | | | | | | 2013/14 | |
|-----------------------------------|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Current payments | 289,099 | 2,695 | - | 291,794 | 291,115 | 679 | 99.8% | 274,819 | 274,683 | | |
| Compensation of employees | 242,429 | 542 | - | 242,971 | 242,812 | 159 | 99.9% | 204,917 | 204,843 | | |
| Salaries and wages | 201,971 | 7,900 | - | 209,871 | 209,769 | 102 | 100.0% | 176,093 | 176,039 | | |
| Social contributions | 40,458 | (7,358) | - | 33,100 | 33,043 | 57 | 99.8% | 28,824 | 28,804 | | |
| Goods and services | 46,670 | 2,153 | - | 48,823 | 48,303 | 520 | 98.9% | 69,902 | 69,840 | | |
| Administrative fees | 1,112 | 152 | - | 1,264 | 1,247 | 17 | 98.7% | 2,367 | 2,366 | | |
| Advertising | 549 | (116) | - | 433 | 424 | 9 | 97.9% | 1,689 | 1,688 | | |
| Minor assets | 2,020 | (1,374) | - | 646 | 629 | 17 | 96.4% | 461 | 459 | | |
| Audit costs: External | - | - | - | - | - | - | - | - | - | | |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - | | |
| Catering: Departmental activities | 510 | (115) | - | 395 | 385 | 10 | 97.5% | 1,456 | 1,443 | | |
| Communication | 2,726 | 3,007 | - | 5,733 | 5,698 | 35 | 99.4% | 3,750 | 3,750 | | |
| Computer services | 96 | (63) | - | 33 | 31 | 2 | 93.9% | 136 | 136 | | |

| Economic classification | 2014/15 | | | | | 2013/14 | | | |
|--|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual expenditure R'000 |
| Consultants: Business and advisory services | 10,014 | (10,014) | - | - | - | - | - | 686 | 686 |
| Infrastructure and planning services | - | - | - | - | - | - | - | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | 9 | 613 | - | 622 | 619 | 3 | 99.5% | 568 | 567 |
| Contractor | 154 | 75 | - | 229 | 219 | 10 | 95.6% | 325 | 323 |
| Agency and support/outsourced services | 1,585 | (418) | - | 1,167 | 1,165 | 2 | 99.8% | 1,644 | 1,644 |
| Entertainment | 3 | (1) | - | 2 | 1 | 1 | 50.0% | 5 | 4 |
| Fleet services | 918 | 1,889 | - | 2,807 | 2,769 | 38 | 98.6% | 4,977 | 4,972 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | - | - | - | - | - | - | - | 12 | 12 |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | 4 | - |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | 215 | 215 |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | 68 | 6 | - | 74 | 42 | 32 | 56.8% | 5 | - |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - |
| Meddas Inventory Interface | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - |
| Consumable supplies | 607 | (287) | - | 320 | 251 | 69 | 78.4% | 317 | 312 |
| Consumable: Stationery, printing and office supplies | 3,163 | (730) | - | 2,433 | 2,400 | 33 | 98.6% | 2,752 | 2,749 |
| Operating leases | 894 | 4,806 | - | 5,700 | 5,691 | 9 | 99.8% | 5,701 | 5,701 |
| Property payments | 2,990 | (947) | - | 2,043 | 2,033 | 10 | 99.5% | 3,807 | 3,807 |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|---------|--|
| Economic classification | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual expenditure R'000 | | |
| Transport provided: | - | - | - | - | - | - | - | 191 | 191 | | |
| Departmental activity | 15,811 | 4,402 | - | 20,213 | 20,032 | 181 | 99.1% | 29,163 | 29,163 | | |
| Travel and subsistence | 435 | (90) | - | 345 | 342 | 3 | 99.1% | 1,493 | 1,492 | | |
| Training and development | 2,206 | (545) | - | 1,661 | 1,636 | 25 | 98.5% | 2,072 | 2,055 | | |
| Operating payments | 762 | 1,922 | - | 2,684 | 2,671 | 13 | 99.5% | 3,801 | 3,800 | | |
| Venues and facilities | 38 | (19) | - | 19 | 18 | 1 | 94.7% | 2,305 | 2,305 | | |
| Rental and hiring | - | - | - | - | - | - | - | - | - | | |
| <i>Interest and rent on land</i> | - | - | - | - | - | - | - | - | - | | |
| Interest | - | - | - | - | - | - | - | - | - | | |
| Rent on land | - | - | - | - | - | - | - | - | - | | |
| Transfers and subsidies | 370 | 357 | - | 727 | 715 | 12 | 98.3% | 358 | 265 | | |
| <i>Provinces and municipalities</i> | 116 | (99) | - | 17 | 13 | 4 | 76.5% | 102 | 9 | | |
| Provinces | - | - | - | - | - | - | - | - | - | | |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - | | |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | | |
| Municipalities | 116 | (99) | - | 17 | 13 | 4 | 76.5% | 102 | 9 | | |
| Municipal bank accounts | 116 | (99) | - | 17 | 13 | 4 | 76.5% | 102 | 9 | | |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | | |
| <i>Departmental agencies and accounts</i> | - | 6 | - | 6 | 5 | 1 | 83.3% | - | - | | |
| Social security funds | - | - | - | - | - | - | - | - | - | | |
| Departmental agencies | - | 6 | - | 6 | 5 | 1 | 83.3% | - | - | | |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - | | |
| Public corporations | - | - | - | - | - | - | - | - | - | | |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | | |

| 2014/15 | | | | | | | | | | 2013/14 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|--------------|---|---------------------|--------------------|----------------|----------------|
| Economic classification | 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 | R'000 | R'000 |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Households</i> | 254 | 450 | - | 704 | 697 | 7 | 99.0% | 256 | 256 | 256 | 256 |
| Social benefits | 254 | 418 | - | 672 | 666 | 6 | 99.1% | 256 | 256 | 256 | 256 |
| Other transfers to households | - | 32 | - | 32 | 31 | 1 | 96.9% | - | - | - | - |
| Payments for capital assets | 2,997 | (426) | - | 2,571 | 2,542 | 29 | 98.9% | 2,800 | 2,799 | 2,799 | 2,799 |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | 65 | 65 | 65 |
| Buildings | - | - | - | - | - | - | - | - | 65 | 65 | 65 |
| Other fixed structures | - | - | - | - | - | - | - | - | - | - | - |
| <i>Machinery and equipment</i> | 2,997 | (426) | - | 2,571 | 2,542 | 29 | 98.9% | 2,735 | 2,734 | 2,734 | 2,734 |
| Transport equipment | - | - | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | 2,997 | (426) | - | 2,571 | 2,542 | 29 | 98.9% | 2,735 | 2,734 | 2,734 | 2,734 |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Biological assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Land and subsoil assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 144 | (144) | - | - | - | - | 135 |
| Total | 292,466 | 2,626 | - | 295,092 | 294,516 | 576 | 99.8% | 277,977 | 277,882 | 277,882 | 277,882 |

1.7 Office Accommodation

| | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual expenditure R'000 |
| Economic classification | | | | | | | | | |
| Current payments | 192,091 | 12,384 | - | 204,475 | 204,473 | 2 | 100.0% | 201,705 | 201,705 |
| <i>Compensation of employees</i> | - | - | - | - | - | - | - | - | - |
| Salaries and wages | - | - | - | - | - | - | - | - | - |
| Social contributions | - | - | - | - | - | - | - | - | - |
| <i>Goods and services</i> | 192,091 | 12,384 | - | 204,475 | 204,473 | 2 | 100.0% | 201,705 | 201,705 |
| Administrative fees | - | - | - | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - | - | - | - |
| Minor assets | - | - | - | - | - | - | - | - | - |
| Audit costs: External | - | - | - | - | - | - | - | - | - |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | - | - | - | - | - | - | - | - | - |
| Communication | - | - | - | - | - | - | - | - | - |
| Computer services | - | - | - | - | - | - | - | - | - |
| Consultants: Business and advisory services | - | - | - | - | - | - | - | - | - |
| Infrastructure and planning services | - | - | - | - | - | - | - | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | - | - | - | - | - | - | - | - | - |
| Contractor | - | - | - | - | - | - | - | - | - |
| Agency and support/outsourced services | - | - | - | - | - | - | - | - | - |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services | - | - | - | - | - | - | - | - | - |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|--|
| | 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 | | |
| Economic classification | | | | | | | | | | | |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - | | |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - | | |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - | | |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - | | |
| Inventory: Materials and supplies | - | - | - | - | - | - | - | - | - | | |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - | | |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - | | |
| Medcas Inventory Interface | - | - | - | - | - | - | - | - | - | | |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | | |
| Consumable supplies | - | - | - | - | - | - | - | - | - | | |
| Consumable: Stationery, printing and office supplies | - | - | - | - | - | - | - | - | - | | |
| Operating leases | 50,992 | 112,958 | - | 163,950 | 163,949 | 1 | 100.0% | 163,829 | 163,829 | | |
| Property payments | 141,099 | (100,574) | - | 40525 | 40524 | 1 | 100.0% | 37,876 | 37,876 | | |
| Transport provided: | - | - | - | - | - | - | - | - | - | | |
| Departmental activity | - | - | - | - | - | - | - | - | - | | |
| Travel and subsistence | - | - | - | - | - | - | - | - | - | | |
| Training and development | - | - | - | - | - | - | - | - | - | | |
| Operating payments | - | - | - | - | - | - | - | - | - | | |
| Venues and facilities | - | - | - | - | - | - | - | - | - | | |
| Rental and hiring | - | - | - | - | - | - | - | - | - | | |
| <i>Interest and rent on land</i> | - | - | - | - | - | - | - | - | - | | |
| Interest | - | - | - | - | - | - | - | - | - | | |
| Rent on land | - | - | - | - | - | - | - | - | - | | |
| Transfers and subsidies | - | - | - | - | - | - | - | - | - | | |
| <i>Provinces and municipalities</i> | - | - | - | - | - | - | - | - | - | | |
| Provinces | - | - | - | - | - | - | - | - | - | | |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | - | - |
| Municipalities | - | - | - | - | - | - | - | - | - | - | - |
| Municipal bank accounts | - | - | - | - | - | - | - | - | - | - | - |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | - | - |
| <i>Departmental agencies and accounts</i> | - | - | - | - | - | - | - | - | - | - | - |
| Social security funds | - | - | - | - | - | - | - | - | - | - | - |
| Departmental agencies | - | - | - | - | - | - | - | - | - | - | - |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - | - | - |
| Public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Households</i> | - | - | - | - | - | - | - | - | - | - | - |
| Social benefits | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to households | - | - | - | - | - | - | - | - | - | - | - |
| Payments for capital assets | - | - | - | - | - | - | - | - | - | - | - |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|----------------|----------------|
| Economic classification | 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 | R'000 | R'000 |
| <i>Machinery and equipment</i> | - | - | - | - | - | - | - | - | - | - | - |
| Transport equipment | - | - | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | - | - | - | - | - | - | - | - | - | - | - |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Biological assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Land and subsoil assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - | - | - |
| Total | 192,091 | 12,384 | - | 204,475 | 204,473 | 2 | 100.0% | 201,705 | 201,705 | 201,705 | 201,705 |

Programme 2: National Geomatic Management Services

| 2014/15 | | | | | | | | | | 2013/14 | |
|---|------------------------|-------------------|-----------------|---------------------|--------------------|--------------|---|---------------------|--------------------|----------------|----------------|
| Sub programme | 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 | R'000 | R'000 |
| 1. National Geomatics Management Services | 460,509 | (10,000) | (14,014) | 436,495 | 434,497 | 1,998 | 99.5% | 418,060 | 417,416 | 418,060 | 417,416 |
| 2. Spatial Planning and Land Use management | 169,083 | 10,000 | 3,023 | 182,106 | 181,826 | 280 | 99.8% | 124,463 | 124,575 | 124,463 | 124,575 |
| 3. Registration of Deeds Trading Account | 113,194 | - | - | 113,194 | 113,194 | - | 100.0% | 241,741 | 241,741 | 241,741 | 241,741 |
| 4. South African Council of planners | 3,020 | - | - | 3,020 | 3,020 | - | 100.0% | 2,849 | 2,137 | 2,849 | 2,137 |
| Total for sub programmes | 745,806 | - | (10,991) | 734,815 | 732,537 | 2,278 | 99.7% | 787,113 | 785,869 | 787,113 | 785,869 |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|-----------------|---------------------|--------------------|------------|---|---------------------|--------------------|---------|--|
| Economic classification | 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 | 618,352 | (2,460) | (12,991) | 602,901 | 601,973 | 928 | 99.8% | 530,299 | 527,450 | | |
| <i>Compensation of employees</i> | 436,746 | (10,619) | (14,391) | 411,736 | 411,572 | 164 | 100.0% | 359,329 | 357,425 | | |
| <i>Salaries and wages</i> | 386,056 | (8,027) | (14,391) | 363,638 | 363,527 | 111 | 100.0% | 316,673 | 314,774 | | |
| <i>Social contributions</i> | 50,690 | (2,592) | - | 48,098 | 48,045 | 53 | 99.9% | 42,656 | 42,651 | | |
| <i>Goods and services</i> | 181,606 | 8,081 | 1,400 | 191,087 | 190,324 | 763 | 99.6% | 170,970 | 170,019 | | |
| <i>Administrative fees</i> | 2,844 | (1,447) | - | 1,397 | 1,378 | 19 | 98.6% | 2,763 | 2,714 | | |
| <i>Advertising</i> | 1,608 | (297) | - | 1,311 | 1,303 | 8 | 99.4% | 695 | 684 | | |
| <i>Minor assets</i> | 4,429 | (3,857) | - | 572 | 548 | 24 | 95.8% | 1,010 | 976 | | |
| <i>Audit costs: External</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Bursaries: Employees</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Catering: Departmental activities</i> | 1,436 | (1,215) | - | 221 | 213 | 8 | 96.4% | 285 | 284 | | |
| <i>Communication</i> | 5,365 | 1,797 | - | 7,162 | 7,126 | 36 | 99.5% | 6,515 | 6,513 | | |
| <i>Computer services</i> | 16,920 | (3,110) | 1,400 | 15,210 | 15,205 | 5 | 100.0% | 9,963 | 9,169 | | |
| <i>Consultants: Business and advisory services</i> | 63,789 | 22,631 | - | 86,420 | 86,403 | 17 | 100.0% | 52,291 | 52,290 | | |
| <i>Infrastructure and planning services</i> | 4,902 | (1,794) | - | 3,108 | 3,107 | 1 | 100.0% | 6,382 | 6,371 | | |
| <i>Laboratory services</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Scientific and technological services</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Legal services</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Contractors</i> | 16,589 | (974) | - | 15,615 | 15,463 | 152 | 99.0% | 22,223 | 22,223 | | |
| <i>Agency and support/outsourced services</i> | 14,736 | (1,656) | - | 13,080 | 13,078 | 2 | 100.0% | 16,711 | 16,711 | | |
| <i>Entertainment</i> | 10 | (10) | - | - | - | - | - | - | - | | |
| <i>Fleet services</i> | 2,033 | (527) | - | 1,506 | 1,484 | 22 | 98.5% | 4,108 | 4,108 | | |
| <i>Housing</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Inventory: Clothing material and supplies</i> | 102 | (62) | - | 40 | 36 | 4 | 90.0% | 79 | 79 | | |
| <i>Inventory: Farming supplies</i> | - | - | - | - | - | - | - | - | - | | |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|--------------|---------------------|--------------------|-----------|---|---------------------|--------------------|---------|--|
| | 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 | | |
| Economic classification | | | | | | | | | | | |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - | | |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - | | |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - | | |
| Inventory: Materials and supplies | 397 | 847 | - | 1,244 | 1,124 | 120 | 90.4% | 229 | 226 | | |
| Inventory: Medical supplies | 2 | 8 | - | 10 | 8 | 2 | 80.0% | - | - | | |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - | | |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - | | |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | | |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | | |
| Consumable supplies | 929 | (317) | - | 612 | 556 | 56 | 90.8% | 448 | 441 | | |
| Consumable: Stationery, printing and office supplies | 6,792 | (1,872) | - | 4,920 | 4,876 | 44 | 99.1% | 4,844 | 4,838 | | |
| Operating leases | 1,761 | 1,021 | - | 2,782 | 2,779 | 3 | 99.9% | 745 | 745 | | |
| Property payments | 5,619 | (268) | - | 5,351 | 5,336 | 15 | 99.7% | 3,993 | 3,982 | | |
| Transport provided: | - | - | - | - | - | - | - | - | - | | |
| Departmental activity | - | - | - | - | - | - | - | - | - | | |
| Travel and subsistence | 21,118 | (96) | - | 21,022 | 20844 | 178 | 99.2% | 29,767 | 29,751 | | |
| Training and development | 1,713 | (66) | - | 1,647 | 1,640 | 7 | 99.6% | 796 | 796 | | |
| Operating payments | 3,614 | (1,801) | - | 1,813 | 1,780 | 33 | 98.2% | 1,139 | 1,134 | | |
| Venues and facilities | 4,898 | 843 | - | 5,741 | 5,735 | 6 | 99.9% | 5,984 | 5,984 | | |
| Rental and hiring | - | 303 | - | 303 | 302 | 1 | 99.7% | - | - | | |
| <i>Interest and rent on land</i> | - | 78 | - | 78 | 77 | 1 | 98.7% | - | 6 | | |
| Interest | - | 78 | - | 78 | 77 | 1 | 98.7% | - | 6 | | |
| Rent on land | - | - | - | - | - | - | - | - | - | | |
| Transfers and subsidies | 117,764 | 3,875 | 3,000 | 124,639 | 124,616 | 23 | 100.0% | 248,891 | 248,871 | | |
| <i>Provinces and municipalities</i> | 20 | (4) | - | 16 | 2 | 14 | 12.5% | 13 | 4 | | |
| Provinces | - | - | - | - | - | - | - | - | - | | |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - | | |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------------|---------------------|--------------------|--------------|---|---------------------|--------------------|--------------|--------------|
| Economic classification | 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 | R'000 | R'000 |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | - | - |
| Municipalities | 20 | (4) | - | 16 | 2 | 14 | 12.5% | 13 | 4 | 13 | 4 |
| Municipal bank accounts | 20 | (4) | - | 16 | 2 | 14 | 12.5% | 13 | 4 | 13 | 4 |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | - | - |
| <i>Departmental agencies and accounts</i> | 113,194 | 1,903 | 3,000 | 118,097 | 118,097 | - | 100.0% | 242,209 | 242,208 | 242,209 | 242,208 |
| Social security funds | - | - | - | - | - | - | - | - | - | - | - |
| Departmental agencies | 113,194 | 1,903 | 3,000 | 118,097 | 118,097 | - | 100.0% | 242,209 | 242,208 | 242,209 | 242,208 |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Foreign governments and international organisations</i> | 1,450 | 614 | - | 2,064 | 2,063 | 1 | 100.0% | 1,772 | 1,772 | 1,772 | 1,772 |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - | - | - |
| Public corporations- | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | 3,020 | - | - | 3,020 | 3,020 | - | 100.0% | 2,849 | 2,849 | 2,849 | 2,849 |
| Households | 80 | 1,362 | - | 1,442 | 1,434 | 8 | 99.4% | 2,048 | 2,038 | 2,048 | 2,038 |
| Social benefits | 80 | 1,150 | - | 1,230 | 1,222 | 8 | 99.3% | 2,048 | 2,038 | 2,048 | 2,038 |
| Other transfers to households | - | 212 | - | 212 | 212 | - | 100.0% | - | - | - | - |
| Payments for capital assets | 9,690 | (1,415) | (1,000) | 7,275 | 4,820 | 2,455 | 66.3% | 7,923 | 7,531 | 7,923 | 7,531 |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - | - | - |
| <i>Machinery and equipment</i> | 8,133 | (1,415) | (1,000) | 5,718 | 4,820 | 898 | 84.3% | 7,923 | 7,531 | 7,923 | 7,531 |

| 2014/15 | | | | | | | | | | 2013/14 | | |
|--------------------------------------|------------------------|-------------------|-----------------|---------------------|--------------------|----------------|---|---------------------|--------------------|---------|--------------|--|
| Economic classification | 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 | R'000 | R'000 | |
| Transport equipment | - | - | - | - | - | - | - | - | - | - | - | |
| Other machinery and equipment | 8,133 | (1,415) | (1,000) | 5,718 | 4,820 | 898 | 84.3% | 7,923 | 7,531 | - | - | |
| Heritage assets | - | - | - | - | - | - | - | - | - | - | - | |
| Specialised military assets | - | - | - | - | - | - | - | - | - | - | - | |
| Biological assets | - | - | - | - | - | - | - | - | - | - | - | |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - | - | - | |
| Intangible assets | 1,557 | - | - | 1,557 | - | 1,557 | - | - | - | - | - | |
| Payments for financial assets | - | - | - | - | 1,128 | (1,128) | - | - | - | - | 2,017 | |
| Total | 745,806 | - | (10,991) | 734,815 | 732,537 | 2,278 | 99.7% | 787,113 | 785,869 | | | |

2.1 National Geomatics Management Services

| 2014/15 | | | | | | | | | | 2013/14 | | |
|---------------------------|------------------------|-------------------|-----------------|---------------------|--------------------|------------|---|---------------------|--------------------|---------|-------|--|
| Economic classification | 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 | R'000 | R'000 | |
| Current payments | 449,958 | (12,406) | (13,014) | 424,538 | 423,862 | 676 | 99.9% | 408,410 | 406,175 | | | |
| Compensation of employees | 364,773 | (10,586) | (14,414) | 339,773 | 339,690 | 83 | 100.0% | 310,449 | 309,131 | | | |
| Salaries and wages | 322,371 | (10,332) | (14,414) | 297,625 | 297,568 | 57 | 100.0% | 271,737 | 270,421 | | | |
| Social contributions | 42,402 | (254) | - | 42,148 | 42,122 | 26 | 99.9% | 38,712 | 38,710 | | | |
| Goods and services | 85,185 | (1,835) | 1,400 | 84,750 | 84,157 | 593 | 99.3% | 97,961 | 97,038 | | | |
| Administrative fees | 1,035 | (506) | - | 529 | 514 | 15 | 97.2% | 1,675 | 1,627 | | | |
| Advertising | 544 | 105 | - | 649 | 645 | 4 | 99.4% | 458 | 458 | | | |
| Minor assets | 1,201 | (736) | - | 465 | 444 | 21 | 95.5% | 658 | 625 | | | |
| Audit costs: External | - | - | - | - | - | - | - | - | - | | | |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - | | | |

| Economic classification | 2014/15 | | | | | | 2013/14 | | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | 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 |
| Catering: Departmental activities | 248 | (103) | - | 145 | 140 | 5 | 96.6% | 219 | 219 |
| Communication | 3,542 | 1,625 | - | 5,167 | 5,142 | 25 | 99.5% | 4,864 | 4,862 |
| Computer services | 11,629 | 2,181 | 1,400 | 15,210 | 15,205 | 5 | 100.0% | 9,960 | 9,166 |
| Consultants: Business and advisory services | 18 | 350 | - | 368 | 367 | 1 | 99.7% | - | - |
| Infrastructure and planning services | 4,902 | (1,794) | - | 3,108 | 3,107 | 1 | 100.0% | 6,382 | 6,371 |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | - | - | - | - | - | - | - | - | - |
| Contractor | 16,315 | (1,406) | - | 14,909 | 14,759 | 150 | 99.0% | 18,816 | 18,816 |
| Agency and support/outsourced services | 14,724 | (1,667) | - | 13,057 | 13,056 | 1 | 100.0% | 16,711 | 16,711 |
| Entertainment | 10 | (10) | - | - | - | - | - | - | - |
| Fleet services | 2,033 | (650) | - | 1,383 | 1,363 | 20 | 98.6% | 4,098 | 4,098 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | 102 | (62) | - | 40 | 36 | 4 | 90.0% | 79 | 79 |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | 382 | 856 | - | 1,238 | 1,121 | 117 | 90.5% | 208 | 207 |
| Inventory: Medical supplies | 1 | - | - | 1 | - | 1 | - | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - |
| Medasas Inventory Interface | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - |
| Consumable supplies | 623 | (143) | - | 480 | 448 | 32 | 93.1% | 397 | 393 |

| | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Consumable: Stationery, printing and office supplies | 4,255 | (153) | - | 4,102 | 4,071 | 31 | 99.2% | 4,313 | 4,309 |
| Operating leases | 1,746 | 1,022 | - | 2,768 | 2,765 | 3 | 99.9% | 701 | 701 |
| Property payments | 4,929 | (134) | - | 4,795 | 4,784 | 11 | 99.8% | 3,407 | 3,396 |
| Transport provided: | - | - | - | - | - | - | - | - | - |
| Departmental activity | - | - | - | - | - | - | - | - | - |
| Travel and subsistence | 12,858 | 395 | - | 13,253 | 13,138 | 115 | 99.1% | 22,309 | 22,299 |
| Training and development | 1,353 | 7 | - | 1,360 | 1,355 | 5 | 99.6% | 766 | 766 |
| Operating payments | 1,694 | (548) | - | 1,146 | 1,123 | 23 | 98.0% | 983 | 978 |
| Venues and facilities | 1,041 | (464) | - | 577 | 574 | 3 | 99.5% | 957 | 957 |
| Rental and hiring | - | - | - | - | - | - | - | - | - |
| <i>Interest and rent on land</i> | - | 15 | - | 15 | 15 | - | 100.0% | - | 6 |
| Interest | - | 15 | - | 15 | 15 | - | 100.0% | - | 6 |
| Rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 1,550 | 3,821 | - | 5,371 | 5,349 | 22 | 99.6% | 4,268 | 4,248 |
| <i>Provinces and municipalities</i> | 20 | (4) | - | 16 | 2 | 14 | 12.5% | 13 | 4 |
| Provinces | - | - | - | - | - | - | - | - | - |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - |
| Municipalities | 20 | (4) | - | 16 | 2 | 14 | 12.5% | 13 | 4 |
| Municipal bank accounts | 20 | (4) | - | 16 | 2 | 14 | 205% | 13 | 4 |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - |
| <i>Departmental agencies and accounts</i> | - | 1,903 | - | 1,903 | 1,903 | - | 100.0% | 468 | 467 |
| Social security funds | - | - | - | - | - | - | - | - | - |
| Departmental agencies | - | 1,903 | - | 1,903 | 1,903 | - | 100.0% | 468 | 467 |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - |
| <i>Foreign governments and international organisations</i> | 1,450 | 614 | - | 2,064 | 2,063 | 1 | 100.0% | 1,772 | 1,772 |

| Economic classification | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|-----------------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | 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>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - |
| Public corporations | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - |
| Households | 80 | 1,308 | - | 1,388 | 1,381 | 7 | 99.5% | 2,015 | 2,005 |
| Social benefits | 80 | 1,096 | - | 1,176 | 1,169 | 7 | 99.4% | 2,015 | 2,005 |
| Other transfers to households | - | 212 | - | 212 | 212 | - | 100.0% | - | - |
| Payments for capital assets | 9,001 | (1,415) | (1,000) | 6,586 | 4,311 | 2,275 | 65.5% | 5,382 | 4,994 |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - |
| <i>Machinery and equipment</i> | 7,444 | (1,415) | (1,000) | 5,029 | 4,311 | 718 | 85.7% | 5,382 | 4,994 |
| Transport equipment | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | 7,444 | (1,415) | (1,000) | 5,029 | 4,311 | 718 | 85.7% | 5,382 | 4,994 |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Biological assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Land and subsoil assets</i> | 1,557 | - | - | 1,557 | - | 1,557 | - | - | - |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 975 | (975) | - | - | 1,999 |
| Total | 460,509 | (10,000) | (14,014) | 436,495 | 434,497 | 1,998 | 99.5% | 418,060 | 417,416 |

2.2 Spatial Planning and Land Management

| | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|-----------|---------------------|--------------------|------------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Current payments | 168,394 | 9,946 | 23 | 178,363 | 178,111 | 252 | 99.9% | 121,889 | 121,275 |
| Compensation of employees | 71,973 | (33) | 23 | 71,963 | 71,882 | 81 | 99.9% | 48,880 | 48,294 |
| Salaries and wages | 63,685 | 2,305 | 23 | 66,013 | 65,959 | 54 | 99.9% | 44,936 | 44,353 |
| Social contributions | 8,288 | (2,338) | - | 5,950 | 5,923 | 27 | 99.5% | 3,944 | 3,941 |
| Goods and services | 96,421 | 9,916 | - | 106,337 | 106,167 | 170 | 99.8% | 73,009 | 72,981 |
| Administrative fees | 1,809 | (941) | - | 868 | 864 | 4 | 99.5% | 1,088 | 1,087 |
| Advertising | 1,064 | (402) | - | 662 | 658 | 4 | 99.4% | 237 | 226 |
| Minor assets | 3,228 | (3,121) | - | 107 | 104 | 3 | 97.2% | 352 | 351 |
| Audit costs: External | - | - | - | - | - | - | - | - | - |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | 1,88 | (1,112) | - | 76 | 73 | 3 | 96.1% | 66 | 65 |
| Communication | 1,823 | 172 | - | 1,995 | 1,984 | 11 | 99.4% | 1,651 | 1,651 |
| Computer services | 5,291 | (5,291) | - | - | - | - | - | 3 | 3 |
| Consultants: Business and advisory services | 63,771 | 22,281 | - | 86,052 | 86,036 | 16 | 100.0% | 52,291 | 52,290 |
| Infrastructure and planning services | - | - | - | - | - | - | - | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | - | - | - | - | - | - | - | - | - |
| Contractor | 274 | 432 | - | 706 | 704 | 2 | 99.7% | 3,407 | 3,407 |
| Agency and support/outsourced services | 12 | 11 | - | 23 | 22 | 1 | 95.7% | - | - |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services | - | 123 | - | 123 | 121 | 2 | 98.4% | 10 | 10 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | - | - | - | - | - | - | - | - | - |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |

| | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|--------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | 15 | (9) | - | 6 | 3 | 3 | 50.0% | 21 | 19 |
| Inventory: Medical supplies | 1 | 8 | - | 9 | 8 | 1 | 88.9% | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - |
| Meddas Inventory Interface | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - |
| Consumable supplies | 306 | (174) | - | 132 | 108 | 24 | 81.8% | 51 | 48 |
| Consumable: Stationery, printing and office supplies | 2,537 | (1,719) | - | 818 | 805 | 13 | 98.3% | 531 | 529 |
| Operating leases | 15 | (1) | - | 14 | 14 | - | 100.0% | 44 | 44 |
| Property payments | 690 | (134) | - | 556 | 552 | 4 | 99.3% | 586 | 586 |
| Transport provided: Departmental activity | - | - | - | - | - | - | - | - | - |
| Travel and subsistence | 8,260 | (491) | - | 7,769 | 7,706 | 63 | 99.2% | 7,458 | 7,452 |
| Training and development | 360 | (73) | - | 287 | 285 | 2 | 99.5% | 30 | 30 |
| Operating payments | 1,920 | (1,253) | - | 667 | 657 | 10 | 98.5% | 156 | 156 |
| Venues and facilities | 3,857 | 1,307 | - | 5,164 | 5,161 | 3 | 99.9% | 5,027 | 5,027 |
| Rental and hiring | - | 303 | - | 303 | 302 | 1 | 99.7% | - | - |
| Interest and rent on land | - | 63 | - | 63 | 62 | 1 | 98.4% | - | - |
| Interest | - | 63 | - | 63 | 62 | 1 | 98.4% | - | - |
| Rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | - | 54 | 3,000 | 3054 | 3053 | 1 | 100.0% | 33 | 745 |
| <i>Provinces and municipalities</i> | - | - | - | - | - | - | - | - | - |
| Provinces | - | - | - | - | - | - | - | - | - |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|---------|--|
| | 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 | | |
| Economic classification | | | | | | | | | | | |
| Municipalities | - | - | - | - | - | - | - | - | - | | |
| Municipal bank accounts | - | - | - | - | - | - | - | - | - | | |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | | |
| <i>Departmental agencies and accounts</i> | - | - | 3,000 | 3,000 | 3,000 | - | 100.0% | - | - | | |
| Social security funds | - | - | - | - | - | - | - | - | - | | |
| Departmental agencies | - | - | 3,000 | 3,000 | 3,000 | - | 100.0% | - | - | | |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - | | |
| Public corporations | - | - | - | - | - | - | - | - | - | | |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | | |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | | |
| Private enterprises | - | - | - | - | - | - | - | - | - | | |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | | |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | | |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | 712 | | |
| <i>Households</i> | - | 54 | - | 54 | 53 | 1 | 98.1% | 33 | 33 | | |
| Social benefits | - | 54 | - | 54 | 53 | 1 | 98.1% | 33 | 33 | | |
| Other transfers to households | - | - | - | - | - | - | - | - | - | | |
| Payments for capital assets | 689 | - | - | 689 | 509 | 180 | 73.9% | 2,541 | 2,537 | | |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - | | |
| Buildings | - | - | - | - | - | - | - | - | - | | |
| Other fixed structures | - | - | - | - | - | - | - | - | - | | |
| <i>Machinery and equipment</i> | 689 | - | - | 689 | 509 | 180 | 73.9% | 2,541 | 2,537 | | |
| Transport equipment | - | - | - | - | - | - | - | - | - | | |
| Other machinery and equipment | 689 | - | - | 689 | 509 | 180 | 73.9% | 2,541 | 2,537 | | |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - | | |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Biological assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Land and subsoil assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 153 | (153) | - | - | - | - | 18 |
| Total | 169,083 | 10,000 | 3,023 | 182,106 | 181,826 | 280 | 99,8% | 124,463 | 124,575 | | |

2.3 Registration of Deeds Trading Account

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Current payments | - | - | - | - | - | - | - | - | - | - | - |
| <i>Compensation of employees</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Salaries and wages</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Social contributions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Goods and services</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Administrative fees</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Advertising</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Minor assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Audit costs: External</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Bursaries: Employees</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Catering: Departmental activities</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Communication</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Computer services</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Consultants: Business and advisory services</i> | - | - | - | - | - | - | - | - | - | - | - |

| Economic classification | 2014/15 | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | 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 |
| Infrastructure and planning services | - | - | - | - | - | - | - | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | - | - | - | - | - | - | - | - | - |
| Contractor | - | - | - | - | - | - | - | - | - |
| Agency and support/outsourced services | - | - | - | - | - | - | - | - | - |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services | - | - | - | - | - | - | - | - | - |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | - | - | - | - | - | - | - | - | - |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - |
| Consumable supplies | - | - | - | - | - | - | - | - | - |
| Consumable: Stationery, printing and office supplies | - | - | - | - | - | - | - | - | - |
| Operating leases | - | - | - | - | - | - | - | - | - |
| Property payments | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|--|
| Economic classification | 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 | | |
| Transport provided: | - | - | - | - | - | - | - | - | - | | |
| Departmental activity | - | - | - | - | - | - | - | - | - | | |
| Travel and subsistence | - | - | - | - | - | - | - | - | - | | |
| Training and development | - | - | - | - | - | - | - | - | - | | |
| Operating payments | - | - | - | - | - | - | - | - | - | | |
| Venues and facilities | - | - | - | - | - | - | - | - | - | | |
| Rental and hiring | - | - | - | - | - | - | - | - | - | | |
| <i>Interest and rent on land</i> | - | - | - | - | - | - | - | - | - | | |
| Interest | - | - | - | - | - | - | - | - | - | | |
| Rent on land | - | - | - | - | - | - | - | - | - | | |
| Transfers and subsidies | 113,194 | - | - | 113,194 | 113,194 | - | 100.0% | 241,741 | 241,741 | | |
| <i>Provinces and municipalities</i> | - | - | - | - | - | - | - | - | - | | |
| Provinces | - | - | - | - | - | - | - | - | - | | |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - | | |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | | |
| Municipalities | - | - | - | - | - | - | - | - | - | | |
| Municipal bank accounts | - | - | - | - | - | - | - | - | - | | |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | | |
| <i>Departmental agencies and accounts</i> | <i>113,194</i> | <i>-</i> | <i>-</i> | <i>113,194</i> | <i>113,194</i> | <i>-</i> | <i>100.0%</i> | <i>241,741</i> | <i>241,741</i> | | |
| Social security funds | - | - | - | - | - | - | - | - | - | | |
| Departmental agencies | 113,194 | - | - | 113,194 | 113,194 | - | 100.0% | 241,741 | 241,741 | | |
| <i>Higher education institutions</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | | |
| <i>Foreign governments and international organisations</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | | |
| <i>Public corporations and private enterprises</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | | |
| Public corporations | - | - | - | - | - | - | - | - | - | | |

| Economic classification | 2014/15 | | | | | | 2013/14 | | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | 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 |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - |
| <i>Households</i> | - | - | - | - | - | - | - | - | - |
| Social benefits | - | - | - | - | - | - | - | - | - |
| Other transfers to households | - | - | - | - | - | - | - | - | - |
| Payments for capital assets | - | - | - | - | - | - | - | - | - |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - |
| <i>Machinery and equipment</i> | - | - | - | - | - | - | - | - | - |
| Transport equipment | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | - | - | - | - | - | - | - | - | - |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Biological assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Land and subsoil assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 113,194 | - | - | 113,194 | 113,194 | - | 100.0% | 241,741 | 241,741 |

2.4 South African Council for Planners

| | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Current payments | - | - | - | - | - | - | - | - | - |
| <i>Compensation of employees</i> | - | - | - | - | - | - | - | - | - |
| Salaries and wages | - | - | - | - | - | - | - | - | - |
| Social contributions | - | - | - | - | - | - | - | - | - |
| <i>Goods and services</i> | - | - | - | - | - | - | - | - | - |
| Administrative fees | - | - | - | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - | - | - | - |
| Minor assets | - | - | - | - | - | - | - | - | - |
| Audit costs: External | - | - | - | - | - | - | - | - | - |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | - | - | - | - | - | - | - | - | - |
| Communication | - | - | - | - | - | - | - | - | - |
| Computer services | - | - | - | - | - | - | - | - | - |
| Consultants: Business and advisory services | - | - | - | - | - | - | - | - | - |
| Infrastructure and planning services | - | - | - | - | - | - | - | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | - | - | - | - | - | - | - | - | - |
| Contractor | - | - | - | - | - | - | - | - | - |
| Agency and support/outsourced services | - | - | - | - | - | - | - | - | - |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services | - | - | - | - | - | - | - | - | - |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|--------------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - | - | - |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | - | - |
| Consumable supplies | - | - | - | - | - | - | - | - | - | - | - |
| Consumable: Stationery, printing and office supplies | - | - | - | - | - | - | - | - | - | - | - |
| Operating leases | - | - | - | - | - | - | - | - | - | - | - |
| Property payments | - | - | - | - | - | - | - | - | - | - | - |
| Transport provided: Departmental activity | - | - | - | - | - | - | - | - | - | - | - |
| Travel and subsistence | - | - | - | - | - | - | - | - | - | - | - |
| Training and development | - | - | - | - | - | - | - | - | - | - | - |
| Operating payments | - | - | - | - | - | - | - | - | - | - | - |
| Venues and facilities | - | - | - | - | - | - | - | - | - | - | - |
| Rental and hiring | - | - | - | - | - | - | - | - | - | - | - |
| Interest and rent on land | - | - | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - | - | - |
| Rent on land | - | - | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 3,020 | - | - | 3,020 | 3,020 | - | 100.0% | 3,020 | 2,849 | 2,137 | |
| Provinces and municipalities | - | - | - | - | - | - | - | - | - | - | - |
| Provinces | - | - | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | - | - |
| Municipalities | - | - | - | - | - | - | - | - | - | - | - |
| Municipal bank accounts | - | - | - | - | - | - | - | - | - | - | - |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | - | - |
| <i>Departmental agencies and accounts</i> | - | - | - | - | - | - | - | - | - | - | - |
| Social security funds | - | - | - | - | - | - | - | - | - | - | - |
| Departmental agencies | - | - | - | - | - | - | - | - | - | - | - |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - | - | - |
| Public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | 3,020 | - | - | 3,020 | 3,020 | - | 100.0% | 2,849 | 2,137 | - | - |
| Households | - | - | - | - | - | - | - | - | - | - | - |
| Social benefits | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to households | - | - | - | - | - | - | - | - | - | - | - |
| Payments for capital assets | - | - | - | - | - | - | - | - | - | - | - |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - | - | - |
| <i>Machinery and equipment</i> | - | - | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Transport equipment | - | - | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | - | - | - | - | - | - | - | - | - | - | - |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Biological assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Land and subsoil assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - | - | - |
| Total | 3,020 | - | - | 3,020 | 3,020 | - | 100.0% | 2,849 | 2,137 | | |

Programme 3: Rural Development

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|------------------|---------------------|--------------------|---------------|---|---------------------|--------------------|---------|-------|
| Sub programme | 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 | R'000 | R'000 |
| 1. Rural Infrastructure Development | 783,103 | (45,319) | (21,000) | 716,784 | 712,406 | 4,378 | 99.4% | 395,299 | 395,429 | | |
| 2. Rural Enterprise and Industrial Development | 550,311 | - | (62,386) | 487,925 | 459,339 | 28,586 | 94.1% | 488,338 | 487,060 | | |
| 3. National Rural Youth Services Crops | 678,205 | 45,319 | (77,301) | 646,223 | 629,243 | 16,980 | 97.4% | 821,203 | 819,154 | | |
| Total for sub programmes | 2,011,619 | - | (160,687) | 1,850,932 | 1,800,988 | 49,944 | 97.3% | 1,704,840 | 1,701,643 | | |

| Economic classification | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|-----------------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| | 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 | 673,251 | (195,562) | (19,701) | 457,988 | 417,088 | 40,900 | 91.1% | 1,012,763 | 1,010,960 |
| <i>Compensation of employees</i> | 267,349 | (11,073) | (23) | 256,253 | 249,613 | 6,640 | 97.4% | 202,793 | 200,408 |
| Salaries and wages | 235,978 | (8,083) | (23) | 227,872 | 221,315 | 6,557 | 97.1% | 179,956 | 177,889 |
| Social contributions | 31,371 | (2,990) | - | 28,381 | 28,298 | 83 | 99.7% | 22,837 | 22,519 |
| <i>Goods and services</i> | 405,902 | (184,489) | (19,678) | 201,735 | 167,475 | 34,260 | 83.0% | 809,970 | 810,552 |
| Administrative fees | 14,929 | (6,673) | - | 8,256 | 6,405 | 1,851 | 77.6% | 36,599 | 36,580 |
| Advertising | 3,095 | (879) | - | 2,216 | 2,152 | 64 | 97.1% | 2,394 | 2,389 |
| Minor assets | 10,575 | (7,942) | - | 2,633 | 1,216 | 1,417 | 46.2% | 6,774 | 6,772 |
| Audit costs: External | - | - | - | - | - | - | - | - | - |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | 2,137 | 183 | - | 2,320 | 2,211 | 109 | 95.3% | 5,498 | 5,495 |
| Communication | 3,644 | 2,090 | - | 5,734 | 5,576 | 158 | 97.2% | 2,978 | 2,977 |
| Computer services | 5 | 144 | - | 149 | 149 | - | 100.0% | 850 | 850 |
| Consultants: Business and advisory services | 41,902 | (14,834) | - | 27,068 | 25,950 | 1,118 | 95.9% | 22,701 | 24,725 |
| Infrastructure and planning services | 120 | (120) | - | - | - | - | - | 3,298 | 3,298 |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | - | - | - | - | - | - | - | - | - |
| Contractors | 568 | (80) | - | 488 | 482 | 6 | 98.8% | 6,140 | 6,140 |
| Agency and support / outsourced services | 2,951 | (1,176) | - | 1,775 | 1,621 | 154 | 91.3% | 1,743 | 1,742 |
| Entertainment | - | 2 | - | 2 | 2 | - | 100.0% | 2 | 2 |
| Fleet services | 425 | (11) | - | 414 | 394 | 20 | 95.2% | 349 | 347 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | 5,564 | (5,557) | - | 7 | 5 | 2 | 71.4% | 3,663 | 3,662 |
| Inventory: Farming supplies | 623 | (546) | - | 77 | 75 | 2 | 97.4% | 2,333 | 2,332 |

| 2014/15 | | | | | | | | | | 2013/14 | | |
|--|------------------------|-------------------|------------------|---------------------|--------------------|--------------|---|---------------------|--------------------|---------|--|--|
| | 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 | | | |
| Economic classification | | | | | | | | | | | | |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - | | | |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - | | | |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - | | | |
| Inventory: Materials and supplies | 2,250 | (1,368) | - | 882 | 747 | 135 | 84.7% | 3,344 | 3,344 | | | |
| Inventory: Medical supplies | - | 1 | - | 1 | 1 | - | 100.0% | - | - | | | |
| Inventory: Medicine | - | - | - | - | - | - | - | 4 | 4 | | | |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - | | | |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | | | |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | | | |
| Consumable supplies | 2,277 | (75) | - | 2,202 | 716 | 1,486 | 32.5% | 2,644 | 2,642 | | | |
| Consumable: Stationery, printing and office supplies | 6,729 | (2,697) | - | 4,032 | 3,449 | 583 | 85.5% | 3,390 | 3,384 | | | |
| Operating leases | 477 | 194 | - | 671 | 665 | 6 | 9910% | 364 | 364 | | | |
| Property payments | 789 | 135 | - | 924 | 774 | 150 | 83.8% | 6,136 | 6,136 | | | |
| Transport provided: Departmental activity | 399 | 50 | - | 449 | 448 | 1 | 99.8% | 393 | 393 | | | |
| Travel and subsistence | 259,338 | (126,580) | (19,678) | 113,080 | 90,290 | 22,790 | 79.8% | 556,486 | 556,420 | | | |
| Training and development | 24,071 | (22,597) | - | 1,474 | 1,095 | 379 | 74.3% | 90,294 | 89,943 | | | |
| Operating payments | 4,927 | (1,883) | - | 3,044 | 2,453 | 591 | 80.6% | 10,811 | 9,835 | | | |
| Venues and facilities | 17,108 | 4,066 | - | 21,174 | 18,170 | 3,004 | 85.8% | 38,462 | 38,456 | | | |
| Rental and hiring | 999 | 1,664 | - | 2,663 | 2,429 | 234 | 91.2% | 2,320 | 2,320 | | | |
| <i>Interest and rent on land</i> | - | - | - | - | - | - | - | - | - | | | |
| Interest | - | - | - | - | - | - | - | - | - | | | |
| Rent on land | - | - | - | - | - | - | - | - | - | | | |
| Transfers and subsidies | 1,328,863 | (197,795) | (137,000) | 994,068 | 985,537 | 8,531 | 99.1% | 550,994 | 546,359 | | | |
| <i>Provinces and municipalities</i> | - | 4,577 | - | 4,577 | 4,577 | - | 100.0% | 7,115 | 7,115 | | | |

| | | 2014/15 | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------------|---------------------|--------------------|------------|---|---------------------|--------------------|
| Economic classification | 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 |
| Provinces | - | - | - | - | - | - | - | - | - |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - |
| Municipalities | - | 4,577 | - | 4,577 | 4,577 | - | 100.0% | 7,115 | 7,115 |
| Municipal bank accounts | - | 4,577 | - | 4,577 | 4,577 | - | 100.0% | 7,112 | 7,112 |
| Municipal agencies and funds | - | - | - | - | - | - | - | 3 | 3 |
| <i>Departmental agencies and accounts</i> | - | - | - | - | - | - | - | 276,340 | 276,338 |
| Social security funds | - | - | - | - | - | - | - | - | - |
| Departmental agencies | - | - | - | - | - | - | - | 276,340 | 276,338 |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - |
| <i>Public corporations and private enterprises</i> | - | 7,320 | - | 7,320 | 7,320 | - | 100.0% | 69,455 | 69,453 |
| Public corporations | - | 7,320 | - | 7,320 | 7,320 | - | 100.0% | 52,021 | 52,021 |
| Subsidies on products and production | - | 7,320 | - | 7,320 | 7,320 | - | 100.0% | 52,021 | 52,021 |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | 17,434 | 17,432 |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | 17,434 | 17,432 |
| <i>Non-profit institutions</i> | - | 735 | - | 735 | 735 | - | 100.0% | 3,584 | 3,584 |
| Households | 1,328,863 | (210,427) | (137,000) | 981,436 | 972,905 | 8,531 | 99.1% | 177,066 | 176,021 |
| Social benefits | - | 299 | - | 299 | 296 | 3 | 99.0% | 182 | 180 |
| Other transfers to households | 1,328,863 | (210,726) | (137,000) | 981,137 | 972,609 | 8,528 | 99.1% | 176,884 | 175,841 |
| Payments for capital assets | 9,505 | 393,357 | (3,986) | 398,876 | 398,081 | 795 | 99.8% | 158,517 | 157,586 |
| <i>Buildings and other fixed structures</i> | 2,639 | 390,835 | - | 393,474 | 393,474 | - | 100.0% | 152,275 | 152,273 |
| Buildings | 2,639 | 390,835 | - | 393,474 | 393,474 | - | 100.0% | 1,035 | 1,035 |

| | 2014/15 | | | | | | 2013/14 | | |
|--------------------------------------|------------------------|-------------------|------------------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Other fixed structures | - | - | - | - | - | - | - | 151,240 | 151,238 |
| <i>Machinery and equipment</i> | 6,866 | 2,522 | (3,986) | 5,402 | 4,607 | 795 | 85.3% | 5,986 | 5,057 |
| Transport equipment | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | 6,866 | 2,522 | (3,986) | 5,402 | 4,607 | 795 | 85.3% | 5,986 | 5,057 |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Biological assets</i> | - | - | - | - | - | - | - | 256 | 256 |
| <i>Land and subsoil assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 282 | (282) | - | - | 586 |
| Total | 2,011,619 | - | (160,687) | 1,850,932 | 1,800,706 | 49,944 | 97.3% | 1,704,840 | 1,701,643 |

3.1 Rural Infrastructure Development

| | 2014/15 | | | | | | 2013/14 | | |
|----------------------------------|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Current payments | 129,236 | (5,276) | - | 123,960 | 123,597 | 363 | 99.7% | 121,769 | 122,612 |
| <i>Compensation of employees</i> | 82,892 | (7,073) | - | 75,819 | 75,696 | 123 | 99.8% | 57,986 | 56,885 |
| Salaries and wages | 75,146 | (6,919) | - | 68,227 | 68,130 | 97 | 99.9% | 51,514 | 50,413 |
| Social contributions | 7,746 | (154) | - | 7,592 | 7,566 | 26 | 99.7% | 6,472 | 6,472 |
| <i>Goods and services</i> | 46,344 | 1,797 | - | 48,141 | 47,901 | 240 | 99.5% | 63,783 | 65,727 |
| Administrative fees | 502 | 1,152 | - | 1,654 | 1,647 | 7 | 99.6% | 1,409 | 1,408 |
| Advertising | 1,599 | (286) | - | 1,313 | 1,306 | 7 | 99.5% | 1,021 | 1,018 |
| Minor assets | 968 | (701) | - | 267 | 254 | 13 | 95.1% | 2,463 | 2,462 |

| | | 2014/15 | | | | | | 2013/14 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| Economic classification | 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 |
| Audit costs: External | - | - | - | - | - | - | - | - | - |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | 632 | (63) | - | 569 | 566 | 3 | 99.5% | 779 | 778 |
| Communication | 812 | 1,037 | - | 1,849 | 1,841 | 8 | 99.6% | 1,019 | 1,018 |
| Computer services | 5 | 144 | - | 149 | 149 | - | 100.0% | 849 | 849 |
| Consultants: Business and advisory services | 21,655 | (9,275) | - | 12,380 | 12,378 | 2 | 100.0% | 7,649 | 9,966 |
| Infrastructure and planning services | - | - | - | - | - | - | - | 635 | 635 |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | - | - | - | - | - | - | - | - | - |
| Contractor | 130 | (40) | - | 90 | 86 | 4 | 95.6% | 5,393 | 5,393 |
| Agency and support / outsourced services | 380 | (143) | - | 237 | 236 | 1 | 99.6% | 1,026 | 1,026 |
| Entertainment | - | - | - | - | - | - | - | 1 | 1 |
| Fleet services | 16 | 96 | - | 112 | 103 | 9 | 92.0% | 93 | 92 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | 51 | (45) | - | 6 | 5 | 1 | 83.3% | 134 | 133 |
| Inventory: Farming supplies | 1 | 76 | - | 77 | 75 | 2 | 97.4% | - | - |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | 471 | (216) | - | 255 | 252 | 3 | 98.8% | 310 | 310 |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|-----------------|---------------------|--------------------|--------------|---|---------------------|--------------------|----------------|-------|
| | 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 | R'000 | R'000 |
| Economic classification | | | | | | | | | | | |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | - | - |
| Consumable supplies | 390 | (124) | - | 266 | 242 | 24 | 91.0% | 1,104 | 1,104 | 1,104 | |
| Consumable: Stationery, printing and office supplies | 2,153 | (650) | - | 1,503 | 1,486 | 17 | 98.9% | 1,341 | 1,337 | 1,337 | |
| Operating leases | 179 | 178 | - | 357 | 355 | 2 | 99.4% | 147 | 147 | 147 | |
| Property payments | 5 | 303 | - | 308 | 306 | 2 | 99.4% | 5,698 | 5,698 | 5,698 | |
| Transport provided: Departmental activity | - | 390 | - | 390 | 390 | - | 100.0% | - | - | - | |
| Travel and subsistence | 12,856 | 7,513 | - | 20,369 | 20,262 | 107 | 99.5% | 21,967 | 21,954 | 21,954 | |
| Training and development | 728 | (342) | - | 386 | 382 | 4 | 99.0% | 1,081 | 730 | 730 | |
| Operating payments | 1,048 | 47 | - | 1,095 | 1,078 | 17 | 98.4% | 5,607 | 5,607 | 5,607 | |
| Venues and facilities | 1,264 | 2,741 | - | 4,005 | 4,000 | 5 | 99.9% | 2,648 | 2,648 | 2,648 | |
| Rental and hiring | 499 | 5 | - | 504 | 502 | 2 | 99.6% | 1,413 | 1,413 | 1,413 | |
| <i>Interest and rent on land</i> | - | - | - | - | - | - | - | - | - | - | |
| Interest | - | - | - | - | - | - | - | - | - | - | |
| Rent on land | - | - | - | - | - | - | - | - | - | - | |
| Transfers and subsidies | 649,956 | (432,399) | (20,000) | 197,557 | 193,869 | 3,688 | 98.1% | 120,122 | 120,119 | 120,119 | |
| <i>Provinces and municipalities</i> | - | - | - | - | - | - | - | 7,115 | 7,115 | 7,115 | |
| Provinces | - | - | - | - | - | - | - | - | - | - | |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - | - | |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | - | |
| Municipalities | - | - | - | - | - | - | - | 7,115 | 7,115 | 7,115 | |
| Municipal bank accounts | - | - | - | - | - | - | - | 7,112 | 7,112 | 7,112 | |
| Municipal agencies and funds | - | - | - | - | - | - | - | 3 | 3 | 3 | |
| <i>Departmental agencies and accounts</i> | - | - | - | - | - | - | - | 112,418 | 112,416 | 112,416 | |
| Social security funds | - | - | - | - | - | - | - | - | - | - | |
| Departmental agencies | - | - | - | - | - | - | - | 112,418 | 112,416 | 112,416 | |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | - | |

| | | 2014/15 | | | | | | 2013/14 | |
|--|------------------------|-------------------|-----------------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| Economic classification | 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>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - |
| Public corporations | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | 445 | 445 |
| <i>Households</i> | 649,956 | (432,399) | (20,000) | 197,557 | 193,869 | 3,688 | 98.1% | 144 | 143 |
| Social benefits | - | 35 | - | 35 | 35 | - | 100.0% | 63 | 62 |
| Other transfers to households | 649,956 | (432,434) | (20,000) | 197,522 | 193,834 | 3,688 | 98.1% | 81 | 81 |
| Payments for capital assets | 3,911 | 392,356 | (1,000) | 395,267 | 394,864 | 403 | 99.9% | 153,408 | 152,478 |
| <i>Buildings and other fixed structures</i> | 2,639 | 390,835 | - | 393,474 | 393,474 | - | 100.0% | 151,240 | 151,238 |
| Buildings | 2,639 | 390,835 | - | 393,474 | 393,474 | - | 100.0% | - | - |
| Other fixed structures | - | - | - | - | - | - | - | 151,240 | 151,238 |
| <i>Machinery and equipment</i> | 1,272 | 1,521 | (1,000) | 1,793 | 1,390 | 403 | 77.5% | 2,168 | 1,240 |
| Transport equipment | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | 1,272 | 1,521 | (1,000) | 1,793 | 1,390 | 403 | 77.5% | 2,168 | 1,240 |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Biological assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Land and subsoil assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 76 | (76) | - | - | 220 |
| Total | 783,103 | (45,319) | (21,000) | 716,784 | 712,406 | 4,378 | 99.4% | 395,299 | 395,429 |

3.2 Rural Enterprise and Industrial Development

| | 2014/15 | | | | | | 2013/14 | | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Current payments | 231,669 | (748) | (4,400) | 226,521 | 202,621 | 23,900 | 89.4% | 252,005 | 250,444 |
| Compensation of employees | 125,478 | - | - | 125,478 | 122,529 | 2,949 | 97.6% | 107,915 | 107,708 |
| Salaries and wages | 109,688 | 1,059 | - | 110,747 | 107,827 | 2,920 | 97.4% | 95,999 | 95,796 |
| Social contributions | 15,790 | (1,059) | - | 14,731 | 14,702 | 29 | 99.8% | 11,916 | 11,912 |
| Goods and services | 106,191 | (748) | (4,400) | 101,043 | 80,092 | 20,951 | 79.3% | 144,090 | 142,736 |
| Administrative fees | 5,251 | (578) | - | 4,673 | 3,262 | 1,411 | 69.8% | 6,119 | 6,102 |
| Advertising | 1,218 | (459) | - | 759 | 705 | 54 | 92.9% | 507 | 505 |
| Minor assets | 6,069 | (4,118) | - | 1,951 | 791 | 1,160 | 40.5% | 3,909 | 3,908 |
| Audit costs: External | - | - | - | - | - | - | - | - | - |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | 1,265 | 170 | - | 1,435 | 1,384 | 51 | 96.4% | 2,246 | 2,244 |
| Communication | 2,154 | 597 | - | 2,751 | 2,740 | 11 | 99.6% | 1,700 | 1,700 |
| Computer services | - | - | - | - | - | - | - | - | - |
| Consultants: Business and advisory services | 10,177 | (6,889) | - | 3,288 | 2,172 | 1,116 | 66.1% | 15,056 | 14,759 |
| Infrastructure and planning services | 120 | (120) | - | - | - | - | - | 2,663 | 2,663 |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | - | - | - | - | - | - | - | - | - |
| Contractor | 301 | 94 | - | 395 | 394 | 1 | 99.7% | 520 | 520 |
| Agency and support / outsourced services | 2,371 | (896) | - | 1,475 | 1,323 | 152 | 89.7% | 603 | 603 |
| Entertainment | - | - | - | - | - | - | - | 1 | 1 |
| Fleet services | 172 | (1) | - | 171 | 165 | 6 | 96.5% | 164 | 163 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories- | - | - | - | - | - | - | - | 568 | 568 |

| | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------------|-------------------------|-----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual expenditure R'000 |
| Economic classification | | | | | | | | | |
| Inventory: Farming supplies | 622 | (622) | - | - | - | - | - | 2,333 | 2,332 |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Fuel, oil and gas- | - | - | - | - | - | - | - | - | - |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | 937 | (804) | - | 133 | 7 | 126 | 5.3% | 4 | 4 |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | 4 | 4 |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - |
| Consumable supplies | 1,411 | (691) | - | 720 | 394 | 326 | 54.7% | 469 | 467 |
| Consumable: Stationery, printing and office supplies | 2,890 | (1,145) | - | 1,745 | 1,331 | 414 | 76.3% | 1,230 | 1,228 |
| Operating leases | 216 | 65 | - | 281 | 280 | 1 | 99.6% | 209 | 209 |
| Property payments | 774 | (158) | - | 616 | 468 | 148 | 76.0% | 277 | 277 |
| Transport provided: Departmental activity | 399 | (340) | - | 59 | 58 | 1 | 98.3% | 393 | 393 |
| Travel and subsistence | 55,954 | 13,222 | (4,400) | 64,776 | 52,076 | 12,700 | 80.4% | 79,121 | 79,069 |
| Training and development | 1,537 | (769) | - | 768 | 506 | 262 | 65.9% | 1,159 | 1,159 |
| Operating payments | 3,040 | (1,396) | - | 1,644 | 1,120 | 524 | 68.1% | 4,793 | 3,817 |
| Venues and facilities | 8,963 | 2,281 | - | 11,244 | 8,989 | 2,255 | 79.9% | 19,215 | 19,214 |
| Rental and hiring | 350 | 1,809 | - | 2,159 | 1,927 | 232 | 89.3% | 827 | 827 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - |
| Rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 313,895 | 233 | (55,000) | 259,128 | 254,322 | 4,806 | 98.1% | 232,288 | 232,285 |
| Provinces and municipalities | - | - | - | - | - | - | - | - | - |

| Economic classification | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | 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 |
| Provinces | - | - | - | - | - | - | - | - | - |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - |
| Municipalities | - | - | - | - | - | - | - | - | - |
| Municipal bank accounts | - | - | - | - | - | - | - | - | - |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - |
| <i>Departmental agencies and accounts</i> | - | - | - | - | - | - | - | 163,922 | 163,922 |
| Social security funds | - | - | - | - | - | - | - | - | - |
| Departmental agencies | - | - | - | - | - | - | - | 163,922 | 163,922 |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - |
| <i>Public corporations and private enterprises</i> | - | 6,526 | - | 6,526 | 6,526 | - | 100.0% | 64,555 | 64,553 |
| Public corporations | - | 6,526 | - | 6,526 | 6,526 | - | 100.0% | 47,121 | 47,121 |
| Subsidies on products and production | - | 6,526 | - | 6,526 | 6,526 | - | 100.0% | 47,121 | 47,121 |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | 17,434 | 17,432 |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | 17,434 | 17,432 |
| <i>Non-profit institutions</i> | - | 735 | - | 735 | 735 | - | 100.0% | 3,139 | 3,139 |
| Households | 313,895 | (7,028) | (55,000) | 251,867 | 247,061 | 4,806 | 98.1% | 672 | 671 |
| Social benefits | - | 233 | - | 233 | 231 | 2 | 99.1% | 115 | 115 |
| Other transfers to households | 313,895 | (7,261) | (55,000) | 251,634 | 246,830 | 4,804 | 98.1% | 557 | 556 |
| Payments for capital assets | 4,747 | 515 | (2,986) | 2,276 | 2,258 | 18 | 99.2% | 4,045 | 4,045 |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | 1,035 | 1,035 |
| Buildings | - | - | - | - | - | - | - | 1,035 | 1,035 |

| | 2014/15 | | | | | | 2013/14 | | |
|--------------------------------------|---------------------------------|----------------------------|-------------------|------------------------------|-----------------------------|-------------------|--|------------------------------|-----------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual expenditure R'000 |
| Economic classification | | | | | | | | | |
| Other fixed structures | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 4,747 | 515 | (2,986) | 2,276 | 2,258 | 18 | 99.2% | 2,754 | 2,754 |
| Transport equipment | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | 4,747 | 515 | (2,986) | 2,276 | 2,258 | 18 | 99.2% | 2,754 | 2,754 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | 256 | 256 |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - |
| Intangible assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 138 | (138) | - | - | 286 |
| Total | 550,311 | - | (62,386) | 487,925 | 459,339 | 28,586 | 94.1% | 488,338 | 487,060 |

3.3 National Rural Youth Service Crop

| | 2014/15 | | | | | | 2013/14 | | |
|--------------------------------|---------------------------------|----------------------------|-------------------|------------------------------|-----------------------------|-------------------|--|------------------------------|-----------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual expenditure R'000 |
| Economic classification | | | | | | | | | |
| Current payments | 312,346 | (189,538) | (15,301) | 107,507 | 90,870 | 16,637 | 84.5% | 638,989 | 637,904 |
| Compensation of employees | 58,979 | (4,000) | (23) | 54,956 | 51,388 | 3,568 | 93.5% | 36,892 | 35,815 |
| Salaries and wages | 51,144 | (2,223) | (23) | 48,898 | 45,358 | 3,540 | 92.8% | 32,443 | 31,680 |
| Social contributions | 7,835 | (1,777) | - | 6,058 | 6,030 | 28 | 99.5% | 4,449 | 4,135 |
| Goods and services | 253,367 | (185,538) | (15,278) | 52,551 | 39,482 | 13,069 | 75.1% | 602,097 | 602,089 |
| Administrative fees | 9,176 | (7,247) | - | 1,929 | 1,496 | 433 | 77.6% | 29,071 | 29,070 |
| Advertising | 278 | (134) | - | 144 | 141 | 3 | 97.9% | 866 | 866 |

| Economic classification | 2014/15 | | | | | | 2013/14 | | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | 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 |
| Minor assets | 3,538 | (3,123) | - | 415 | 171 | 244 | 41.2% | 402 | 402 |
| Audit costs: External | - | - | - | - | - | - | - | - | - |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | 240 | 76 | - | 316 | 261 | 55 | 82.6% | 2,473 | 2,473 |
| Communication | 678 | 456 | - | 1,134 | 995 | 139 | 87.7% | 259 | 259 |
| Computer services | - | - | - | - | - | - | - | 1 | 1 |
| Consultants: Business and advisory services | 10,070 | 1,330 | - | 11,400 | 11,400 | - | 100.0% | - | - |
| Infrastructure and planning services | - | - | - | - | - | - | - | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | - | - | - | - | - | - | - | - | - |
| Contractor | 137 | (134) | - | 3 | 2 | 1 | 66.7% | 227 | 227 |
| Agency and support / outsourced services | 200 | (137) | - | 63 | 62 | 1 | 98.4% | 114 | 113 |
| Entertainment | - | 2 | - | 2 | 2 | - | 100.0% | - | - |
| Fleet services | 237 | (106) | - | 131 | 126 | 5 | 96.2% | 92 | 92 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | 5,513 | (5,512) | - | 1 | - | 1 | - | 2,961 | 2,961 |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | 842 | (348) | - | 494 | 488 | 6 | 98.8% | 3,030 | 3,030 |
| Inventory: Medical supplies | - | 1 | - | 1 | 1 | - | 100.0% | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|-----------------|---------------------|--------------------|-----------|---|---------------------|--------------------|----------------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | - | - |
| Consumable supplies | 476 | 740 | - | 1,216 | 80 | 1,136 | 6.6% | 1,071 | 1,071 | 1,071 | |
| Consumable: Stationery, printing and office supplies | 1,686 | (902) | - | 784 | 632 | 152 | 80.6% | 819 | 819 | 819 | |
| Operating leases | 82 | (49) | - | 33 | 30 | 3 | 90.9% | 8 | 8 | 8 | |
| Property payments | 10 | (10) | - | - | - | - | - | 161 | 161 | 161 | |
| Transport provided: Departmental activity | - | - | - | - | - | - | - | - | - | - | |
| Travel and subsistence | 190,528 | (147,315) | (15,278) | 27,935 | 17,952 | 9,983 | 64.3% | 455,398 | 455,397 | 455,397 | |
| Training and development | 21,806 | (21,486) | - | 320 | 207 | 113 | 64.7% | 88,054 | 88,054 | 88,054 | |
| Operating payments | 839 | (534) | - | 305 | 255 | 50 | 83.6% | 411 | 411 | 411 | |
| Venues and facilities | 6,881 | (956) | - | 5,925 | 5,181 | 744 | 87.4% | 16,599 | 16,599 | 16,594 | |
| Rental and hiring | 150 | (150) | - | - | - | - | - | 80 | 80 | 80 | |
| <i>Interest and rent on land</i> | - | - | - | - | - | - | - | - | - | - | |
| Interest | - | - | - | - | - | - | - | - | - | - | |
| Rent on land | - | - | - | - | - | - | - | - | - | - | |
| Transfers and subsidies | 365,012 | 234,371 | (62,000) | 537,383 | 537,346 | 37 | 100.0% | 181,150 | 181,150 | 180,107 | |
| <i>Provinces and municipalities</i> | - | 4,577 | - | 4,577 | 4,577 | - | 100.0% | - | - | - | |
| Provinces | - | - | - | - | - | - | - | - | - | - | |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - | - | |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | - | |
| Municipalities | - | 4,577 | - | 4,577 | 4,577 | - | 100.0% | - | - | - | |
| Municipal bank accounts | - | 4,577 | - | 4,577 | 4,577 | - | 100.0% | - | - | - | |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | - | |
| <i>Departmental agencies and accounts</i> | - | - | - | - | - | - | - | - | - | - | |
| Social security funds | - | - | - | - | - | - | - | - | - | - | |

| 2014/15 | | | | | | | | | | 2013/14 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Departmental agencies | - | - | - | - | - | - | - | - | - | - | - |
| Higher education institutions | - | - | - | - | - | - | - | - | - | - | - |
| Foreign governments and international organisations | - | - | - | - | - | - | - | - | - | - | - |
| Public corporations and private enterprises | - | 794 | - | 794 | 794 | - | 100.0% | 4,900 | 4,900 | - | - |
| Public corporations | - | 794 | - | 794 | 794 | - | 100.0% | 4,900 | 4,900 | - | - |
| Subsidies on products and production | - | 794 | - | 794 | 794 | - | 100.0% | 4,900 | 4,900 | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| Non-profit institutions | - | - | - | - | - | - | - | - | - | - | - |
| Households | 365,012 | 229,000 | (62,000) | 532,012 | 531,975 | 37 | 100.0% | 176,250 | 175,207 | - | - |
| Social benefits | - | 31 | - | 31 | 30 | 1 | 96.8% | 4 | 3 | - | - |
| Other transfers to households | 365,012 | 288,969 | (62,000) | 531,981 | 531,945 | 36 | 100.0% | 176,246 | 175,204 | - | - |
| Payments for capital assets | 847 | 486 | - | 1,333 | 959 | 374 | 71.9% | 1,064 | 1,063 | - | - |
| Buildings and other fixed structures | - | - | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 847 | 486 | - | 1,333 | 959 | 374 | 71.9% | 1,064 | 1,063 | - | - |
| Transport equipment | - | - | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | 847 | 486 | - | 1,333 | 959 | 374 | 71.9% | 1,064 | 1,063 | - | - |
| Heritage assets | - | - | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--------------------------------------|------------------------|-------------------|-----------------|---------------------|--------------------|---------------|---|---------------------|--------------------|---------|-----------|
| Economic classification | 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 | R'000 | R'000 |
| <i>Land and subsoil assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 68 | (68) | - | - | - | - | 80 |
| Total | 678,205 | 45,319 | (77,301) | 646,223 | 629,243 | 16,980 | 97.4% | 821,203 | 819,154 | | |

Programme 4: Restitution

| 2014/15 | | | | | | | | | | 2013/14 | |
|---------------------------------|------------------------|-------------------|----------------|---------------------|--------------------|------------|---|---------------------|--------------------|---------|-------|
| Sub programme | 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 | R'000 | R'000 |
| 1. Restitution National Office | 175,647 | (48,096) | - | 127,551 | 126,909 | 642 | 99.5% | 160,197 | 160,049 | | |
| 2. Restitution Regional Office | 453,874 | 156,255 | - | 610,129 | 610,128 | 1 | 100.0% | 390,371 | 390,371 | | |
| 3. Restitution Grants | 2,051,221 | (108,159) | 318,000 | 2,261,062 | 2,260,900 | 162 | 100.0% | 2,286,283 | 2,286,283 | | |
| Total for sub programmes | 2,680,742 | - | 318,000 | 2,998,742 | 2,997,937 | 805 | 100.0% | 2,836,851 | 2,836,703 | | |

| 2014/15 | | | | | | | | | | 2013/14 | |
|----------------------------------|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Current payments | 601,644 | (147,826) | - | 453,818 | 453,347 | 471 | 99.9% | 495,275 | 493,061 | | |
| <i>Compensation of employees</i> | 313,259 | (57,865) | - | 255,394 | 255,323 | 71 | 100.0% | 222,265 | 216,914 | | |
| <i>Salaries and wages</i> | 279,524 | (57,761) | - | 221,763 | 221,712 | 51 | 100.0% | 193,604 | 188,509 | | |

| 2014/15 | | | | | | | | | | 2013/14 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|--|
| Economic classification | 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 | | |
| Social contributions | 33,735 | (104) | - | 33,631 | 33,611 | 20 | 99.9% | 28,661 | 28,405 | | |
| Goods and services | 288,385 | (95,327) | - | 193,058 | 192,660 | 398 | 99.8% | 273,010 | 270,769 | | |
| Administrative fees | 9,024 | (694) | - | 8,330 | 8,317 | 13 | 99.8% | 10,963 | 10,943 | | |
| Advertising | 34,143 | (30,076) | - | 4,067 | 4,059 | 8 | 99.8% | 4,279 | 4,278 | | |
| Minor assets | 68,351 | (65,806) | - | 2,545 | 2,515 | 30 | 98.8% | 1,035 | 1,028 | | |
| Audit costs: External | - | 99 | - | 99 | 99 | - | 100.0% | - | - | | |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - | | |
| Catering: Departmental activities | 1,953 | (1,374) | - | 579 | 573 | 6 | 99.0% | 3,457 | 3,455 | | |
| Communication | 11,158 | 1,025 | - | 12,183 | 12,159 | 24 | 99.8% | 12,628 | 12,165 | | |
| Computer services | 18,364 | (17,514) | - | 850 | 846 | 4 | 99.5% | 118 | 116 | | |
| Consultants: Business and advisory services | 27,969 | (10,057) | - | 17,912 | 17,903 | 9 | 99.9% | 58,327 | 57,684 | | |
| Infrastructure and planning services | 417 | (343) | - | 74 | 73 | 1 | 98.6% | 86 | 86 | | |
| Laboratory services | - | - | - | - | - | - | - | - | - | | |
| Scientific and technological services | - | - | - | - | - | - | - | - | - | | |
| Legal services | 16,598 | 15,851 | - | 32,449 | 32,443 | 6 | 100.0% | 20,851 | 20,271 | | |
| Contractors | 2,487 | (835) | - | 1,652 | 1,641 | 11 | 99.3% | 21,891 | 21,890 | | |
| Agency and support / outsourced services | 13,059 | (6,054) | - | 7,005 | 6,991 | 14 | 99.8% | 14,359 | 14,356 | | |
| Entertainment | - | - | - | - | - | - | - | - | - | | |
| Fleet services | 2,223 | (185) | - | 2,038 | 1,999 | 39 | 98.1% | 2,208 | 2,202 | | |
| Housing | - | - | - | - | - | - | - | - | - | | |
| Inventory: Clothing material and supplies | 19 | (19) | - | - | - | - | - | 6 | 6 | | |
| Inventory: Farming supplies | - | - | - | - | - | - | - | 1 | - | | |
| Inventory: Food and food supplies | 71 | (71) | - | - | - | - | - | - | - | | |
| Inventory: Fuel, oil and gas- | 576 | (576) | - | - | - | - | - | - | - | | |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - | | |

| Economic classification | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------------|---------------------|--------------------|------------|---|---------------------|--------------------|
| | 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 |
| Inventory: Materials and supplies | 1,189 | (1,057) | - | 132 | 119 | 13 | 90.2% | 341 | 340 |
| Inventory: Medical supplies | - | 24 | - | 24 | 24 | - | 100.0% | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - |
| Consumable supplies | 2,190 | (1,366) | - | 824 | 788 | 36 | 95.6% | 1,097 | 1,087 |
| Consumable: Stationery, printing and office supplies | 8,250 | (4,235) | - | 4,015 | 3,990 | 25 | 99.4% | 2,712 | 2,705 |
| Operating leases | 2,929 | 557 | - | 3,486 | 3,480 | 6 | 99.8% | 2,970 | 2,812 |
| Property payments | 8,531 | (2,731) | - | 5,800 | 5,792 | 8 | 99.9% | 4,602 | 4,600 |
| Transport provided: Departmental activity | 2,200 | 2,806 | - | 5,006 | 5,003 | 3 | 99.9% | 2,386 | 2,386 |
| Travel and subsistence | 36,443 | 10,445 | - | 46,888 | 46,775 | 113 | 99.8% | 69,815 | 69,800 |
| Training and development | 1,256 | (810) | - | 446 | 443 | 3 | 99.3% | 730 | 728 |
| Operating payments | 8,280 | (5,217) | - | 3,063 | 3,048 | 15 | 99.5% | 1,602 | 1,598 |
| Venues and facilities | 8,155 | 22,478 | - | 30,633 | 30,625 | 8 | 100.0% | 32,299 | 32,220 |
| Rental and hiring | 2,550 | 408 | - | 2,958 | 2,955 | 3 | 99.9% | 4,247 | 4,013 |
| <i>Interest and rent on land</i> | - | 5,366 | - | 5,366 | 5,364 | 2 | 100.0% | - | 5,378 |
| Interest | - | 5,366 | - | 5,366 | 5,364 | 2 | 100.0% | - | 5,378 |
| Rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 2,068,288 | (107,021) | 318,000 | 2,279,267 | 2,278,729 | 538 | 100.0% | 2,278,605 | 2,278,600 |
| <i>Provinces and municipalities</i> | 16,849 | 928 | - | 17,777 | 17,404 | 373 | 97.9% | 475 | 474 |
| Provinces | - | - | - | - | - | - | - | - | - |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - |
| Municipalities | 16,849 | 928 | - | 17,777 | 17,404 | 373 | 97.9% | 475 | 474 |
| Municipal bank accounts | 16,849 | 928 | - | 17,777 | 17,404 | 373 | 97.9% | 475 | 474 |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| <i>Departmental agencies and accounts</i> | - | - | - | - | - | - | - | - | - | - | - |
| Social security funds | - | - | - | - | - | - | - | - | - | - | - |
| Departmental agencies | - | - | - | - | - | - | - | - | - | - | - |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - | - | - |
| Public corporations- | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Households</i> | 2,051,439 | (107,949) | 318,000 | 2,261,490 | 2,261,325 | 165 | 100.0% | 2,278,130 | 2,278,126 | | |
| Social benefits | 218 | 124 | - | 342 | 339 | 3 | 99.1% | 79 | 79 | | |
| Other transfers to households | 2,051,221 | (109,663) | 318,000 | 2,261,148 | 2,260,986 | 162 | 100.0% | 2,278,051 | 2,278,047 | | |
| Payments for capital assets | 10,810 | 254,847 | - | 265,657 | 264,843 | 814 | 99.7% | 62,971 | 62,967 | | |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - | - | - |
| <i>Machinery and equipment</i> | 10,810 | 27,913 | - | 38,723 | 38,161 | 562 | 98.5% | 4,761 | 4,759 | | |
| Transport equipment | 3,900 | 24,177 | - | 28,077 | 27,544 | 533 | 98.1% | - | - | | |
| Other machinery and equipment | 6,910 | 3,736 | - | 10,646 | 10,617 | 29 | 99.7% | 4,761 | 4,759 | | |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | 2013/14 | | |
|--------------------------------------|------------------------|-------------------|----------------|---------------------|--------------------|----------------|---|---------------------|--------------------|
| Economic classification | 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>Biological assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Land and subsoil assets</i> | - | 226,934 | - | 226,934 | 226,682 | 252 | 99.9% | 58,210 | 58,208 |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | | | | | 1,018 | (1,018) | | | 2,075 |
| Total | 2,680,742 | - | 318,000 | 2,998,742 | 2,997,937 | 805 | 100.0% | 2,836,851 | 2,836,703 |

4.1 Restitution National office

| 2014/15 | | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|
| Economic classification | 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 | 156,160 | (61,535) | - | 94,625 | 94,499 | 126 | 99.9% | 158,723 | 158,572 |
| <i>Compensation of employees</i> | 33,648 | 1,142 | - | 34,790 | 34,768 | 22 | 99.9% | 29,294 | 29,207 |
| <i>Salaries and wages</i> | 29,066 | 1,757 | - | 30,823 | 30,806 | 17 | 99.9% | 25,965 | 25,879 |
| <i>Social contributions</i> | 4,582 | (615) | - | 3,967 | 3,962 | 5 | 99.9% | 3,329 | 3,328 |
| <i>Goods and services</i> | 122,512 | (62,677) | - | 59,835 | 59,731 | 104 | 99.8% | 129,429 | 129,365 |
| <i>Administrative fees</i> | 4,448 | 1,450 | - | 5,898 | 5,897 | 1 | 100.0% | 7,418 | 7,401 |
| <i>Advertising</i> | 30,671 | (29,225) | - | 1,446 | 1,443 | 3 | 99.8% | 2,139 | 2,139 |
| <i>Minor assets</i> | 53,040 | (51,378) | - | 1,662 | 1,650 | 12 | 99.3% | 435 | 429 |
| <i>Audit costs: External</i> | - | - | - | - | - | - | - | - | - |
| <i>Bursaries: Employees</i> | - | - | - | - | - | - | - | - | - |
| <i>Catering: Departmental activities</i> | 497 | (452) | - | 45 | 43 | 2 | 95.6% | 207 | 206 |
| <i>Communication</i> | 475 | 161 | - | 636 | 631 | 5 | 99.2% | 533 | 531 |
| <i>Computer services</i> | 16,898 | (16,753) | - | 145 | 144 | 1 | 99.3% | 22 | 20 |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Consultants: Business and advisory services | 1,753 | 2,840 | - | 4,593 | 4,591 | 2 | 100.0% | 44,333 | 44,332 | | |
| Infrastructure and planning services | - | - | - | - | - | - | - | 86 | 86 | | |
| Laboratory services | - | - | - | - | - | - | - | - | - | | |
| Scientific and technological services | - | - | - | - | - | - | - | - | - | | |
| Legal services | 296 | 5,387 | - | 5,683 | 5,683 | - | 100.0% | 3,598 | 3,598 | | |
| Contractor | 1,168 | 75 | - | 1,243 | 1,241 | 2 | 99.8% | 19,901 | 19,900 | | |
| Agency and support / outsourced services | 593 | (36) | - | 557 | 555 | 2 | 99.6% | 1,974 | 1,972 | | |
| Entertainment | - | - | - | - | - | - | - | - | - | | |
| Fleet services | 157 | 118 | - | 275 | 268 | 7 | 97.5% | 189 | 185 | | |
| Housing | - | - | - | - | - | - | - | - | - | | |
| Inventory: Clothing material and accessories | 16 | (16) | - | - | - | - | - | - | - | | |
| Inventory: Farming supplies | - | - | - | - | - | - | - | 1 | - | | |
| Inventory: Food and food supplies | 36 | (36) | - | - | - | - | - | - | - | | |
| Inventory: Fuel, oil and gas | 576 | (576) | - | - | - | - | - | - | - | | |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - | | |
| Inventory: Materials and supplies | 132 | (104) | - | 28 | 27 | 1 | 96.4% | 40 | 40 | | |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - | | |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - | | |
| Medcas Inventory Interface | - | - | - | - | - | - | - | - | - | | |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | | |
| Consumable supplies | 770 | (541) | - | 229 | 215 | 14 | 93.9% | 190 | 183 | | |
| Consumable: Stationery, printing and office supplies | 2,295 | (1,300) | - | 995 | 989 | 6 | 99.4% | 643 | 639 | | |
| Operating leases | 95 | (76) | - | 19 | 17 | 2 | 89.5% | 29 | 27 | | |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|----------|
| Economic classification | 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 | R'000 | R'000 |
| Property payments | 27 | 171 | - | 198 | 198 | - | 100.0% | 69 | 69 | - | 69 |
| Transport provided: Departmental activity | - | 1,286 | - | 1,286 | 1,285 | 1 | 99.9% | 772 | 772 | - | 772 |
| Travel and subsistence | 3,231 | 8,663 | - | 11,894 | 11,858 | 36 | 99.7% | 20,829 | 20,817 | - | 20,817 |
| Training and development | 463 | (212) | - | 251 | 250 | 1 | 99.6% | 88 | 87 | - | 87 |
| Operating payments | 4,652 | (3,066) | - | 1,586 | 1,583 | 3 | 99.8% | 373 | 372 | - | 372 |
| Venues and facilities | 223 | 19,264 | - | 19,487 | 19,484 | 3 | 100.0% | 25,560 | 25,560 | - | 25,560 |
| Rental and hiring | - | 1,679 | - | 1,679 | 1,679 | - | 100.0% | - | - | - | - |
| <i>Interest and rent on land</i> | - | - | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - | - | - |
| Rent on land | - | - | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 14,014 | (14,005) | - | 9 | 9 | - | 100.0% | 5 | 5 | - | 5 |
| <i>Provinces and municipalities</i> | 14,014 | (14,005) | - | 9 | 9 | - | 100.0% | - | - | - | - |
| Provinces | - | - | - | - | - | - | - | - | - | - | - |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | - | - |
| Municipalities | 14,014 | (14,005) | - | 9 | 9 | - | 100.0% | - | - | - | - |
| Municipal bank accounts | 14,014 | (14,005) | - | 9 | 9 | - | 100.0% | - | - | - | - |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | - | - |
| <i>Departmental agencies and accounts</i> | - | - | - | - | - | - | - | - | - | - | - |
| Social security funds | - | - | - | - | - | - | - | - | - | - | - |
| Departmental agencies | - | - | - | - | - | - | - | - | - | - | - |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|-------------|---|---------------------|--------------------|----------------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Households</i> | - | - | - | - | - | - | - | - | - | - | - |
| Social benefits | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to households | - | - | - | - | - | - | - | - | - | - | - |
| Payments for capital assets | 5,473 | 27,444 | - | 32,917 | 32,371 | 546 | 98.3% | 1,469 | 1,468 | 1,468 | |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - | - | - |
| <i>Machinery and equipment</i> | 5,473 | 27,444 | - | 32,917 | 32,371 | 546 | 98.3% | 1,469 | 1,468 | 1,468 | |
| Transport equipment | 3,900 | 24,177 | - | 28,077 | 27,544 | 533 | 98.1% | - | - | - | - |
| Other machinery and equipment | 1,573 | 3,267 | - | 4,840 | 4,827 | 13 | 99.7% | 1,469 | 1,468 | 1,468 | |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Biological assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Land and subsoil assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 30 | (30) | - | - | - | 4 | |
| Total | 175,647 | (48,096) | - | 127,551 | 126,909 | 642 | 99.5% | 160,197 | 160,045 | 160,045 | |

4.2 Restitution Regional Office

| | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Current payments | 445,484 | (86,291) | - | 359,193 | 358,848 | 345 | 99.9% | 336,552 | 334,489 |
| <i>Compensation of employees</i> | 279,611 | (59,007) | - | 220,604 | 220,555 | 49 | 100.0% | 192,971 | 187,707 |
| Salaries and wages | 250,458 | (59,518) | - | 190,940 | 190,906 | 34 | 100.0% | 167,639 | 162,630 |
| Social contributions | 29,153 | 511 | - | 29,664 | 29,649 | 15 | 99.9% | 25,332 | 25,077 |
| <i>Goods and services</i> | 165,873 | (32,650) | - | 133,223 | 132,929 | 294 | 99.8% | 143,581 | 141,404 |
| Administrative fees | 4,576 | (2,144) | - | 2,432 | 2,420 | 12 | 99.5% | 3,545 | 3,542 |
| Advertising | 3,472 | (851) | - | 2,621 | 2,616 | 5 | 99.8% | 2,140 | 2,139 |
| Minor assets | 15,311 | (14,428) | - | 883 | 865 | 18 | 98.0% | 600 | 599 |
| Audit costs: External | - | 99 | - | 99 | 99 | - | 100.0% | - | - |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | 1,456 | (922) | - | 534 | 530 | 4 | 99.3% | 3,250 | 3,249 |
| Communication | 10,683 | 864 | - | 11,547 | 11,528 | 19 | 99.8% | 12,095 | 11,634 |
| Computer services | 1,466 | (761) | - | 705 | 702 | 3 | 99.6% | 96 | 96 |
| Consultants: Business and advisory services | 26,216 | (12,897) | - | 13,319 | 13,312 | 7 | 99.9% | 13,994 | 13,352 |
| Infrastructure and planning services | 417 | (343) | - | 74 | 73 | 1 | 98.6% | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | 16,302 | 10,464 | - | 26,766 | 26,760 | 6 | 100.0% | 17,253 | 16,673 |
| Contractor | 1,319 | (910) | - | 409 | 400 | 9 | 97.8% | 1,990 | 1,990 |
| Agency and support / outsourced services | 12,466 | (6,018) | - | 6,448 | 6,436 | 12 | 99.8% | 12,385 | 12,384 |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services | 2,066 | (303) | - | 1,763 | 1,731 | 32 | 98.2% | 2,019 | 2,017 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | 3 | (3) | - | - | - | - | - | 6 | 6 |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | 35 | (35) | - | - | - | - | - | - | - | - | - |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | 1,057 | (953) | - | 104 | 92 | 12 | 88.5% | 301 | 300 | | |
| Inventory: Medical supplies | - | 24 | - | 24 | 24 | - | 100.0% | - | - | | |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - | | |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - | | |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | | |
| Consumable supplies | 1,420 | (825) | - | 595 | 573 | 22 | 96.3% | 907 | 904 | | |
| Consumable: Stationery, printing and office supplies | 5,955 | (2,935) | - | 3,020 | 3001 | 19 | 99.4% | 2,069 | 2,066 | | |
| Operating leases | 2,834 | 633 | - | 3,467 | 3,463 | 4 | 99.9% | 2,941 | 2,785 | | |
| Property payments | 8,504 | (2,902) | - | 5,602 | 5,594 | 8 | 99.9% | 4533 | 4,531 | | |
| Transport provided: Departmental activity | 2,200 | 1,520 | - | 3,720 | 3,718 | 2 | 99.9% | 1,614 | 1,614 | | |
| Travel and subsistence | 33,212 | 1,782 | - | 34,994 | 34,917 | 77 | 99.8% | 48,986 | 48,983 | | |
| Training and development | 793 | (598) | - | 195 | 193 | 2 | 99.0% | 642 | 641 | | |
| Operating payments | 3,628 | (2,151) | - | 1,477 | 1,465 | 12 | 99.2% | 1,229 | 1,226 | | |
| Venues and facilities | 7,932 | 3,214 | - | 11,146 | 11,141 | 5 | 100.0% | 6,739 | 6,660 | | |
| Rental and hiring | 2,550 | (1,271) | - | 1,279 | 1,276 | 3 | 99.8% | 4,247 | 4,013 | | |
| Interest and rent on land | - | 5,366 | - | 5,366 | 5,364 | 2 | 100.0% | - | 5,378 | | |
| Interest | - | 5,366 | - | 5,366 | 5,364 | 2 | 100.0% | - | 5,378 | | |
| Rent on land | - | - | - | - | - | - | - | - | - | | |
| Transfers and subsidies | 3,053 | 15,143 | - | 18,196 | 17,820 | 376 | 97.9% | 2,850 | 2,845 | | |
| Provinces and municipalities | 2,835 | 14,933 | - | 17,768 | 17,395 | 373 | 97.9% | 475 | 474 | | |
| Provinces | - | - | - | - | - | - | - | - | - | | |

| | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - |
| Municipalities | 2,835 | 14,933 | - | 17,768 | 17,395 | 373 | 97.9% | 475 | 474 |
| Municipal bank accounts | 2,835 | 14,933 | - | 17,768 | 17,395 | 373 | 97.9% | 475 | 474 |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - |
| <i>Departmental agencies and accounts</i> | - | - | - | - | - | - | - | - | - |
| Social security funds | - | - | - | - | - | - | - | - | - |
| Departmental agencies | - | - | - | - | - | - | - | - | - |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - |
| Public corporations | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - |
| <i>Households</i> | 218 | 210 | - | 428 | 425 | 3 | 99.3% | 2,375 | 2,371 |
| Social benefits | 218 | 124 | - | 342 | 339 | 3 | 99.1% | 74 | 74 |
| Other transfers to households | - | 86 | - | 86 | 86 | - | 100.0% | 2,301 | 2,297 |
| Payments for capital assets | 5,337 | 227,403 | - | 232,740 | 232,472 | 268 | 99.2% | 50,969 | 50,966 |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | | |
|--------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|--------------|---|---------------------|--------------------|---------|-------|--|
| Economic classification | 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 | R'000 | R'000 | |
| <i>Machinery and equipment</i> | 5,337 | 469 | - | 5,806 | 5,790 | 16 | 99.7% | 3,292 | 3,291 | | | |
| Transport equipment | - | - | - | - | - | - | - | - | - | | | |
| Other machinery and equipment | 5,337 | 469 | - | 5,806 | 5,790 | 16 | 99.7% | 3,292 | 3,291 | | | |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Biological assets</i> | - | - | - | - | - | - | - | - | - | | | |
| <i>Land and subsoil assets</i> | - | 226,934 | - | 226,934 | 226,682 | 525 | 99.9% | 47,677 | 47,675 | | | |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - | | | |
| Payments for financial assets | - | - | - | - | 988 | (988) | - | - | 2,071 | | | |
| Total | 453,874 | 156,255 | - | 610,129 | 610,128 | 1 | 100.0% | 390,371 | 390,371 | | | |

4.3 Restitution Grants

| 2014/15 | | | | | | | | | | 2013/14 | | |
|----------------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|--|
| Economic classification | 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 | R'000 | R'000 | |
| Current payments | - | - | - | - | - | - | - | - | - | | | |
| <i>Compensation of employees</i> | - | - | - | - | - | - | - | - | - | | | |
| Salaries and wages | - | - | - | - | - | - | - | - | - | | | |
| Social contributions | - | - | - | - | - | - | - | - | - | | | |
| <i>Goods and services</i> | - | - | - | - | - | - | - | - | - | | | |
| Administrative fees | - | - | - | - | - | - | - | - | - | | | |
| Advertising | - | - | - | - | - | - | - | - | - | | | |
| Minor assets | - | - | - | - | - | - | - | - | - | | | |
| Audit costs: External | - | - | - | - | - | - | - | - | - | | | |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - | | | |

| 2014/15 | | | | | | | | | | 2013/14 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Catering: Departmental activities | - | - | - | - | - | - | - | - | - | - | - |
| Communication | - | - | - | - | - | - | - | - | - | - | - |
| Computer services | - | - | - | - | - | - | - | - | - | - | - |
| Consultants: Business and advisory services | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure and planning services | - | - | - | - | - | - | - | - | - | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - | - | - |
| Legal services | - | - | - | - | - | - | - | - | - | - | - |
| Contractor | - | - | - | - | - | - | - | - | - | - | - |
| Agency and support / outsourced services | - | - | - | - | - | - | - | - | - | - | - |
| Entertainment | - | - | - | - | - | - | - | - | - | - | - |
| Fleet services | - | - | - | - | - | - | - | - | - | - | - |
| Housing | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - | - | - |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | - | - |
| Consumable supplies | - | - | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------------|---------------------|--------------------|------------|---|---------------------|--------------------|---------|--|
| Economic classification | 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 | | |
| Consumable: Stationery, printing and office supplies | - | - | - | - | - | - | - | - | - | | |
| Operating leases | - | - | - | - | - | - | - | - | - | | |
| Property payments | - | - | - | - | - | - | - | - | - | | |
| Transport provided: Departmental activity | - | - | - | - | - | - | - | - | - | | |
| Travel and subsistence | - | - | - | - | - | - | - | - | - | | |
| Training and development | - | - | - | - | - | - | - | - | - | | |
| Operating payments | - | - | - | - | - | - | - | - | - | | |
| Venues and facilities | - | - | - | - | - | - | - | - | - | | |
| Rental and hiring | - | - | - | - | - | - | - | - | - | | |
| <i>Interest and rent on land</i> | - | - | - | - | - | - | - | - | - | | |
| Interest | - | - | - | - | - | - | - | - | - | | |
| Rent on land | - | - | - | - | - | - | - | - | - | | |
| Transfers and subsidies | 2,051,221 | (108,159) | 318,000 | 2,261,062 | 2,260,900 | 162 | 100.0% | 2,275,750 | 2,275,750 | | |
| <i>Provinces and municipalities</i> | - | - | - | - | - | - | - | - | - | | |
| Provinces | - | - | - | - | - | - | - | - | - | | |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - | | |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | | |
| Municipalities | - | - | - | - | - | - | - | - | - | | |
| Municipal bank accounts | - | - | - | - | - | - | - | - | - | | |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | | |
| <i>Departmental agencies and accounts</i> | - | - | - | - | - | - | - | - | - | | |
| Social security funds | - | - | - | - | - | - | - | - | - | | |
| Departmental agencies | - | - | - | - | - | - | - | - | - | | |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | | |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------------|---------------------|--------------------|------------|---|---------------------|--------------------|------------------|------------------|
| Economic classification | 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 | R'000 | R'000 |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - | - | - |
| Public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| Households | 2,051,221 | (108 159) | 318,000 | 2,261,062 | 2,260,900 | 162 | 100.0% | 2,275,750 | 2,275,750 | 2,275,750 | 2,275,750 |
| Social benefits | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to households | 2,051,221 | (108 159) | 318,000 | 2,261,062 | 2,260,900 | 162 | 100% | 2,275,750 | 2,275,750 | 2,275,750 | 2,275,750 |
| Payments for capital assets | - | - | - | - | - | - | - | 10,533 | 10,533 | 10,533 | 10,533 |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - | - | - |
| <i>Machinery and equipment</i> | - | - | - | - | - | - | - | - | - | - | - |
| Transport equipment | - | - | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | - | - | - | - | - | - | - | - | - | - | - |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Biological assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Land and subsoil assets</i> | - | - | - | - | - | - | - | 10,533 | 10,533 | 10,533 | 10,533 |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - | - | - |
| Total | 2,051,221 | (108 159) | 318,000 | 2,261,062 | 2,260,900 | 162 | 100.0% | 2,286,283 | 2,286,283 | 2,286,283 | 2,286,283 |

Programme 5: Land Reform

| Sub programme | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|------------------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | 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 |
| 1. Land Reform National Office | 139,738 | 31,298 | - | 171,036 | 170,262 | 774 | 99.5% | 206,815 | 206,472 |
| 2. Land Reform Provincial | 407,083 | (18,298) | (1,000) | 387,785 | 385,524 | 2,261 | 99.4% | 326,041 | 326,370 |
| 3. Land Reform Grants | 385,514 | (13,000) | (76,000) | 296,514 | 295,487 | 1,027 | 99.7% | 617,908 | 617,898 |
| 4. KwaZulu-Natal Ingonyama Trust Board | 17,294 | - | - | 17,294 | 17,294 | - | 100.0% | 14,500 | 14,500 |
| 5. Agriculture Land Holding Account | 1,718,757 | - | (105,000) | 1,613,757 | 1,613,529 | 228 | 100.0% | 1,697,119 | 1,697,119 |
| Total for sub programmes | 2,668,386 | - | (182,000) | 2,486,386 | 2,482,096 | 4,290 | 99.8% | 2,862,383 | 2,862,359 |

| Economic classification | 2014/15 | | | | | | 2013/14 | | |
|-----------------------------------|------------------------|-------------------|----------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | 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 | 493,560 | (47,299) | - | 446,261 | 445,245 | 1,016 | 99.8% | 477,335 | 477,050 |
| <i>Compensation of employees</i> | <i>299,986</i> | <i>(60,089)</i> | <i>-</i> | <i>239,897</i> | <i>239,505</i> | <i>392</i> | <i>99.8%</i> | <i>235,898</i> | <i>235,280</i> |
| Salaries and wages | 260,139 | (51,543) | - | 208,596 | 208,293 | 303 | 99.9% | 204,827 | 204,220 |
| Social contributions | 39,847 | (8,546) | - | 31,301 | 31,212 | 89 | 99.7% | 31,071 | 31,060 |
| <i>Goods and services</i> | <i>193,574</i> | <i>12,556</i> | <i>-</i> | <i>206,130</i> | <i>205,507</i> | <i>623</i> | <i>99.7%</i> | <i>241,437</i> | <i>241,428</i> |
| Administrative fees | 6,693 | (3,988) | - | 2,705 | 2,676 | 29 | 98.9% | 2,564 | 2,564 |
| Advertising | 1,425 | (636) | - | 789 | 781 | 8 | 99.0% | 1,949 | 1,948 |
| Minor assets | 12,114 | (9,847) | - | 2,267 | 2,444 | (177) | 107.8% | 1,632 | 1,632 |
| Audit costs: External | - | - | - | - | - | - | - | 8,838 | 8,838 |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | 2,245 | (803) | - | 1,442 | 1,430 | 12 | 99.2% | 3,144 | 3,144 |

| 2014/15 | | | | | | | | | | 2013/14 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|--|
| Economic classification | 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 | | |
| Communication | 16,247 | 548 | - | 16,795 | 16,751 | 44 | 99.7% | 13,954 | 13,954 | | |
| Computer services | 3,288 | (2,737) | - | 551 | 550 | 1 | 99.8% | 2,060 | 2,060 | | |
| Consultants: Business and advisory services | 11,521 | (9,669) | - | 1,852 | 1,848 | 4 | 99.8% | 7,697 | 7,697 | | |
| Infrastructure and planning services | 4,094 | (3,202) | - | 892 | 891 | 1 | 99.9% | 778 | 778 | | |
| Laboratory services | - | - | - | - | - | - | - | - | - | | |
| Scientific and technological services | - | - | - | - | - | - | - | - | - | | |
| Legal services | 23,306 | 64,046 | - | 87,352 | 87,345 | 7 | 100.0% | 79,166 | 79,166 | | |
| Contractors | 3,380 | (3,154) | - | 226 | 220 | 6 | 97.3% | 1,077 | 1,077 | | |
| Agency and support / outsourced services | 2,727 | (1,829) | - | 898 | 894 | 4 | 99.9% | 38,315 | 38,315 | | |
| Entertainment | 2 | - | - | 2 | 1 | 1 | 50.0% | 2 | 2 | | |
| Fleet services | 2,894 | 220 | - | 3,114 | 3,077 | 37 | 98.8% | 3,442 | 3,442 | | |
| Housing | - | - | - | - | - | - | - | - | - | | |
| Inventory: Clothing material and supplies | 116 | (115) | - | 1 | - | 1 | - | 54 | 54 | | |
| Inventory: Farming supplies | - | - | - | - | - | - | - | 1 | 1 | | |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - | | |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - | | |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - | | |
| Inventory: Materials and supplies | 557 | (352) | - | 205 | 182 | 23 | 88.8% | 194 | 194 | | |
| Inventory: Medical supplies | - | - | - | - | - | - | - | 18 | 18 | | |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - | | |
| Medasas Inventory Interface | - | - | - | - | - | - | - | - | - | | |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | | |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | | |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|------------------|---------------------|--------------------|--------------|---|---------------------|--------------------|---------|------------------|
| Economic classification | 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 | R'000 | R'000 |
| Consumable supplies | 3,309 | (2,401) | - | 908 | 822 | 86 | 90.5% | 575 | 575 | | 575 |
| Consumable: Stationery, printing and office supplies | 7,745 | (3,780) | - | 3,965 | 3,921 | 44 | 98.9% | 4,538 | 4,537 | | 4,537 |
| Operating leases | 4,676 | 3,503 | - | 8,179 | 8,168 | 11 | 99.9% | 4,413 | 4,413 | | 4,413 |
| Property payments | 7,021 | (367) | - | 6,654 | 6,638 | 16 | 99.8% | 5,470 | 5,470 | | 5,470 |
| Transport provided: Departmental activity | 1,423 | 474 | - | 1,897 | 1,892 | 5 | 99.7% | 253 | 253 | | 253 |
| Travel and subsistence | 48,685 | 5,891 | - | 54,576 | 54,228 | 348 | 99.4% | 49,445 | 49,445 | | 49,445 |
| Training and development | 2,840 | (2,436) | - | 404 | 398 | 6 | 98.5% | 884 | 884 | | 884 |
| Operating payments | 5,743 | (3,459) | - | 2,284 | 2,203 | 81 | 96.5% | 1,630 | 1,627 | | 1,627 |
| Venues and facilities | 20,983 | (13,901) | - | 7,082 | 7,060 | 22 | 99.7% | 7,917 | 7,913 | | 7,913 |
| Rental and hiring | 540 | 550 | - | 1,090 | 1,087 | 3 | 99.7% | 1,427 | 1,427 | | 1,427 |
| <i>Interest and rent on land</i> | - | 234 | - | 234 | 233 | 1 | 99.6% | - | 342 | | 342 |
| Interest | - | 50 | - | 50 | 49 | 1 | 98.0% | - | - | | - |
| Rent on land | - | 184 | - | 184 | 184 | - | 100.0% | - | 342 | | 342 |
| Transfers and subsidies | 2,169,026 | 45,090 | (181,000) | 2,033,116 | 2,030,092 | 3,024 | 99.9% | 2,376,137 | 2,376,124 | | 2,376,124 |
| <i>Provinces and municipalities</i> | 47,460 | 57,919 | - | 105,379 | 103,614 | 1,765 | 98.3% | 2,887 | 2,874 | | 2,874 |
| Provinces | - | - | - | - | - | - | - | 3 | - | | 3 |
| Provincial Revenue Funds | - | - | - | - | - | - | - | 3 | - | | 3 |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | | - |
| Municipalities | 47,460 | 57,919 | - | 105,379 | 103,614 | 1,765 | 98.3% | 2,874 | 2,874 | | 2,874 |
| Municipal bank accounts | 47,460 | 57,919 | - | 105,379 | 103,614 | 1,765 | 98.3% | 2,874 | 2,874 | | 2,874 |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | | - |
| <i>Departmental agencies and accounts</i> | 1,736,051 | 5 | (105,000) | 1,631,056 | 1,630,827 | 229 | 100.0% | 1,711,622 | 1,711,621 | | 1,711,621 |
| Social security funds | - | - | - | - | - | - | - | - | - | | - |
| Departmental agencies | 1,736,051 | 5 | (105,000) | 1,631,056 | 1,630,827 | 229 | 100.0% | 1,711,621 | 1,711,621 | | 1,711,621 |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | | - |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | | - |

| | | 2014/15 | | | | | | 2013/14 | |
|--|------------------------|-------------------|------------------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| Economic classification | 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>Public corporations and private enterprises</i> | 1 | - | - | 1 | - | 1 | - | 43,000 | 43,000 |
| Public corporations | 1 | - | - | 1 | - | 1 | - | 43,000 | 43,000 |
| Subsidies on products and production | 1 | - | - | 1 | - | 1 | - | - | 43,000 |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - |
| <i>Households</i> | 385,514 | (12,834) | (76,000) | 296,680 | 295,651 | 1,029 | 99.7% | 661,638 | 618,629 |
| Social benefits | - | 132 | - | 132 | 130 | 2 | 98.5% | 62 | 62 |
| Other transfers to households | 385,514 | (12,966) | (76,000) | 296,548 | 295,521 | 1,027 | 99.7% | 661,576 | 618,567 |
| Payments for capital assets | 5,800 | 2,209 | (1,000) | 7,009 | 6,265 | 744 | 89.4% | 8,911 | 8,571 |
| <i>Buildings and other fixed structures</i> | 20 | - | - | 20 | - | 20 | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - |
| Other fixed structures | 20 | - | - | 20 | - | 20 | - | - | - |
| <i>Machinery and equipment</i> | 5,780 | 2,209 | (1,000) | 6,989 | 6,265 | 724 | 89.6% | 8,911 | 8571 |
| Transport equipment | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | 5,780 | 2,209 | (1,000) | 6,989 | 6,265 | 724 | 89.6% | 8,911 | 8,571 |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Biological assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Land and subsoil assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 494 | (494) | - | - | 614 |
| Total | 2,668,386 | - | (182,000) | 2,486,386 | 2,482,096 | 4,290 | 99.8% | 2,862,383 | 2,862,359 |

5.1 Land Reform National Office

| | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Current payments | 139,245 | 30,868 | - | 170,113 | 169,429 | 684 | 99.6% | 202,438 | 202,278 |
| Compensation of employees | 71,257 | (13,916) | - | 57,341 | 57,075 | 266 | 99.5% | 54,317 | 54,162 |
| Salaries and wages | 63,113 | (12,136) | - | 50,977 | 50,752 | 225 | 99.6% | 48,133 | 47,985 |
| Social contributions | 8,144 | (1,780) | - | 6,364 | 6,323 | 41 | 99.4% | 6,184 | 6,177 |
| Goods and services | 67,988 | 44,784 | - | 112,772 | 112,354 | 418 | 99.6% | 148,121 | 148,116 |
| Administrative fees | 1,077 | 306 | - | 1,383 | 1,372 | 11 | 99.2% | 710 | 710 |
| Advertising | 318 | (201) | - | 117 | 113 | 4 | 96.6% | 212 | 212 |
| Minor assets | 2,495 | (2,211) | - | 284 | 229 | 55 | 80.6% | 949 | 949 |
| Audit costs: External | - | - | - | - | - | - | - | 8,838 | 8,838 |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | 574 | (274) | - | 300 | 296 | 4 | 98.7% | 256 | 256 |
| Communication | 1,718 | (248) | - | 1,470 | 1,453 | 17 | 98.8% | 876 | 876 |
| Computer services | 2,713 | (2,174) | - | 539 | 539 | - | 100.0% | 2,058 | 2,058 |
| Consultants: Business and advisory services | 4,329 | (2,819) | - | 1,510 | 1,508 | 2 | 99.9% | 5,870 | 5,870 |
| Infrastructure and planning services | - | - | - | - | - | - | - | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | 20,308 | 62,931 | - | 83,239 | 83,237 | 2 | 100.0% | 75,867 | 75,867 |
| Contractor | 21 | 29 | - | 50 | 47 | 3 | 94.0% | 49 | 49 |
| Agency and support / outsourced services | - | 3 | - | 3 | 3 | - | 100.0% | 36,745 | 36,745 |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services | 97 | (76) | - | 21 | 15 | 6 | 71.4% | 48 | 48 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|-----------|-----------|
| Economic classification | 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 | R'000 | R'000 |
| Inventories: Farming supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventories: Food and food supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventories: Fuel, oil and gas | - | - | - | - | - | - | - | - | - | - | - |
| Inventories: Learner and teacher support material | - | - | - | - | - | - | - | - | - | - | - |
| Inventories: Materials and supplies | 33 | (29) | - | 4 | 2 | 2 | 50.0% | 10 | 10 | 10 | 10 |
| Inventories: Medical supplies | - | - | - | - | - | - | - | - | 18 | 18 | 18 |
| Inventories: Medicine | - | - | - | - | - | - | - | - | - | - | - |
| Medcas Inventory Interface | - | - | - | - | - | - | - | - | - | - | - |
| Inventories: Other supplies | - | - | - | - | - | - | - | - | - | - | - |
| Consumable supplies | 1,114 | (908) | - | 206 | 161 | 45 | 78.2% | 173 | 173 | 173 | 173 |
| Consumables: Stationery, printing and office supplies | 2,569 | (1,849) | - | 720 | 700 | 20 | 97.2% | 1,685 | 1,685 | 1,685 | 1,684 |
| Operating leases | 227 | (209) | - | 18 | 15 | 3 | 83.3% | 24 | 24 | 24 | 24 |
| Property payments | 5 | (4) | - | 1 | 1 | - | 100.0% | 57 | 57 | 57 | 57 |
| Transport provided: Departmental activity | - | 1,068 | - | 1,068 | 1,064 | 4 | 99.6% | - | - | - | - |
| Travel and subsistence | 11,961 | 5,589 | - | 17,550 | 17,333 | 217 | 98.8% | 10,865 | 10,865 | 10,865 | 10,865 |
| Training and development | 565 | (363) | - | 202 | 198 | 4 | 98.0% | 266 | 266 | 266 | 266 |
| Operating payments | 526 | (327) | - | 199 | 193 | 6 | 97.0% | 81 | 81 | 81 | 80 |
| Venues and facilities | 17,338 | (13,450) | - | 3,888 | 3,875 | 13 | 99.7% | 2,464 | 2,464 | 2,464 | 2,461 |
| Rental and hiring | - | - | - | - | - | - | - | - | - | - | - |
| Interest and rent on land | - | - | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - | - | - |
| Rent on land | - | - | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 1 | 34 | - | 35 | 34 | 1 | 97.1% | 45 | 45 | 45 | 42 |
| Provinces and municipalities | - | - | - | - | - | - | - | - | 3 | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Provinces | - | - | - | - | - | - | - | - | 3 | - | - |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | 3 | - | - |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | - | - |
| Municipalities | - | - | - | - | - | - | - | - | - | - | - |
| Municipal bank accounts | - | - | - | - | - | - | - | - | - | - | - |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | - | - |
| <i>Departmental agencies and accounts</i> | - | - | - | - | - | - | - | - | - | - | - |
| Social security funds | - | - | - | - | - | - | - | - | - | - | - |
| Departmental agencies | - | - | - | - | - | - | - | - | - | - | - |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Public corporations and private enterprises</i> | 1 | - | - | 1 | - | 1 | - | - | - | - | - |
| Public corporations | 1 | - | - | 1 | - | 1 | - | - | - | - | - |
| Subsidies on products and production | 1 | - | - | 1 | - | 1 | - | - | - | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| Households | - | 34 | - | 34 | 34 | - | 100.0% | 42 | 42 | - | - |
| Social benefits | - | - | - | - | - | - | - | 42 | 42 | - | - |
| Other transfers to households | - | 34 | - | 34 | 34 | - | 100.0% | - | - | - | - |
| Payments for capital assets | 492 | 396 | - | 888 | 711 | 177 | 80.1% | 4,332 | 3,992 | - | - |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - | - | - |

| | | 2014/15 | | | | | | 2013/14 | |
|--------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|-------------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Other fixed structures | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 492 | 396 | - | 888 | 711 | 177 | 80.1% | 4,332 | 3,992 |
| Transport equipment | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | 492 | 396 | - | 888 | 711 | 177 | 80.1% | 4,332 | 3,992 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - |
| Intangible assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 88 | (88) | - | - | 160 |
| Total | 139,738 | 31,298 | - | 171,036 | 170,262 | 774 | 99.5% | 206,815 | 206,472 |

5.2 Land Reform Provincial Office

| | | 2014/15 | | | | | | 2013/14 | |
|--------------------------------|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Current payments | 354,315 | (78,167) | - | 276,148 | 275,816 | 332 | 99.9% | 274,897 | 274,772 |
| Compensation of employees | 228,729 | (46,173) | - | 182,556 | 182,430 | 126 | 99.9% | 181,581 | 181,118 |
| Salaries and wages | 197,026 | (39,407) | - | 157,619 | 157,541 | 78 | 100.0% | 156,694 | 156,235 |
| Social contributions | 31,703 | (6,766) | - | 24,937 | 24,889 | 48 | 99.8% | 24,887 | 24,883 |
| Goods and services | 125,586 | (32,228) | - | 93,358 | 93,153 | 205 | 99.8% | 93,316 | 93,312 |
| Administrative fees | 5,616 | (4,294) | - | 1,322 | 1,304 | 18 | 98.6% | 1,854 | 1,854 |
| Advertising | 1,107 | (435) | - | 672 | 668 | 4 | 99.4% | 1,737 | 1,736 |
| Minor assets | 9,619 | (7,636) | - | 1,983 | 2,215 | (232) | 111.7% | 683 | 683 |

| 2014/15 | | | | | | | | | | 2013/14 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|--|
| Economic classification | 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 | | |
| Audit costs: External | - | - | - | - | - | - | - | - | - | | |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - | | |
| Catering: Departmental activities | 1,671 | (529) | - | 1,142 | 1,134 | 8 | 99.3% | 2,888 | 2,888 | | |
| Communication | 14,529 | 796 | - | 15,325 | 15,298 | 27 | 99.8% | 13,078 | 13,078 | | |
| Computer services | 575 | (563) | - | 12 | 11 | 1 | 91.7% | 2 | 2 | | |
| Consultants: Business and advisory services | 7,192 | (6,850) | - | 342 | 340 | 2 | 99.4% | 1,827 | 1,827 | | |
| Infrastructure and planning services | 4,094 | (3,202) | - | 892 | 891 | 1 | 99.9% | 778 | 778 | | |
| Laboratory services | - | - | - | - | - | - | - | - | - | | |
| Scientific and technological services | - | - | - | - | - | - | - | - | - | | |
| Legal services | 2,998 | 1,115 | - | 4,113 | 4,108 | 5 | 99.9% | 3,299 | 3,299 | | |
| Contractor | 3,359 | (3,183) | - | 176 | 173 | 3 | 98.3% | 1,028 | 1,028 | | |
| Agency and support / outsourced services | 2,727 | (1,832) | - | 895 | 891 | 4 | 99.6% | 1,570 | 1,570 | | |
| Entertainment | 2 | - | - | 2 | 1 | 1 | 50.0% | 2 | 2 | | |
| Fleet services | 2,797 | 296 | - | 3,093 | 3,062 | 31 | 99.0% | 3,394 | 3,394 | | |
| Housing | - | - | - | - | - | - | - | - | - | | |
| Inventory: Clothing material and accessories | 116 | (115) | - | 1 | - | 1 | - | 54 | 54 | | |
| Inventory: Farming supplies | - | - | - | - | - | - | - | 1 | 1 | | |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - | | |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - | | |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - | | |
| Inventory: Materials and supplies | 524 | (323) | - | 201 | 180 | 21 | 89.6% | 184 | 184 | | |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - | | |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - | | |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - | | |

| | 2014/15 | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - |
| Consumable supplies | 2,195 | (1,493) | - | 702 | 661 | 41 | 94.2% | 402 | 402 |
| Consumable: Stationery, printing and office supplies | 5,176 | (1,931) | - | 3,245 | 3,221 | 24 | 99.3% | 2,853 | 2,853 |
| Operating leases | 4,449 | 3,712 | - | 8,161 | 8,153 | 8 | 99.9% | 4,389 | 4,389 |
| Property payments | 7,016 | (363) | - | 6,653 | 6,637 | 16 | 99.8% | 5,413 | 5,413 |
| Transport provided: Departmental activity | 1,423 | (594) | - | 829 | 828 | 1 | 99.9% | 253 | 253 |
| Travel and subsistence | 36,724 | 302 | - | 37,026 | 36,895 | 131 | 99.6% | 38,580 | 38,580 |
| Training and development | 2,275 | (2,073) | - | 202 | 200 | 2 | 99.0% | 618 | 618 |
| Operating payments | 5,217 | (3,132) | - | 2,085 | 2,010 | 75 | 96.4% | 1,549 | 1,547 |
| Venues and facilities | 3,645 | (451) | - | 3,194 | 3,185 | 9 | 99.7% | 5,453 | 5,452 |
| Rental and hiring | 540 | 550 | - | 1,090 | 1,087 | 3 | 99.7% | 1,427 | 1,427 |
| <i>Interest and rent on land</i> | - | 234 | - | 234 | 233 | 1 | 99.6% | - | 342 |
| Interest | - | 50 | - | 50 | 49 | 1 | 98.0% | - | - |
| Rent on land | - | 184 | - | 184 | 184 | - | 100.0% | - | 342 |
| Transfers and subsidies | 47,460 | 58,051 | - | 105,516 | 103,748 | 1,768 | 98.3% | 46,565 | 46,565 |
| <i>Provinces and municipalities</i> | 47,460 | 57,919 | - | 105,379 | 103,614 | 1,765 | 98.3% | 2,874 | 2,874 |
| Provinces | - | - | - | - | - | - | - | - | - |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - |
| Municipalities | 47,460 | 57,919 | - | 105,379 | 103,614 | 1,765 | 98.3% | 2,874 | 2,874 |
| Municipal bank accounts | 47,460 | 57,919 | - | 105,379 | 103,614 | 1,765 | 98.3% | 2,874 | 2,874 |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - |
| <i>Departmental agencies and accounts</i> | - | 5 | - | 5 | 4 | 1 | 80.0% | 2 | 2 |
| Social security funds | - | - | - | - | - | - | - | - | - |
| Departmental agencies | - | 5 | - | 5 | 4 | 1 | 80.0% | 2 | 2 |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------------|---------------------|--------------------|--------------|---|---------------------|--------------------|----------------|----------------|
| Economic classification | 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 | R'000 | R'000 |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - | - | - |
| Public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Households</i> | - | 132 | - | 132 | 130 | 2 | 98.5% | 43,688 | 43,689 | - | - |
| Social benefits | - | 132 | - | 132 | 130 | 2 | 98.5% | 20 | 20 | - | - |
| Other transfers to households | - | - | - | - | - | - | - | 43,668 | 43,669 | - | - |
| Payments for capital assets | 5,308 | 1,813 | (1,000) | 6,121 | 5,554 | 567 | 90.7% | 4,579 | 4,579 | 406 | 454 |
| <i>Buildings and other fixed structures</i> | 20 | - | - | 20 | - | 20 | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - | - | - |
| Other fixed structures | 20 | - | - | 20 | - | 20 | - | - | - | - | - |
| <i>Machinery and equipment</i> | 5,288 | 1,813 | (1,000) | 6,101 | 5,554 | 547 | 91.0% | 4,579 | 4,579 | 406 | 454 |
| Transport equipment | - | - | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | 5,288 | 1,813 | (1,000) | 6,101 | 5,554 | 547 | 91.0% | 4,579 | 4,579 | 406 | 454 |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Biological assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Land and subsoil assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 406 | (406) | - | - | - | - | - |
| Total | 407,083 | (18,298) | (1,000) | 387,785 | 385,524 | 2,261 | 99.4% | 326,041 | 326,370 | 326,041 | 326,370 |

5.3 Land Reform Grants

| | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Current payments | - | - | - | - | - | - | - | - | - |
| <i>Compensation of employees</i> | - | - | - | - | - | - | - | - | - |
| Salaries and wages | - | - | - | - | - | - | - | - | - |
| Social contributions | - | - | - | - | - | - | - | - | - |
| <i>Goods and services</i> | - | - | - | - | - | - | - | - | - |
| Administrative fees | - | - | - | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - | - | - | - |
| Minor assets | - | - | - | - | - | - | - | - | - |
| Audit costs: External | - | - | - | - | - | - | - | - | - |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | - | - | - | - | - | - | - | - | - |
| Communication | - | - | - | - | - | - | - | - | - |
| Computer services | - | - | - | - | - | - | - | - | - |
| Consultants: Business and advisory services | - | - | - | - | - | - | - | - | - |
| Infrastructure and planning services | - | - | - | - | - | - | - | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | - | - | - | - | - | - | - | - | - |
| Contractor | - | - | - | - | - | - | - | - | - |
| Agency and support / outsourced services | - | - | - | - | - | - | - | - | - |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services | - | - | - | - | - | - | - | - | - |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | - | - | - | - | - | - | - | - | - |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|-----------------|---------------------|--------------------|--------------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - | - | - |
| Medas Inventory Interface | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | - | - |
| Consumable supplies | - | - | - | - | - | - | - | - | - | - | - |
| Consumable: Stationery, printing and office supplies | - | - | - | - | - | - | - | - | - | - | - |
| Operating leases | - | - | - | - | - | - | - | - | - | - | - |
| Property payments | - | - | - | - | - | - | - | - | - | - | - |
| Transport provided: Departmental activity | - | - | - | - | - | - | - | - | - | - | - |
| Travel and subsistence | - | - | - | - | - | - | - | - | - | - | - |
| Training and development | - | - | - | - | - | - | - | - | - | - | - |
| Operating payments | - | - | - | - | - | - | - | - | - | - | - |
| Venues and facilities | - | - | - | - | - | - | - | - | - | - | - |
| Rental and hiring | - | - | - | - | - | - | - | - | - | - | - |
| <i>Interest and rent on land</i> | - | - | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - | - | - |
| Rent on land | - | - | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 385,514 | (13,000) | (76,000) | 296,514 | 295,487 | 1,027 | 99.7% | 617,908 | 617,898 | | |
| Provinces and municipalities | - | - | - | - | - | - | - | - | - | - | - |
| Provinces | - | - | - | - | - | - | - | - | - | - | - |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | - | - |
| Municipalities | - | - | - | - | - | - | - | - | - | - | - |
| Municipal bank accounts | - | - | - | - | - | - | - | - | - | - | - |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | - | - |
| <i>Departmental agencies and accounts</i> | - | - | - | - | - | - | - | - | - | - | - |
| Social security funds | - | - | - | - | - | - | - | - | - | - | - |
| Departmental agencies | - | - | - | - | - | - | - | - | - | - | - |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - | - | - |
| Public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - | - | - |
| Households | 385,514 | (13,000) | (76,000) | 296,514 | 295,487 | 1,027 | 99.7% | 617,908 | 617,898 | | |
| Social benefits | - | - | - | - | - | - | - | - | - | - | - |
| Other transfers to households | 385,514 | (13,000) | (76,000) | 296,514 | 295,487 | 1,027 | 99.7% | 617,908 | 617,898 | | |
| Payments for capital assets | - | - | - | - | - | - | - | - | - | - | - |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - | - | - |
| <i>Machinery and equipment</i> | - | - | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|-------------------------------|------------------------|-------------------|-----------------|---------------------|--------------------|--------------|---|---------------------|--------------------|----------------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Transport equipment | - | - | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | - | - | - | - | - | - | - | - | - | - | - |
| Heritage assets | - | - | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - | - | - |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - | - | - |
| Intangible assets | - | - | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - | - | - |
| Total | 385,514 | (13,000) | (76,000) | 296,514 | 295,487 | 1,027 | 99,7% | 617,908 | 617,898 | 617,898 | |

KwaZulu-Natal Ingonyama Trust Board

| 2014/15 | | | | | | | | | | 2013/14 | |
|---------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Current payments | - | - | - | - | - | - | - | - | - | - | - |
| Compensation of employees | - | - | - | - | - | - | - | - | - | - | - |
| Salaries and wages | - | - | - | - | - | - | - | - | - | - | - |
| Social contributions | - | - | - | - | - | - | - | - | - | - | - |
| Goods and services | - | - | - | - | - | - | - | - | - | - | - |
| Administrative fees | - | - | - | - | - | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - | - | - | - | - | - |
| Minor assets | - | - | - | - | - | - | - | - | - | - | - |
| Audit costs: External | - | - | - | - | - | - | - | - | - | - | - |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|-------|
| Economic classification | 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 | R'000 | R'000 |
| Catering: Departmental activities | - | - | - | - | - | - | - | - | - | - | - |
| Communication | - | - | - | - | - | - | - | - | - | - | - |
| Computer services | - | - | - | - | - | - | - | - | - | - | - |
| Consultants: Business and advisory services | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure and planning services | - | - | - | - | - | - | - | - | - | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - | - | - |
| Legal services | - | - | - | - | - | - | - | - | - | - | - |
| Contractor | - | - | - | - | - | - | - | - | - | - | - |
| Agency and support / outsourced services | - | - | - | - | - | - | - | - | - | - | - |
| Entertainment | - | - | - | - | - | - | - | - | - | - | - |
| Fleet services | - | - | - | - | - | - | - | - | - | - | - |
| Housing | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - | - | - |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - | - | - |
| Consumable supplies | - | - | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|--|
| Economic classification | 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 | | |
| Consumable: Stationery, printing and office supplies | - | - | - | - | - | - | - | - | - | | |
| Operating leases | - | - | - | - | - | - | - | - | - | | |
| Property payments | - | - | - | - | - | - | - | - | - | | |
| Transport provided: Departmental activity | - | - | - | - | - | - | - | - | - | | |
| Travel and subsistence | - | - | - | - | - | - | - | - | - | | |
| Training and development | - | - | - | - | - | - | - | - | - | | |
| Operating payments | - | - | - | - | - | - | - | - | - | | |
| Venues and facilities | - | - | - | - | - | - | - | - | - | | |
| Rental and hiring | - | - | - | - | - | - | - | - | - | | |
| Interest and rent on land | - | - | - | - | - | - | - | - | - | | |
| Interest | - | - | - | - | - | - | - | - | - | | |
| Rent on land | - | - | - | - | - | - | - | - | - | | |
| Transfers and subsidies | 17,294 | - | - | 17,294 | 17,294 | - | 100.0% | 14,500 | 14,500 | | |
| <i>Provinces and municipalities</i> | - | - | - | - | - | - | - | - | - | | |
| Provinces | - | - | - | - | - | - | - | - | - | | |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - | | |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | | |
| Municipalities | - | - | - | - | - | - | - | - | - | | |
| Municipal bank accounts | - | - | - | - | - | - | - | - | - | | |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | | |
| <i>Departmental agencies and accounts</i> | 17,294 | - | - | 17,294 | 17,294 | - | 100.0% | 14,500 | 14,500 | | |
| Social security funds | - | - | - | - | - | - | - | - | - | | |
| Departmental agencies | 17,294 | - | - | 17,294 | 17,294 | - | 100.0% | 14,500 | 14,500 | | |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | | |

| Economic classification | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | 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>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - |
| Public corporations | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - |
| <i>Households</i> | - | - | - | - | - | - | - | - | - |
| Social benefits | - | - | - | - | - | - | - | - | - |
| Other transfers to households | - | - | - | - | - | - | - | - | - |
| Payments for capital assets | - | - | - | - | - | - | - | - | - |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - |
| <i>Machinery and equipment</i> | - | - | - | - | - | - | - | - | - |
| Transport equipment | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | - | - | - | - | - | - | - | - | - |
| <i>Heritage assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Specialised military assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Biological assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Land and subsoil assets</i> | - | - | - | - | - | - | - | - | - |
| <i>Intangible assets</i> | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 17,294 | - | - | 17,294 | 17,294 | - | 100.0% | 14,500 | 14,500 |

5.5 Agricultural Land Holding Account

| | 2014/15 | | | | | | 2013/14 | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Current payments | - | - | - | - | - | - | - | - | - |
| <i>Compensation of employees</i> | - | - | - | - | - | - | - | - | - |
| Salaries and wages | - | - | - | - | - | - | - | - | - |
| Social contributions | - | - | - | - | - | - | - | - | - |
| <i>Goods and services</i> | - | - | - | - | - | - | - | - | - |
| Administrative fees | - | - | - | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - | - | - | - |
| Minor assets | - | - | - | - | - | - | - | - | - |
| Audit costs: External | - | - | - | - | - | - | - | - | - |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | - | - | - | - | - | - | - | - | - |
| Communication | - | - | - | - | - | - | - | - | - |
| Computer services | - | - | - | - | - | - | - | - | - |
| Consultants: Business and advisory services | - | - | - | - | - | - | - | - | - |
| Infrastructure and planning services | - | - | - | - | - | - | - | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | - | - | - | - | - | - | - | - | - |
| Contractor | - | - | - | - | - | - | - | - | - |
| Agency and support / outsourced services | - | - | - | - | - | - | - | - | - |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services | - | - | - | - | - | - | - | - | - |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | - | - | - | - | - | - | - | - | - |

| | 2014/15 | | | | | | | 2013/14 | |
|--|------------------------|-------------------|------------------|---------------------|--------------------|------------|---|---------------------|--------------------|
| | 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 |
| Economic classification | | | | | | | | | |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Fuel, oil and gas | - | - | - | - | - | - | - | - | - |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - |
| Medsas Inventory Interface | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - |
| Consumable supplies | - | - | - | - | - | - | - | - | - |
| Consumable: Stationery, printing and office supplies | - | - | - | - | - | - | - | - | - |
| Operating leases | - | - | - | - | - | - | - | - | - |
| Property payments | - | - | - | - | - | - | - | - | - |
| Transport provided: Departmental activity | - | - | - | - | - | - | - | - | - |
| Travel and subsistence | - | - | - | - | - | - | - | - | - |
| Training and development | - | - | - | - | - | - | - | - | - |
| Operating payments | - | - | - | - | - | - | - | - | - |
| Venues and facilities | - | - | - | - | - | - | - | - | - |
| Rental and hiring | - | - | - | - | - | - | - | - | - |
| <i>Interest and rent on land</i> | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - |
| Rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 1,718,757 | - | (105,000) | 1,613,757 | 1,613,529 | 228 | 100,0% | 1,697,119 | 1,697,119 |
| <i>Provinces and municipalities</i> | - | - | - | - | - | - | - | - | - |
| <i>Provinces</i> | - | - | - | - | - | - | - | - | - |

| 2014/15 | | | | | | | | | | 2013/14 | |
|--|------------------------|-------------------|-----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|--|
| Economic classification | 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 | | |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - | | |
| Provincial agencies and funds | - | - | - | - | - | - | - | - | - | | |
| Municipalities | - | - | - | - | - | - | - | - | - | | |
| Municipal bank accounts | - | - | - | - | - | - | - | - | - | | |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - | | |
| <i>Departmental agencies and accounts</i> | 1,718,757 | - | (105,000) | 1,613,757 | 1,613,529 | 228 | 100.0% | 1,697,119 | 1,697,119 | | |
| Social security funds | - | - | - | - | - | - | - | - | - | | |
| Departmental agencies | 1,718,757 | - | (105,000) | 1,613,757 | 1,613,529 | 228 | 100.0% | 1,697,119 | 1,697,119 | | |
| <i>Higher education institutions</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Foreign governments and international organisations</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Public corporations and private enterprises</i> | - | - | - | - | - | - | - | - | - | | |
| Public corporations | - | - | - | - | - | - | - | - | - | | |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | | |
| Other transfers to public corporations | - | - | - | - | - | - | - | - | - | | |
| Private enterprises | - | - | - | - | - | - | - | - | - | | |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - | | |
| Other transfers to private enterprises | - | - | - | - | - | - | - | - | - | | |
| <i>Non-profit institutions</i> | - | - | - | - | - | - | - | - | - | | |
| <i>Households</i> | - | - | - | - | - | - | - | - | - | | |
| Social benefits | - | - | - | - | - | - | - | - | - | | |
| Other transfers to households | - | - | - | - | - | - | - | - | - | | |
| Payments for capital assets | - | - | - | - | - | - | - | - | - | | |
| <i>Buildings and other fixed structures</i> | - | - | - | - | - | - | - | - | - | | |
| Buildings | - | - | - | - | - | - | - | - | - | | |
| Other fixed structures | - | - | - | - | - | - | - | - | - | | |
| <i>Machinery and equipment</i> | - | - | - | - | - | - | - | - | - | | |

| | 2014/15 | | | | | | 2013/14 | | |
|--------------------------------------|---------------------------------|----------------------------|-------------------|------------------------------|-----------------------------|-------------------|--|------------------------------|-----------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual expenditure R'000 |
| Economic classification | | | | | | | | | |
| Transport equipment | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | - | - | - | - | - | - | - | - | - |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - |
| Intangible assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 1,718,757 | - | (105,000) | 1,613,757 | 1,613,529 | 228 | 100.0% | 1,697,119 | 1,697,119 |

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2015

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

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

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

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

4.1 Per programme

| Programme name | Final Appropriation | Actual Expenditure | Variance R'000 | Variance as a % of Final Appropriation |
|--|---------------------|--------------------|----------------|--|
| Administration | 1,384,430 | 1,382,197 | 2,233 | 0% |
| National Geomatics Management Services | 734,815 | 732,537 | 2,278 | 0% |
| Rural Development | 1,850,932 | 1,800,988 | 49,944 | 3% |
| Restitution | 2,998,742 | 2,997,937 | 805 | 0% |
| Land Reform | 2,486,386 | 2,482,096 | 4,290 | 0% |

4.2 Per economic classification

| | Final Appropriation | Actual Expenditure | Variance | Variance as a % of Final Appropriation |
|---|---------------------|--------------------|----------|--|
| | R'000 | R'000 | R'000 | R'000 |
| Current payments | | | | |
| Compensation of employees | 1,799,279 | 1,791,559 | 7,720 | 0.43% |
| Goods and services | 1,379,991 | 1,342,464 | 37,527 | 2.72% |
| Interest and rent on land | 5,678 | 5,674 | 4 | 0.07% |
| Transfers and subsidies | | | | |
| Provinces and municipalities | 127,774 | 125,617 | 2,157 | 1.69% |
| Departmental agencies and accounts | 1,752,678 | 1,752,447 | 231 | 0.01% |
| Higher education institutions | 0 | 0 | 0 | 0 |
| Public corporations and private enterprises | 7,321 | 7,320 | 1 | 0.01% |

NOTES TO THE APPROPRIATION STATEMENT

| for the year ended 31 March 2015

| | Final Appropriation | Actual Expenditure | Variance | Variance as a % of Final Appropriation |
|---|---------------------|--------------------|----------|--|
| | R'000 | R'000 | R'000 | R'000 |
| Foreign governments and international organisations | 2,064 | 2,063 | 1 | 0.05% |
| Non-profit institutions | 3,755 | 3,755 | 0 | 0.00% |
| Households | 3,576,825 | 3,567,073 | 9,752 | 0.27% |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | 401,165 | 401,145 | 20 | 0.00% |
| Machinery and equipment | 170,284 | 165,595 | 4,689 | 2.75% |
| Heritage assets | 0 | 0 | 0 | 0 |
| Specialised military assets | 0 | 0 | 0 | 0 |
| Biological assets | 0 | 0 | 0 | 0 |
| Land and subsoil assets | 226 934 | 226 682 | 252 | 0.11% |
| Intangible assets | 1,557 | 0 | 1,557 | 100.0% |
| Payments for financial assets | 0 | 4,361 | (4,361) | 0.00% |

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2015

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--------------------------------------|------|------------------|------------------|
| REVENUE | | | |
| Annual appropriation | 1 | 9,455,305 | 9,459,740 |
| Departmental revenue | 2 | 87,439 | 104,622 |
| Aid assistance | 3 | 30,316 | 7,909 |
| TOTAL REVENUE | | 9,573,060 | 9,572,271 |
| EXPENDITURE | | | |
| Current expenditure | | | |
| Compensation of employees | 4 | 1,791,559 | 1,541,261 |
| Goods and services | 5 | 1,342,464 | 2,175,153 |
| Interest and rent on land | 6 | 5,674 | 5,759 |
| Aid assistance | 3 | 11,605 | 3,346 |
| Total current expenditure | | 3,151,302 | 3,725,519 |
| Transfers and subsidies | | | |
| Transfers and subsidies | 8 | 5,458,275 | 5,470,892 |
| Total transfers and subsidies | | 5,458,275 | 5,470,892 |

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2015

Expenditure for capital assets

| | | | |
|---|---|---------|---------|
| Tangible assets | 9 | 793,721 | 254,463 |
| Total expenditure for capital assets | | 793,721 | 254,463 |

Payments for financial assets

| | | | |
|--|---|-------|-------|
| | Z | 4,361 | 6,528 |
|--|---|-------|-------|

TOTAL EXPENDITURE

| | | | |
|--|--|-----------|-----------|
| | | 9,407,659 | 9,457,402 |
|--|--|-----------|-----------|

SURPLUS/(DEFICIT) FOR THE YEAR

| | | | |
|--|--|---------|---------|
| | | 165,401 | 114,869 |
|--|--|---------|---------|

Reconciliation of Net Surplus/(Deficit) for the year

| | | | |
|---------------------------------------|----|---------|---------|
| Voted funds | | 59,550 | 5,684 |
| Annual appropriation | | 59,550 | 5,684 |
| Conditional grants | | - | - |
| Unconditional grants | | - | - |
| Departmental revenue and NRF Receipts | 15 | 87,439 | 104,622 |
| Aid assistance | 3 | 18,412 | 4,563 |
| SURPLUS/(DEFICIT) FOR THE YEAR | | 165,401 | 114,869 |

STATEMENT OF FINANCIAL POSITION

for the year ended 31 March 2015

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|-----------|------------------|------------------|
| ASSETS | | | |
| Current assets | | 420,056 | 230,601 |
| Cash and cash equivalents | <u>10</u> | 363,368 | 194,443 |
| Prepayments and advances | <u>11</u> | 49,224 | 23,447 |
| Receivables | <u>12</u> | 7,464 | 12,711 |
| Non-current assets | | 33,923 | 26,422 |
| Investments | <u>13</u> | 16,112 | 16,112 |
| Receivables | <u>12</u> | 17,811 | 10,310 |
| TOTAL ASSETS | | <u>453,979</u> | <u>257,023</u> |
| LIABILITIES | | | |
| Current liabilities | | 429,285 | 234,729 |
| Voted funds to be surrendered to the Revenue Fund | <u>14</u> | 59,550 | 5,684 |
| Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund | <u>15</u> | 25,949 | 40,940 |
| Payables | <u>16</u> | 325,374 | 183,542 |
| Aid assistance repayable | <u>3</u> | 18,412 | 4,563 |
| TOTAL LIABILITIES | | <u>429,285</u> | <u>234,729</u> |
| NET ASSETS | | <u>24,694</u> | <u>22,294</u> |
| | Note | 2014/15 R'000 | 2013/14 R'000 |
| Represented by: | | | |
| Capitalisation reserve | | 16,112 | 16,112 |
| Recoverable revenue | | 8,582 | 6,182 |
| Retained funds | | - | - |
| Revaluation reserves | | - | - |
| TOTAL | | <u>24,694</u> | <u>22,294</u> |

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2015

| | <i>Note</i> | 2014/15 | 2013/14 |
|---|-------------|----------------------|----------------------|
| | | R'000 | R'000 |
| Capitalisation Reserves | | | |
| Opening balance | | 16,112 | 16,112 |
| Transfers: | | - | - |
| Movement in Equity | | - | - |
| Movement in Operational Funds | | - | - |
| Other movements | | | |
| Closing balance | | <u>16,112</u> | <u>16,112</u> |
| Recoverable revenue | | | |
| Opening balance | | 6,182 | 4,262 |
| Transfers: | | 2,400 | 1,920 |
| Debts revised | | - | - |
| Debts recovered (included in departmental receipts) | | (3,450) | (2,371) |
| Debts raised | | 5,850 | 4,291 |
| Closing balance | | <u>8,582</u> | <u>6,182</u> |
| TOTAL | | <u><u>24,694</u></u> | <u><u>22,294</u></u> |

CASH FLOW STATEMENT

for the year ended 31 March 2015

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--|------------|-----------------------|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | 9,572,537 | 9,572,124 |
| Annual appropriated funds received | <u>1.1</u> | 9,455,305 | 9,459,740 |
| Departmental revenue received | <u>2</u> | 74,873 | 85,613 |
| Interest received | <u>2.3</u> | 12,043 | 18,862 |
| Aid assistance received | <u>3</u> | 30,316 | 7,909 |
| Net (increase)/decrease in working capital | | 113,801 | (134,207) |
| Surrendered to Revenue Fund | | (108,114) | (120,353) |
| Surrendered to RDP Fund/Donor | | (4,563) | (2,841) |
| Current payments | | (3,145,812) | (3,720,102) |
| Interest paid | <u>6</u> | (5,490) | (5,417) |
| Payments for financial assets | | (4,361) | (6,528) |
| Transfers and subsidies paid | | (5,458,275) | (5,470,892) |
| Net cash flow available from operating activities | <u>17</u> | <u>959,723</u> | <u>111,784</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for capital assets | <u>7</u> | (793,721) | (254,463) |
| Proceeds from sale of capital assets | <u>2.4</u> | 523 | 147 |
| Net cash flows from investing activities | | <u>(793,198)</u> | <u>(254,316)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Increase/(decrease) in net assets | | 2,400 | 1,920 |
| Net cash flows from financing activities | | <u>2,400</u> | <u>1,920</u> |
| Net increase/(decrease) in cash and cash equivalents | | 168,925 | (140,612) |
| Cash and cash equivalents at beginning of period | | 194,443 | 335,055 |
| Cash and cash equivalents at end of period | <u>18</u> | <u><u>363,368</u></u> | <u><u>194,443</u></u> |

ACCOUNTING POLICIES

for the year ended 31 March 2015

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated.

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

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

1. Basis of preparation

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

2. Going concern

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

3. Presentation currency

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

4. Rounding

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

5. Foreign currency translation

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

6. Comparative information

6.1 Prior period comparative information

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

6.2 Current year comparison with budget

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

7. Revenue

7.1 Appropriated funds

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

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

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

ACCOUNTING POLICIES

for the year ended 31 March 2015

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

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

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

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

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

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

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

8.1.2 Social contributions

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

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

8.2 Other expenditure

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

8.3 Accrued expenditure payable

Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department. Accrued expenditure payable is measured at cost.

8.4 Leases

8.4.1 Operating leases

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

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

8.4.2 Finance leases

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

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

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for the year ended 31 March 2015

9. Aid Assistance

9.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

9.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

10. Cash and cash equivalents

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

Bank overdrafts are shown separately on the face of the statement of financial position.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

11. Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

12. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus

accrued interest, where interest is charged, less amounts already settled or written-off.

13. Investments

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

14. Impairment of financial assets

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

15. Payables

Loans and payables are recognised in the statement of financial position at cost.

16. Capital Assets

16.1 Immovable capital assets

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

Where the cost of immovable capital assets cannot be determined accurately, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.

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

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

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of

ACCOUNTING POLICIES

for the year ended 31 March 2015

the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.

16.2 Movable capital assets

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

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

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

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

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

16.3 Intangible assets

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

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

Where the cost of intangible assets cannot be determined accurately, the intangible capital assets are measured at fair value and where

fair value cannot be determined; the intangible assets are measured at R1.

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

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

17. Provisions and Contingents

17.1 Provisions

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

17.2 Contingent liabilities

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

17.3 Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset

ACCOUNTING POLICIES

for the year ended 31 March 2015

arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

17.4 Commitments

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

18. Unauthorised expenditure

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

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

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

19. Fruitless and wasteful expenditure

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

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

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised

when settled or subsequently written-off as irrecoverable.

20. Irregular expenditure

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

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

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

21. Changes in accounting policies, accounting estimates and errors

Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

ACCOUNTING POLICIES

for the year ended 31 March 2015

22. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

23. Agent-Principal arrangements

The department has entered into an agent-Principal arrangement with a number of entities where it lacks capacity and technical expertise to deliver on its mandate, refer to note 34 of the financial statements.

24. Departures from the MCS requirements

There were no departures from the MCS requirements.

25. Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

26. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

27. Related party transactions

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions are recorded in the notes to the financial statements when the transaction is not at arm's length.

28. Inventories

At the date of acquisition, inventories are recorded at cost price in the notes to the financial statements.

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

Inventories are subsequently measured at the lower of cost and net realisable value or the lower of cost and replacement value.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

1. Annual Appropriation

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for national departments (Voted funds) and provincial departments:

| | 2014/15 | | | 2013/14 |
|-----------------------------------|---------------------|-----------------------|--------------------------------------|------------------------|
| | Final Appropriation | Actual Funds Received | Funds not requested/ not received | Appropriation received |
| | R'000 | R'000 | R'000 | R'000 |
| Administration | 1,384,430 | 1,169,693 | 214,737 | 1,189,793 |
| Geospatial and Cadastral Services | 734,815 | 774,865 | (40,050) | 794,714 |
| Rural Development | 1,850,932 | 2,011,619 | (160,687) | 1,792,423 |
| Restitution | 2,998,742 | 2,680,742 | 318,000 | 2,916,838 |
| Land Reform | 2,486,386 | 2,818,386 | (332,000) | 2,765,972 |
| Total | 9,455,305 | 9,455,305 | - | 9,459,740 |

2. Departmental revenue

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|------|------------------|------------------|
| Sales of goods and services other than capital assets | 2.1 | 21,539 | 21,218 |
| Fines, penalties and forfeits | 2.2 | - | - |
| Interest, dividends and rent on land | 2.3 | 13,503 | 21,469 |
| Sales of capital assets | 2.4 | 523 | 147 |
| Transactions in financial assets and liabilities | 2.5 | 51,874 | 61,788 |
| Departmental revenue collected | | 87,439 | 104,622 |

2.1 Sales of goods and services other than capital assets

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--|------|------------------|------------------|
| Sales of goods and services produced by the department | 2 | 21,534 | 21,213 |
| Sales by market establishment | | 1,023 | 1,019 |
| Administrative fees | | 16,722 | 16,658 |
| Other sales | | 3,789 | 3,536 |
| Sales of scrap, waste and other used current goods | | 5 | 5 |
| Total | | 21,539 | 21,218 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

2.2 Fines, penalties and forfeits

| | Note | 2014/15 | 2013/14 |
|--------------|------|----------|----------|
| | 2 | R'000 | R'000 |
| Fines | | - | - |
| Penalties | | - | - |
| Forfeits | | - | - |
| Total | | - | - |

2.3 Interest, dividends and rent on land

| | Note | 2014/15 | 2013/14 |
|--------------|------|---------------|---------------|
| | 2 | R'000 | R'000 |
| Interest | | 12,043 | 18,862 |
| Rent on land | | 1,460 | 2,607 |
| Total | | 13,503 | 21,469 |

2.4 Sale of capital assets

| | Note | 2014/15 | 2013/14 |
|-------------------------|------|------------|------------|
| | 2 | R'000 | R'000 |
| Tangible assets | | 523 | 147 |
| Machinery and equipment | 32 | 523 | 134 |
| Land and subsoil assets | 33 | - | 13 |
| Total | | 523 | 147 |

2.5 Transactions in financial assets and liabilities

| | Note | 2014/15 | 2013/14 |
|--|------|---------------|---------------|
| | 2 | R'000 | R'000 |
| Receivables | | 1,722 | 779 |
| Other Receipts including Recoverable Revenue | | 50,152 | 61,009 |
| Gains on GFECRA | | - | - |
| Total | | 51,874 | 61,788 |

3. Aid assistance

| | Note | 2014/15 | 2013/14 |
|---|------|---------|---------|
| | | R'000 | R'000 |
| Opening Balance | | 4,563 | 2,841 |
| Prior period error | | - | - |
| As restated | | 4,563 | 2,841 |
| Transferred from statement of financial performance | | 18,412 | 4,563 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|-------------------------------------|------|------------------|------------------|
| Transfers to or from retained funds | | - | - |
| Paid during the year | | (4,563) | (2,841) |
| Closing Balance | | 18,412 | 4,563 |

3.1 Analysis of balance by source

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|------|------------------|------------------|
| Aid assistance from RDP | 3 | 18,412 | 4,563 |
| Aid assistance from other sources CARA | | | |
| Closing balance | | 18,412 | 4,563 |

3.2 Analysis of balance

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--------------------------|------|------------------|------------------|
| Aid assistance repayable | | 18,412 | 4,563 |
| Closing balance | | 18,412 | 4,563 |

4. Compensation of employees

4.1 Salaries and Wages

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|----------------------------------|------|------------------|------------------|
| Basic salary | | 1,247,630 | 1,053,765 |
| Performance award | | 25,839 | 26,929 |
| Service Based | | 2,227 | 3,901 |
| Compensative/circumstantial | | 54,370 | 63,744 |
| Periodic payments | | 7 | 115 |
| Other non-pensionable allowances | | 243,242 | 202,912 |
| Total | | 1,573,315 | 1,351,366 |

4.2 Social contributions

| | Note | 2014/15 | 2013/14 |
|-------------------------------|------|---------|---------|
| Employer contributions | | | |
| Pension | | 157,780 | 133,350 |
| Medical | | 60,157 | 56,236 |
| UIF | | 9 | 16 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| | Note | 2014/15 | 2013/14 |
|--|------|------------------|------------------|
| Bargaining council | | 298 | 293 |
| Total | | 218,244 | 189,895 |
| Total compensation of employees | | 1,791,559 | 1,541,261 |
| Average number of employees | | 4,389 | 4,229 |

5. Goods and services

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|------|------------------|------------------|
| Administrative fees | | 27,070 | 61,446 |
| Advertising | | 28,344 | 47,896 |
| Minor assets | 5.1 | 8,954 | 12,671 |
| Bursaries (employees) | | 4,419 | 3,604 |
| Catering | | 5,423 | 15,097 |
| Communication | | 67,100 | 54,260 |
| Computer services | 5.2 | 105,944 | 96,570 |
| Consultants: Business and advisory services | | 166,397 | 236,188 |
| Infrastructure and planning services | | 4,071 | 12,628 |
| Legal services | | 130,213 | 104,706 |
| Contractors | | 22,093 | 53,617 |
| Agency and support / outsourced services | | 33,838 | 93,655 |
| Entertainment | | 4 | 7 |
| Audit cost – external | 5.3 | 14,728 | 15,675 |
| Fleet services | | 11,170 | 16,998 |
| Inventory | 5.4 | 2,830 | 11,490 |
| Consumables | 5.5 | 28,073 | 31,839 |
| Operating leases | | 189,142 | 180,456 |
| Property payments | 5.6 | 105,610 | 93,660 |
| Rental and hiring | | 6,791 | 10,267 |
| Transport provided as part of the departmental activities | | 7,428 | 3,223 |
| Travel and subsistence | 5.7 | 277,840 | 790,962 |
| Venues and facilities | | 70,164 | 98,783 |
| Training and development | | 9,482 | 109,003 |
| Other operating expenditure | 5.8 | 15,336 | 20,452 |
| Total | | 1,342,464 | 2,175,153 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

5.1 Minor assets

| | Note | 2014/15 | 2013/14 |
|---|------|--------------|---------------|
| | 5 | R'000 | R'000 |
| Tangible assets | | 8,954 | 12,659 |
| Buildings and other fixed structures | | 5 | 1 |
| Biological assets | | - | 2,575 |
| Heritage assets | | - | - |
| Machinery and equipment | | 8,932 | 10,082 |
| Transport assets | | 17 | 1 |
| Intangible assets | | - | 12 |
| Software | | - | 12 |
| Mastheads and publishing titles | | - | - |
| Patents, licences, copyright, brand names, trademarks | | - | - |
| Recipes, formulae, prototypes, designs, models | | - | - |
| Services and operating rights | | - | - |
| Total | | 8,954 | 12,671 |

5.2 Computer services

| | Note | 2014/15 | 2013/14 |
|-------------------------------------|------|----------------|---------------|
| | 5 | R'000 | R'000 |
| SITA computer services | | 26,879 | 29,959 |
| External computer service providers | | 79,065 | 66,611 |
| Total | | 105,944 | 96,570 |

5.3 Audit cost – External

| | Note | 2014/15 | 2013/14 |
|-------------------|------|---------------|---------------|
| | 5 | R'000 | R'000 |
| Regularity audits | | 14,629 | 15,675 |
| Investigations | | 99 | - |
| Total | | 14,728 | 15,675 |

5.4 Inventory

| | Note | 2014/15 | 2013/14 |
|-----------------------------------|------|--------------|---------------|
| | 5 | R'000 | R'000 |
| Clothing material and accessories | | 72 | 4,676 |
| Farming supplies | | 75 | 2,335 |
| Materials and supplies | | 2,650 | 4,458 |
| Medical supplies | | 33 | 18 |
| Medicine | | - | 3 |
| Total | | 2,830 | 11,490 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

5.5 Consumables

| | Note | 2014/15 | 2013/14 |
|--|------|---------------|---------------|
| | 5 | R'000 | R'000 |
| Consumable supplies | | 4,391 | 6,302 |
| Uniform and clothing | | 193 | 128 |
| Household supplies | | 3,017 | 3,364 |
| Building material and supplies | | 6 | 1,253 |
| Communication accessories | | 35 | 6 |
| IT consumables | | 410 | 749 |
| Other consumables | | 730 | 802 |
| Stationery, printing and office supplies | | 23,682 | 25,537 |
| Total | | 28,073 | 31,839 |

5.6 Property payments

| | Note | 2014/15 | 2013/14 |
|----------------------------------|------|----------------|---------------|
| | 5 | R'000 | R'000 |
| Municipal services | | 40,529 | 40,264 |
| Property management fees | | - | - |
| Property maintenance and repairs | | - | - |
| *Other | | 65,081 | 53,396 |
| Total | | 105,610 | 93,660 |

* Expenditure of office buildings leased by DPW

5.7 Travel and subsistence

| | Note | 2014/15 | 2013/14 |
|--------------|------|----------------|----------------|
| | 5 | R'000 | R'000 |
| Local | | 203,957 | 779,895 |
| Foreign | | 73,883 | 11,067 |
| Total | | 277,840 | 790,962 |

5.8 Other operating expenditure

| | Note | 2014/15 | 2013/14 |
|---|------|---------------|---------------|
| | 5 | R'000 | R'000 |
| Professional bodies, membership and subscription fees | | 520 | 338 |
| Resettlement costs | | 3,388 | 3,497 |
| Other | | 11,428 | 16,617 |
| Total | | 15,336 | 20,452 |

6. Interest and rent on land

| | Note | 2014/15 | 2013/14 |
|---------------|------|--------------|--------------|
| | | R'000 | R'000 |
| Interest paid | | 5,490 | 5,417 |
| Rent on land | | 184 | 342 |
| Total | | 5,674 | 5,759 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

7. Payments for financial assets

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--|------|------------------|------------------|
| Material losses through criminal conduct | | - | - |
| Theft | | - | - |
| Other material losses | | - | - |
| Purchase of equity | | - | - |
| Extension of loans for policy purposes | | - | - |
| Other material losses written off | 7.1 | 1,977 | 5,465 |
| Debts written off | 7.2 | 2,384 | 1,063 |
| Forex losses | | - | - |
| Debt take overs | | - | - |
| Losses on GFECRA | | - | - |
| Total | | 4,361 | 6,528 |

7.1 Other material losses written off

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|------|------------------|------------------|
| Nature of losses | | | |
| Damaged rental vehicles - officials did not forfeit state cover | 7 | 1,964 | 4,868 |
| No Show accommodation - Officials did not forfeit state cover | | 11 | - |
| Other | | 2 | 597 |
| Total | | 1,977 | 5,465 |

7.2 Debts written off

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|------------------------------------|------|------------------|------------------|
| Nature of debts written off | | | |
| Other debts written off | | | |
| Breach of contract | | 1,319 | 670 |
| Subsidised Transport | | 11 | - |
| Salary Debt | | 749 | 309 |
| Suppliers | | 118 | 1 |
| Other | | 146 | 3 |
| Telephone Debts | | 10 | 72 |
| Tax Debts | | 31 | 8 |
| Total | | 2,384 | 1,063 |
| Total debt written off | | 2,384 | 1,063 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

8. Transfers and subsidies

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|----------|------------------|------------------|
| Provinces and municipalities | 47, 48 | 125,617 | 10,477 |
| Departmental agencies and accounts | Annex 1B | 1,752,447 | 1,960,408 |
| Higher education institutions | Annex 1C | - | - |
| Foreign governments and international organisations | Annex 1E | 2,063 | 1,772 |
| Public corporations and private enterprises | Annex 1D | 7,320 | 69,453 |
| Non-profit institutions | Annex 1F | 3,755 | 6,433 |
| Households | Annex 1G | 3,567,073 | 3,422,349 |
| Total | | 5,458,275 | 5,470,892 |

Unspent funds transferred to the above beneficiaries:

Included in Transfer payments to household is an amount of R674 243 035.39, where payment was made to conveyancers but the actual transfer of properties has not yet taken place.

9. Expenditure for capital assets

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--------------------------------------|------|------------------|------------------|
| Tangible assets | | 793,721 | 254,463 |
| Buildings and other fixed structures | 33 | 401,145 | 154,782 |
| Machinery and equipment | 32 | 165,894 | 41,217 |
| Land and subsoil assets | 33 | 226,682 | 58,208 |
| Biological assets | 32 | - | 256 |
| Total | | 793,721 | 254,463 |

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

| | Voted funds R'000 | Aid assistance R'000 | Total R'000 |
|--------------------------------------|----------------------|----------------------------|----------------|
| Tangible assets | 793,422 | 299 | 793,721 |
| Buildings and other fixed structures | 401,145 | - | 401,145 |
| Heritage assets | - | - | - |
| Machinery and equipment | 165,595 | 299 | 165,894 |
| Specialised military assets | - | - | - |
| Land and subsoil assets | 226,682 | - | 226,682 |
| Biological assets | - | - | - |
| Total | 793,422 | 299 | 793,721 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

9.2 Analysis of funds utilised to acquire capital assets – 2013/14

| | Voted funds | Aid assistance | Total |
|--------------------------------------|----------------|----------------|----------------|
| | R'000 | R'000 | R'000 |
| Tangible assets | 254,463 | | 254,463 |
| Buildings and other fixed structures | 154,782 | - | 154,782 |
| Heritage assets | | - | |
| Machinery and equipment | 41,217 | - | 41,217 |
| Specialised military assets | | - | |
| Land and subsoil assets | 58,208 | - | 58,208 |
| Biological assets | 256 | - | 256 |
| Total | 254,463 | - | 254,463 |

9.3 Finance lease expenditure included in expenditure for capital assets

| | 2014/15 | 2013/14 |
|--------------------------------------|--------------|--------------|
| | R'000 | R'000 |
| Tangible assets | | |
| Buildings and other fixed structures | - | - |
| Heritage assets | - | - |
| Machinery and equipment | 9,011 | 7,827 |
| Specialised military assets | - | - |
| Land and subsoil assets | - | - |
| Biological assets | - | - |
| Total | 9,011 | 7,827 |

10. Cash and cash equivalents

| | 2014/15 | 2013/14 |
|--|----------------|----------------|
| | R'000 | R'000 |
| Consolidated Paymaster General Account | 363,229 | 194,225 |
| Cash receipts | - | - |
| Disbursements | 7 | 83 |
| Cash on hand | 132 | 135 |
| Investments (Domestic) | - | - |
| Investments (Foreign) | - | - |
| Total | 363,368 | 194,443 |

Note: No part of the balance has been encumbered and neither were there any amounts of undrawn borrowing facilities that may be available for future opening activities and to settle capital commitments.

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for the year ended 31 March 2015

11. Prepayments and advances

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|------------------------|------|------------------|------------------|
| Staff advances | | - | - |
| Travel and subsistence | | 22 | 90 |
| Prepayments | | - | - |
| Advances paid | 11.1 | 49,202 | 23,357 |
| SOCPEN advances | | - | - |
| Total | | 49,224 | 23,447 |

11.1 Advances paid

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|------------------------|---------|------------------|------------------|
| National departments | Annex8A | 20,989 | - |
| Provincial departments | Annex8A | - | - |
| Public entities | Annex8A | 28,213 | 23,357 |
| Other entities | Annex8A | - | - |
| Total | | 49,202 | 23,357 |

12. Receivables

| | Note | 2014/15 | | | | 2013/14 |
|-------------------------|-----------------|--------------------------------|-----------------------------------|---------------------------------------|----------------|----------------|
| | | R'000 Less than one year | R'000 One to three years | R'000 Older than three years | R'000 Total | R'000 Total |
| Claims recoverable | 12.1 Annex 4 | 454 | - | 2,921 | 3,375 | 4,163 |
| Recoverable expenditure | 12.2 | 2,706 | 6,982 | 922 | 10,610 | 9,707 |
| Staff debt | 12.3 | 4,286 | 4,886 | 1,422 | 10,594 | 8,502 |
| Other debtors | 12.4 | 18 | 82 | 596 | 696 | 649 |
| Total | | 7,464 | 11,950 | 5,861 | 25,275 | 23,021 |

12.1 Claims recoverable

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|------------------------|------|------------------|------------------|
| National departments | 12 | - | - |
| Provincial departments | | 170 | 285 |
| Foreign governments | | - | - |
| Public entities | | 3,205 | 3,878 |
| Private enterprises | | - | - |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| | Note | 2014/15 | 2013/14 |
|--|------|--------------|--------------|
| | 12 | R'000 | R'000 |
| Higher education institutions | | - | - |
| Households and non-profit institutions | | - | - |
| Local governments | | - | - |
| Total | | 3,375 | 4,163 |

12.2 Recoverable expenditure (disallowance accounts)

| | Note | 2014/15 | 2013/14 |
|----------------------------------|------|---------------|--------------|
| | 12 | R'000 | R'000 |
| Sal: Disallowances account: CA | | 91 | 613 |
| Disallowance: miscellaneous | | - | - |
| Disallowance: Damaged GG Vehicle | | 10,426 | 9,002 |
| Sal: Tax Debt | | 63 | 63 |
| Sal: Medical Aid | | 30 | 24 |
| Sal: Reversal | | - | 5 |
| Total | | 10,610 | 9,707 |

12.3 Staff debt

| | Note | 2014/15 | 2013/14 |
|--|------|---------------|--------------|
| | 12 | R'000 | R'000 |
| Salary Debt | | 789 | 1,262 |
| Bursary Debt | | 7,902 | 5,483 |
| Subsidised Motor Scheme | | 101 | 148 |
| Tax Debts | | 132 | 31 |
| Telephone Debt | | - | 13 |
| Suppliers | | 62 | - |
| Misconduct | | 1,178 | 1,041 |
| Government Garage Motor Vehicle Accident | | 253 | 72 |
| Other debts | | 149 | 425 |
| SG Debtor | | 28 | 27 |
| Total | | 10,594 | 8,502 |

12.4 Other debtors

| | Note | 2014/15 | 2013/14 |
|--------------------------------|------|------------|------------|
| | 12 | R'000 | R'000 |
| Transport Payment Suspense: CL | | 696 | 649 |
| Sal: Income Tax: CL | | - | - |
| Total | | 696 | 649 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

12.5 Fruitless and wasteful expenditure

| | Note | 2014/15 | 2013/14 |
|---|------|----------|----------|
| | 12 | R'000 | R'000 |
| Opening balance | | - | 596 |
| Less amounts recovered | | - | - |
| Less amounts written off | | - | (596) |
| Transfers from note 32 Fruitless and Wasteful Expenditure | | - | - |
| Total | | - | - |

12.6 Impairment of receivables

| | Note | 2014/15 | 2013/14 |
|---------------------------------------|------|---------------|----------|
| | 12 | R'000 | R'000 |
| Estimate of impairment of receivables | | 12,321 | - |
| Total | | 12,321 | - |

13. Investments

| | Note | 2014/15 | 2013/14 |
|--|----------|---------------|---------------|
| | | R'000 | R'000 |
| Non-Current | | | |
| Shares and other equity | | | |
| *Inala Farms (PTY) Ltd | | 16,112 | 16,112 |
| Total | | 16,112 | 16,112 |
| Securities other than shares | Annex 2A | - | - |
| (List investments at cost) | | - | - |
| Total | | - | - |
| Total non-current | | 16,112 | 16,112 |
| Analysis of non-current investments | | 16,112 | 16,112 |
| Opening balance | | - | - |
| Additions in cash | | - | - |
| Disposals for cash | | - | - |
| Non-cash movements | | - | - |
| Closing balance | | 16,112 | 16,112 |

*The Inala Farm(Pty) Ltd is in the process of being liquidated, hence the net-asset value of this investment has been reduced to zero. It will be written off once the liquidation has been finalised.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

13.1 Impairment of investments

| | <i>Note</i> | 2014/15 | 2013/14 |
|------------------------|-------------|----------------|----------------|
| | | R'000 | R'000 |
| Estimate of impairment | | 16,112 | - |
| Total | | 16,112 | - |

14. Voted funds to be surrendered to the Revenue Fund

| | <i>Note</i> | 2014/15 | 2013/14 |
|---|-------------|----------------|----------------|
| | | R'000 | R'000 |
| Opening balance | | 5,684 | 54,518 |
| Prior period error | | - | - |
| As restated | | 5,684 | 54,518 |
| Transfer from statement of financial performance (as restated) | | 59,550 | 5,684 |
| Add: Unauthorised expenditure for current year | | - | - |
| Voted funds not requested/not received | | - | - |
| Transferred to retained revenue to defray excess expenditure (Parliament/Legislatures only) | | - | - |
| Paid during the year | | (5,684) | (54,518) |
| Closing balance | | 59,550 | 5,684 |

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

| | <i>Note</i> | 2014/15 | 2013/14 |
|--|-------------|----------------|----------------|
| | | R'000 | R'000 |
| Opening balance | | 40,940 | 2,153 |
| Prior period error | | - | - |
| As restated | | 40,940 | 2,153 |
| Transfer from Statement of Financial Performance (as restated) | | 87,439 | 104,622 |
| Own revenue included in appropriation | | - | - |
| Transfer from aid assistance | | - | - |
| Transfer to voted funds to defray expenditure (Parliament/Legislatures ONLY) | | - | - |
| Paid during the year | | (102,430) | (65,835) |
| Closing balance | | 25,949 | 40,940 |

16. Payables – current

| | <i>Note</i> | 2014/15 | 2013/14 |
|---------------------------------|-------------|----------------|----------------|
| | | R'000 | R'000 |
| Amounts owing to other entities | | - | - |
| Advances received | 16.1 | 16,706 | - |
| Clearing accounts | 16.2 | 42,867 | 43,055 |
| Other payables | 16.3 | 265,801 | 140,487 |
| Total | | 325,374 | 183,542 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

16.1 Advances received

| | Note | 2014/15 | 2013/14 |
|------------------------|----------|---------------|----------|
| | 16 | R'000 | R'000 |
| National departments | Annex 8B | 16,706 | - |
| Provincial departments | | - | - |
| Public entities | | - | - |
| Other institutions | | - | - |
| Total | | 16,706 | - |

16.2 Clearing accounts

| | Note | 2014/15 | 2013/14 |
|--|------|---------------|---------------|
| | 16 | R'000 | R'000 |
| Payable: (Restitution claims returned) | | 42,867 | 43,055 |
| Total | | 42,867 | 43,055 |

16.3 Other payables

| | Note | 2014/15 | 2013/14 |
|--------------------------------------|------|----------------|----------------|
| | 16 | R'000 | R'000 |
| Salaries: Pension Fund: CL | | 188 | 108 |
| Salaries: Medical: CL | | 5 | 220 |
| Salaries: Housing | | - | 33 |
| Salaries: Bargaining Council | | 2 | 1 |
| Transport Suspense Account: CL | | 551 | 551 |
| Sal:Income Tax | | 2,603 | 1 |
| Sal:ACB Recalls:CA | | 4 | - |
| Restitution projects accounts – ABSA | | 262,445 | 139,570 |
| Compensation Comm | | - | - |
| Lease - ABSA | | 3 | 3 |
| Total | | 265,801 | 140,487 |

17. Net cash flow available from operating activities

| | Note | 2014/15 | 2013/14 |
|--|------|----------|-----------|
| | | R'000 | R'000 |
| Net surplus/(deficit) as per Statement of Financial Performance | | 165,401 | 114,869 |
| Add back non cash/cash movements not deemed operating activities | | 794,322 | (3,085) |
| (Increase)/decrease in receivables – current | | (2,254) | (1,730) |
| (Increase)/decrease in prepayments and advances | | (25,777) | (1,819) |
| (Increase)/decrease in other current assets | | - | - |
| Increase/(decrease) in payables – current | | 141,832 | (130,658) |
| Proceeds from sale of capital assets | | (523) | (147) |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| <i>Note</i> | 2014/15 | 2013/14 |
|--|----------------|----------------|
| | R'000 | R'000 |
| Proceeds from sale of investments | - | - |
| (Increase)/decrease in other financial assets | - | - |
| Expenditure on capital assets | 793,721 | 254,463 |
| Surrenders to Revenue Fund | (108,114) | (120,353) |
| Surrenders to RDP Fund/Donor | (4,563) | (2,841) |
| Voted funds not requested/not received | - | - |
| Own revenue included in appropriation | - | - |
| Other non-cash items | - | - |
| Net cash flow generated by operating activities | 959,723 | 111,784 |

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

| <i>Note</i> | 2014/15 | 2013/14 |
|--|----------------|----------------|
| | R'000 | R'000 |
| Consolidated Paymaster General account | 363,229 | 194,225 |
| Fund requisition account | - | - |
| Cash receipts | - | - |
| Disbursements | 7 | 83 |
| Cash on hand | 132 | 135 |
| Cash with commercial banks (Local) | - | - |
| Cash with commercial banks (Foreign) | - | - |
| Total | 363,368 | 194,443 |

DISCLOSURE NOTES

19. Contingent Liabilities and Contingent asset

19.1 Contingent liabilities

| <i>Note</i> | 2014/15 | 2013/14 |
|---|---------------------------|------------------|
| | R'000 | R'000 |
| Liable to Nature | | |
| Motor vehicle guarantees Employees | <i>Annex 3A</i> - | - |
| Housing loan guarantees Employees | <i>Annex 3A</i> 1,059 | 1,006 |
| Other guarantees | <i>Annex 3A</i> - | - |
| Claims against the department | <i>Annex 3B</i> 2,123,113 | 2,017,314 |
| Intergovernmental payables (unconfirmed balances) | <i>Annex 5</i> - | 8,694 |
| Environmental rehabilitation liability | <i>Annex 3B</i> - | - |
| Restitution claims | <i>Annex 3B</i> 113,302 | 329,191 |
| Other | - | - |
| Total | 2,237,474 | 2,356,205 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

Other: Restitution claims which are still at validation stage. The validation of the merits of the claim may result in a possible obligation which can be confirmed after the negotiation process. After finalisation of negotiations an award may be made by the Minister in accordance with S42D of the Restitution of Land Rights Act. The award may constitute restoration of land, financial compensation or a combination of both options. The submissions which have been vetted for substantial compliance and which are ready for Minister's consideration are valued at R113 302 138.57 as at 31 March 2015. Upon approval, this will result in a commitment to the department.

The total value of the assets seized during the forfeiture order by the Assets Forfeiture Unit amount to R32 million, whilst the preservation order amounted to R43 million.

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

19.2 Contingent assets

| | <i>Note</i> | 2014/15 | 2013/14 |
|---|-------------|----------------|----------------|
| | | R'000 | R'000 |
| Nature of contingent asset | | | |
| Legal claims by the department | | 67,601 | 20,838 |
| Assets seized during forfeiture order by the Assets Forfeiture Unit | | 32,861 | 153,105 |
| Total | | <u>100,462</u> | <u>173,943</u> |

The total value of the assets seized during the forfeiture order by the Assets Forfeiture Unit amount to R32 million, whilst the preservation order amounted to R43 million.

20. Commitments

| | <i>Note</i> | 2014/15 | 2013/14 |
|---------------------------------|-------------|-------------------------|-------------------------|
| | | R'000 | R'000 |
| Current expenditure | | | |
| Approved and contracted | | 61,881 | 322,385 |
| Approved but not yet contracted | | 1,064,784 | 1,099,250 |
| | | <u>1,126,664</u> | <u>1,421,635</u> |
| Capital expenditure | | | |
| Approved and contracted | | 109,849 | 6,229 |
| Approved but not yet contracted | | 4,944,923 | 4,823,661 |
| | | <u>5,054,772</u> | <u>4,829,890</u> |
| Total Commitments | | <u>6,181,436</u> | <u>6,251,525</u> |

Included in commitments are projects that are between 1 to 3 years (R1 116 503 196) and projects that are older than 3 years (R2 388 451 265) this is due to changes of Restitution settlement options, community, tribal and family disputes and untraceable claim. Interest might be charged on settlement of some of these claims in terms of Section 80 of PFMA as prescribed by the Minister of Finance.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

21. Accruals and payables not recognised

| | 2014/15 | | | 2013/14 |
|--|---------------|---------------|----------------|----------------|
| | 30 Days | 30+ Days | Total | Total |
| Listed by economic classification | | | | |
| Goods and services | 81,724 | 11,827 | 93,551 | 221,758 |
| Interest and rent on land | - | - | - | 53 |
| Transfers and subsidies | 4,658 | 13,126 | 17,784 | 1,902 |
| Capital assets | 5,493 | - | 5,493 | 185 |
| Total | 91,875 | 24,953 | 116,828 | 223,898 |

| | 2014/15 | | 2013/14 |
|----------------------------------|----------------|--|----------------|
| | R'000 | | R'000 |
| Listed by programme level | | | |
| Administration | 30,441 | | 50,267 |
| Geospatial and Cadastral Surveys | 4,131 | | 12,092 |
| Rural Development | 24,099 | | 75,448 |
| Restitution | 18,055 | | 23,528 |
| Land Reform | 40,102 | | 62,563 |
| Total | 116,828 | | 223,898 |

22. Employee benefits

| | 2014/15 | | 2013/14 |
|-----------------------------------|----------------|--|----------------|
| | R'000 | | R'000 |
| *Leave entitlement | 63,348 | | 56,321 |
| Service bonus (Thirteenth cheque) | 50,814 | | 44,468 |
| Performance awards | 27,155 | | 29,305 |
| Capped leave commitments | 31,658 | | 30,946 |
| Other | - | | - |
| Total | 172,975 | | 161,040 |

*The Department has negative balances of R2 million which resulted from the following:

At the beginning of the year the officials are allocated 22 days of vacation leave for the whole year which is pro-rated from month to month. Sometimes there are delays in terms of capturing the leave and which then result in the pro-rated days of that particular month being exceeded hence the negative balances.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

23. Lease commitments

23.1 Operating leases expenditure

| | Specialised military equipment | Land | Buildings and other fixed structures | Machinery and equipment | Total |
|--|--------------------------------|-------|--------------------------------------|-------------------------|----------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| 2014/15 | | | | | |
| Not later than 1 year | | | 164,366 | 34,695 | 199,061 |
| Later than 1 year and not later than 5 years | | | 217,862 | 43,793 | 261,655 |
| Later than five years | | | - | - | - |
| Total lease commitments | | | 382,228 | 78,488 | 460,716 |
| | | | | | |
| | Specialised military equipment | Land | Buildings and other fixed structures | Machinery and equipment | Total |
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| 2013/14 | | | | | |
| Not later than 1 year | | | 154,773 | 7,450 | 162,223 |
| Later than 1 year and not later than 5 years | | | 151,012 | 1,191 | 152,203 |
| Later than five years | | | | | |
| Total lease commitments | | | 305,785 | 8,641 | 314,426 |

The department has a leasing arrangement of office building, cell phone, 3G Cards and GG vehicles

23.2 Finance leases expenditure**

| | Specialised military equipment | Land | Buildings and other fixed structures | Machinery and equipment | Total |
|--|--------------------------------|----------|--------------------------------------|-------------------------|--------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| 2014/15 | | | | | |
| Not later than 1 year | - | - | - | 2,487 | 2,487 |
| Later than 1 year and not later than 5 years | - | - | - | 2,328 | 2,328 |
| Later than five years | | | | | |
| Total lease commitments | - | - | - | 4,815 | 4,815 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| | Specialised military equipment | Land | Buildings and other fixed structures | Machinery and equipment | Total |
|--|--------------------------------|-------|--------------------------------------|-------------------------|--------------|
| 2013/14 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Not later than 1 year | - | - | - | 4,065 | 4,065 |
| Later than 1 year and not later than 5 years | - | - | - | 1,749 | 1,749 |
| Later than five years | | | | | |
| Total lease commitments | - | | | 5,814 | 5,814 |

23.3 Operating leases revenue

| | Specialised military equipment | Land | Buildings and other fixed structures | Machinery and equipment | Total |
|--|--------------------------------|---------------|--------------------------------------|-------------------------|---------------|
| 2014/15 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Not later than 1 year | | 2,129 | | | 2,129 |
| Later than 1 year and not later than 5 years | | 2,239 | | | 2,239 |
| Later than five years | | 16,243 | - | - | 16,243 |
| Total lease commitments | | 20,611 | | | 20,611 |

| | Specialised military equipment | Land | Buildings and other fixed structures | Machinery and equipment | Total |
|--|--------------------------------|---------------|--------------------------------------|-------------------------|---------------|
| 2013/14 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Not later than 1 year | | 2,564 | | | 2,564 |
| Later than 1 year and not later than 5 years | | 4,309 | | | 4,309 |
| Later than five years | | 16,407 | - | - | 16,407 |
| Total lease commitments | | 23,280 | | | 23,280 |

24. Accrued departmental revenue

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|------|------------------|------------------|
| Tax revenue | | - | - |
| Sales of goods and services other than capital assets | | - | - |
| Fines, penalties and forfeits | | - | - |
| Interest, dividends and rent on land | | 90,696 | 100,267 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--|------|------------------|------------------|
| Sales of capital assets | | - | - |
| Transactions in financial assets and liabilities | | - | - |
| Transfers received (incl. conditional grants to be repaid by provincial departments) | | 31,388 | 54,627 |
| Other | | 31,389 | 26,761 |
| Total | | 153,473 | 181,655 |

24.1 Analysis of accrued departmental revenue

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|------|------------------|------------------|
| Opening balance | | 126,399 | 129,491 |
| Less: amounts received | | 11,371 | 36,320 |
| Add: amounts recognised | | 57,441 | 107,173 |
| Less: amounts written-off/reversed as irrecoverable | | 18,996 | 18,689 |
| Closing balance | | 153,473 | 181,655 |

24.2 Impairment of accrued departmental revenue

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--|------|------------------|------------------|
| Estimate of impairment of accrued departmental revenue | | 70,758 | - |
| Total | | 70,758 | - |

25. Irregular expenditure

25.1 Reconciliation of irregular expenditure

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|------|------------------|------------------|
| Opening balance | | 26,065 | 61,857 |
| Prior period error | | - | - |
| As restated | | 26,065 | 61,857 |
| Add: Irregular expenditure – relating to prior year | | - | 7,730 |
| Add: Irregular expenditure – relating to current year | | 25,286 | 12,647 |
| Less: Prior year amounts condoned | | (25,909) | (56,169) |
| Less: Current year amounts condoned | | - | - |
| Less: Amounts not condoned and recoverable | 24 | - | - |
| Less: Amounts not condoned and not recoverable | | - | - |
| Closing balance | | 25,442 | 26,065 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| | <i>Note</i> | 2014/15 | 2013/14 |
|--|-------------|----------------|----------------|
| | | R'000 | R'000 |
| Analysis of awaiting condonation per age classification | | | |
| Current year | | 25,286 | 12,647 |
| Prior years | | 156 | 13,418 |
| Total | | 25,442 | 26,065 |

25.2 Details of irregular expenditure – current year

| Incident | Disciplinary steps taken/criminal proceedings | 2014/15 |
|---|--|----------------|
| | | R'000 |
| Non-Compliance with Supply chain prescripts | Disciplinary investigation in progress | 25,286 |
| Total | | 25,286 |

25.3 Details of irregular expenditure condoned

| Incident | Condoned by (condoning authority) | 2014/15 |
|---|--|----------------|
| | | R'000 |
| Non-Compliance with Supply chain prescripts | Director General | 13 988 |
| BOG and Recap Project | Director General | 7,730 |
| Overspent on Restitution Project | Director General | 4,191 |
| Total | | 25,909 |

26. Fruitless and wasteful expenditure

26.1 Reconciliation of fruitless and wasteful expenditure

| | <i>Note</i> | 2014/15 | 2013/14 |
|---|-------------|----------------|----------------|
| | | R'000 | R'000 |
| Opening balance | | 41,095 | 119,131 |
| Prior period error | | | |
| As restated | | 41,095 | 119,131 |
| Fruitless and wasteful expenditure – relating to prior year | | | (596) |
| Fruitless and wasteful expenditure – relating to current year | | 6,073 | 5,417 |
| Less: Amounts resolved | | (40,042) | (82,857) |
| Less: Amounts transferred to receivables for recovery | 11 | | |
| Fruitless and wasteful expenditure awaiting resolution | | 7,126 | 41,095 |

26.2 Analysis of awaiting resolution per economic classification

| | 2014/15 | 2013/14 |
|-------------------------|----------------|----------------|
| | R'000 | R'000 |
| Current | 7,126 | 41,095 |
| Capital | - | - |
| Transfers and subsidies | - | - |
| Total | 7,126 | 41,095 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

26.3 Analysis of Current year's fruitless and wasteful expenditure

| Incident | Disciplinary steps taken/criminal proceedings | 2014/15 R'000 |
|---|--|--------------------------|
| Interest paid on late payments | Disciplinary investigation in progress | 30 |
| Interest paid as compelled by the court | Disciplinary investigation in progress | 5,460 |
| Rent on land | Disciplinary investigation in progress | 184 |
| Unutilised cell phone | Disciplinary investigation in progress | 399 |
| Total | | 6,073 |

26.4 Prior period error

| | <i>Note</i> | 2013/14 R'000 |
|--|-------------|--------------------------|
| Nature of prior period error | | - |
| | 32 | - |
| Relating to 2013/14 | | (596) |
| Fruitless and Wasteful Expenditure- Condoned | | (596) |
| The fruitless and wasteful expenditure was condoned in the 2013/14 financial year, but it was not disclosed in the annual financial statements | | |
| Total | | (596) |

27. Related party transactions

| | <i>Note</i> | 2014/15 R'000 | 2013/14 R'000 |
|---|-------------|--------------------------|--------------------------|
| Revenue received | | | |
| Tax revenue | | - | - |
| Sales of goods and services other than capital assets | | 6,289 | - |
| Fines, penalties and forfeits | | - | - |
| Interest, dividends and rent on land | | - | - |
| Sales of capital assets | | - | - |
| Transactions in financial assets and liabilities | | - | - |
| Transfers received | | - | - |
| Receivables | | - | - |
| Total | | 6,289 | - |

| | <i>Note</i> | 2014/15 R'000 | 2013/14 R'000 |
|----------------------|-------------|--------------------------|--------------------------|
| Payments made | | | |
| Tax revenue | | - | - |
| Goods and services | | 400 | - |
| Total | | 400 | - |

| | <i>Note</i> | 2014/15 R'000 | 2013/14 R'000 |
|--|-------------|--------------------------|--------------------------|
| Year end balances arising from revenue/payments | | | |
| Receivables from related parties | | 3,205 | 3,878 |
| Payables to related parties | | (246) | |
| Total | | 2,959 | 3,878 |

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| | <i>Note</i> | 2014/15 | 2013/14 |
|--|-------------|----------------|----------------|
| | | R'000 | R'000 |
| In kind goods and services provided/received | | | |
| Agricultural Land Holdings Account falls under the administration of the department of Rural Development and Land Reform. The executives of the Department spend some of their time on the affair of the trading entity. Further, the department provides the services of internal audit function, information technology and staff training. There is no cost charged by the department on this regard. | | (9,562) | - |
| The department paid for the office space for the Deeds Registration Trading Account. | | (49,274) | - |
| Deeds Registration Trading Account has rendered services (bulk information searches for properties) to the department (Surveyor-General) | | 171,134 | - |
| Total | | 112,298 | - |

28. Key management personnel

| | No. of | 2014/15 | 2013/14 |
|--|--------------------|----------------|----------------|
| | Individuals | R'000 | R'000 |
| Political office bearers | 3 | 5,306 | 3,879 |
| Officials: | | | |
| Level 15 to 16 | 13 | 16,028 | 15,119 |
| Level 14 | 78 | 72,015 | 62,289 |
| Family members of key management personnel | 2 | 462 | - |
| Total | | 93,811 | 81,287 |

29. Impairment: other

| | <i>Note</i> | 2014/15 | 2013/14 |
|--|-------------|----------------|----------------|
| | | R'000 | R'000 |
| Investments | | 16,112 | 16,112 |
| DRDLR Lease Debtors | | 43,082 | 24,517 |
| Provision for doubtful Debts (Interest due to Conveyances) | | 27,676 | 60,866 |
| Transport Payment Suspense | | 639 | 613 |
| Damage Vehicle | | 6,398 | 4,425 |
| Staff Debts | | 5,284 | 5,900 |
| Total | | 99,191 | 112,433 |

30. Provisions

| | <i>Note</i> | 2014/15 | 2013/14 |
|-------------------------------|-------------|----------------|----------------|
| | | R'000 | R'000 |
| Claims against the department | | - | - |
| Cheadle Thompson and Haysom | | 17,612 | 9,053 |
| State Land Payables | | 4,761 | 3,838 |
| Total | | 22,373 | 12,891 |

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for the year ended 31 March 2015

30.1 Reconciliation of movement in provisions – 2014/15

| | Provision 1 R'000 | Provision 2 R'000 | Provision 3 R'000 | Total provisions R'000 |
|--|----------------------|----------------------|----------------------|---------------------------|
| Opening balance | - | 9,053 | 3,838 | 12,891 |
| Provisions raised | - | 17,612 | 923 | 18,535 |
| Unused amounts reversed | - | - | - | - |
| Amounts used | - | (1,124) | - | (1,124) |
| Settlement of provision without cost to the department | - | (7,929) | - | (7,929) |
| Change in provision due to change is estimation inputs | - | - | - | - |
| Closing balance | - | 17,612 | 4,761 | 22,373 |

30.2 Reconciliation of movement in provisions – 2013/14

| | Provision 1 R'000 | Provision 2 R'000 | Provision 3 R'000 | Total provisions R'000 |
|--|----------------------|----------------------|----------------------|---------------------------|
| Opening balance | 281 | 8,116 | - | 8,397 |
| Increase in provision | - | 937 | 3,838 | 4,775 |
| Provisions raised | - | - | - | - |
| Unused amounts reversed | - | - | - | - |
| Amounts used | - | - | - | - |
| Settlement of provision without cost to the department | (281) | - | - | (281) |
| Change in provision due to change is estimation inputs | - | - | - | - |
| Closing balance | - | 9,053 | 3,838 | 12,891 |

31. Non-adjusting events after reporting date

Condonement of Irregular expenditure and Fruitless and wasteful expenditure

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|------------------------------------|------|------------------|------------------|
| Fruitless and wasteful expenditure | | 40,042 | - |
| Irregular expenditure | | 25,909 | - |
| Total | | 65,951 | - |

The memorandum for the condonement was only approved on the 28th of May 2015

32. Movable Tangible Capital Assets

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

| | Opening balance R'000 | Additions R'000 | Disposals R'000 | Closing Balance R'000 |
|------------------------|--------------------------|--------------------|--------------------|--------------------------|
| HERITAGE ASSETS | - | - | - | - |
| Heritage assets | - | - | - | - |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| | Opening balance R'000 | Additions R'000 | Disposals R'000 | Closing Balance R'000 |
|--|-----------------------------|--------------------|--------------------|-----------------------------|
| MACHINERY AND EQUIPMENT | 363,475 | 156,858 | (4,341) | 515,992 |
| Transport assets | 10,510 | 30,249 | (1,222) | 39,537 |
| Computer equipment | 242,024 | 118,795 | (2,505) | 358,314 |
| Furniture and office equipment | 86,129 | 6,040 | (462) | 91,707 |
| Other machinery and equipment | 24,812 | 1,774 | (152) | 26,434 |
| SPECIALISED MILITARY ASSETS | - | - | - | - |
| Specialised military assets | - | - | - | - |
| BIOLOGICAL ASSETS | - | - | - | - |
| Biological assets | - | - | - | - |
| Capital Work-in-progress | | | | |
| TOTAL MOVABLE TANGIBLE CAPITAL ASSETS | 363,475 | 156,858 | (4,341) | 515,992 |

32.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

| | Cash R'000 | Non-cash R'000 | (Capital Work in Progress current costs and finance lease payments) R'000 | Received current, not paid (Paid current year, received prior year) R'000 | Total R'000 |
|--|----------------|-------------------|---|---|----------------|
| HERITAGE ASSETS | - | - | - | - | - |
| Heritage assets | - | - | - | - | - |
| MACHINERY AND EQUIPMENT | 165,894 | - | (9,011) | (25) | 156,858 |
| Transport assets | 30,249 | - | - | - | 30,249 |
| Computer equipment | 118,214 | - | - | 581 | 118,795 |
| Furniture and office equipment | 6,633 | - | - | (593) | 6,040 |
| Other machinery and equipment | 10,798 | - | (9,011) | (13) | 1,774 |
| SPECIALISED MILITARY ASSETS | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| | Cash R'000 | Non-cash R'000 | (Capital Work in Progress current costs and finance lease payments) R'000 | Received current, not paid (Paid current year, received prior year) R'000 | Total R'000 |
|---|----------------|-------------------|---|---|----------------|
| BIOLOGICAL ASSETS | - | - | - | - | - |
| Biological assets | - | - | - | - | - |
| TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS | 165,894 | - | (9,011) | (25) | 156,858 |

32.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

| | Sold for cash R'000 | Transfer out or destroyed or scrapped R'000 | Total disposals R'000 | Cash Received Actual R'000 |
|--|---------------------------|---|-----------------------------|-------------------------------------|
| HERITAGE ASSETS | - | - | - | - |
| Heritage assets | - | - | - | - |
| MACHINERY AND EQUIPMENT | 2,699 | 1,642 | 4,341 | 245 |
| Transport assets | 1,222 | - | 1,222 | 243 |
| Computer equipment | 1,327 | 1,178 | 2,505 | 2 |
| Furniture and office equipment | 86 | 376 | 462 | - |
| Other machinery and equipment | 64 | 88 | 152 | - |
| SPECIALISED MILITARY ASSETS | - | - | - | - |
| Specialised military assets | - | - | - | - |
| BIOLOGICAL ASSETS | - | - | - | - |
| Biological assets | - | - | - | - |
| TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS | 2,699 | 1,642 | 4,341 | 245 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

32.3 Movement for 2013/14

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

| | Opening balance R'000 | Prior period error R'000 | Additions R'000 | Disposals R'000 | Closing Balance R'000 |
|--|--------------------------|-----------------------------|--------------------|--------------------|--------------------------|
| HERITAGE ASSETS | - | - | - | - | - |
| Heritage assets | - | - | - | - | - |
| MACHINERY AND EQUIPMENT | 320,715 | 10,447 | 35,678 | (3,365) | 363,475 |
| Transport assets | 10,510 | - | - | - | 10,510 |
| Computer equipment | 216,046 | 1 | 28,732 | (2,755) | 242,024 |
| Furniture and office equipment | 81,495 | - | 5,244 | (610) | 86,129 |
| Other machinery and equipment | 12,664 | 10,446 | 1,702 | - | 24,812 |
| SPECIALISED MILITARY ASSETS | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - |
| BIOLOGICAL ASSETS | - | - | 256 | (256) | - |
| Biological assets | - | - | 256 | (256) | - |
| TOTAL MOVABLE TANGIBLE CAPITAL ASSETS | 320,715 | 10,447 | 35,934 | (3,621) | 363,475 |

32.4 Prior period error

| | Note 29.4 | 2013/14 R'000 |
|-------------------------------------|--------------|------------------|
| Nature of prior period error | | |
| Relating to 2014/15 | | 10,447 |
| | | 10,447 |
| Relating to 2013/14 | | (19,136) |
| | | (19,136) |
| Total | | (8,689) |

These are the assets that were previously removed from the asset register, after thorough investigations, they were traced and added back to the asset register. Included in the asset register there's R9 million that is still under investigation.

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for the year ended 31 March 2015

32.5 Minor assets

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

| | Specialised military assets R'000 | Intangible assets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|---------------------------|--------------------------------------|----------------------------|--------------------------|----------------------------------|----------------------------|----------------|
| Opening balance | - | - | - | 65,241 | - | 65,241 |
| Additions | - | - | - | 8,527 | - | 8,527 |
| Disposals | - | - | - | (706) | - | (706) |
| TOTAL MINOR ASSETS | - | - | - | 73,062 | - | 73,062 |

| | Specialised military assets R'000 | Intangible assets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|-------------------------------------|--------------------------------------|----------------------------|--------------------------|----------------------------------|----------------------------|----------------|
| Number of R1 minor assets | - | - | - | - | - | - |
| Number of minor assets at cost | - | - | - | - | - | - |
| TOTAL NUMBER OF MINOR ASSETS | - | - | - | - | - | - |

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2014

| | Specialised military assets R'000 | Intangible assets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|---------------------------|--------------------------------------|----------------------------|--------------------------|----------------------------------|----------------------------|----------------|
| Opening balance | - | - | - | 58,383 | - | 58,383 |
| Prior period error | - | - | - | (186) | - | (186) |
| Additions | - | - | - | 7,726 | - | 7,726 |
| Disposals | - | - | - | (682) | - | (682) |
| TOTAL MINOR ASSETS | - | - | - | 65,241 | - | 65,241 |

| | Specialised military assets R'000 | Intangible assets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|-------------------------------------|--------------------------------------|----------------------------|--------------------------|----------------------------------|----------------------------|----------------|
| Number of R1 minor assets | - | - | - | - | - | - |
| Number of minor assets at cost | - | - | - | 42 | - | 42 |
| TOTAL NUMBER OF MINOR ASSETS | - | - | - | 42 | - | 42 |

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for the year ended 31 March 2015

33. Immovable Tangible Capital Asset

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

| | Opening balance R'000 | Additions R'000 | Disposals R'000 | Closing Balance R'000 |
|--|-----------------------------|--------------------|--------------------|-----------------------------|
| BUILDINGS AND OTHER FIXED STRUCTURES | 595,325 | 13,933 | (193,147) | 416,111 |
| Dwellings | - | - | - | - |
| Non-residential buildings | - | - | - | - |
| Other fixed structures | 595,325 | 13,933 | (193,147) | 416,111 |
| HERITAGE ASSETS | - | - | - | - |
| Heritage assets | - | - | - | - |
| LAND AND SUBSOIL ASSETS | 1,380,472 | 177,548 | (221,093) | 1,336,927 |
| Land | 1,380,472 | 177,548 | (221,093) | 1,336,927 |
| Mineral and similar non-regenerative resources | - | - | - | - |
| Capital Work-in-progress | | | | |
| TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS | 1,975,797 | 191,481 | (414,240) | 1,753,038 |

33.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

| | Cash R'000 | Non-cash R'000 | (Capital Work in Progress current costs and finance lease payments) R'000 | Received current, not paid (Paid current year, received prior year) R'000 | Total R'000 |
|--|----------------|-------------------|---|---|----------------|
| BUILDING AND OTHER FIXED STRUCTURES | 401,145 | - | (387,212) | - | 13,933 |
| Dwellings | - | - | - | - | - |
| Non-residential buildings | - | - | - | - | - |
| Other fixed structures | 401,145 | - | (387,212) | - | 13,933 |
| HERITAGE ASSETS | - | - | - | - | - |
| Heritage assets | - | - | - | - | - |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| | Cash R'000 | Non-cash R'000 | (Capital Work in Progress current costs and finance lease payments) R'000 | Received current, not paid (Paid current year, received prior year) R'000 | Total R'000 |
|---|----------------|-------------------|---|---|----------------|
| LAND AND SUBSOIL ASSETS | 226,682 | 104 | (49,238) | - | 177,548 |
| Land | 226,682 | 104 | (49,238) | - | 177,548 |
| Mineral and similar non-regenerative resources | - | - | - | - | - |
| TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS | 627,827 | 104 | (436,450) | - | 191,481 |

33.2 Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

| | Sold for cash R'000 | Transfer out or destroyed or scrapped R'000 | Total disposals R'000 | Cash Received Actual R'000 |
|---|---------------------------|---|-----------------------------|-------------------------------------|
| BUILDINGS AND OTHER FIXED STRUCTURES | - | 193,147 | 193,147 | - |
| Dwellings | - | - | - | - |
| Non-residential buildings | - | - | - | - |
| Other fixed structures | - | 193,147 | 193,147 | - |
| HERITAGE ASSETS | - | - | - | - |
| Heritage assets | - | - | - | - |
| LAND AND SUBSOIL ASSETS | - | 221,093 | 221,093 | - |
| Land | - | 221,093 | 221,093 | - |
| Mineral and similar non-regenerative resources | - | - | - | - |
| TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS | - | 414,240 | 414,240 | - |

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for the year ended 31 March 2015

33.3 Movement for 2013/14

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

| | Opening balance R'000 | Prior period error R'000 | Additions R'000 | Disposals R'000 | Closing Balance R'000 |
|--|--------------------------|-----------------------------|--------------------|--------------------|--------------------------|
| BUILDINGS AND OTHER FIXED STRUCTURES | 362,122 | - | 233,203 | - | 595,325 |
| Dwellings | - | - | - | - | - |
| Non-residential buildings | - | - | - | - | - |
| Other fixed structures | 362,122 | - | 233,203 | - | 595,325 |
| HERITAGE ASSETS | - | - | - | - | - |
| Heritage assets | - | - | - | - | - |
| LAND AND SUBSOIL ASSETS | 1,574,740 | 11,827 | 141,336 | (347,431) | 1,380,472 |
| Land | 1,574,740 | 11,827 | 141,336 | (347,431) | 1,380,472 |
| Mineral and similar non-regenerative resources | - | - | - | - | - |
| TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS | 1,936,862 | 11,827 | 374,539 | (347,431) | 1,975,797 |

33.3.1 Prior period error

| | Note | 2013/14 R'000 |
|--|------|------------------|
| Nature of prior period error | | - |
| Relating to 2014/15 | 41.3 | 11,827 |
| State Land assets that were omitted in the prior year asset register | | 11,827 |
| Relating to 2013/14 | | 143,366 |
| | | 143,366 |
| Total | | 155,193 |

State land assets were acquired in prior years but they were omitted from the asset register

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

33.4 Immovable assets valued at R1

IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER AS AT 31 MARCH 2015

| | Buildings and other fixed structures | Heritage assets | Land and subsoil assets | Total |
|---------------------|---|------------------------|--------------------------------|--------------|
| | R'000 | R'000 | R'000 | R'000 |
| R1 Immovable assets | - | - | 23 | 23 |
| TOTAL | - | - | 23 | 23 |

IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER AS AT 31 MARCH 2014

| | Buildings and other fixed structures | Heritage assets | Land and subsoil assets | Total |
|---------------------|---|------------------------|--------------------------------|--------------|
| | R'000 | R'000 | R'000 | R'000 |
| R1 Immovable assets | - | - | 23 | 23 |
| TOTAL | - | - | 23 | 23 |

33.5 S42 Immovable assets

Assets subjected to transfer in terms of S42 of the PFMA – 2014/15

| | Number of assets | Value of assets |
|--|-------------------------|------------------------|
| | | R'000 |
| BUILDINGS AND OTHER FIXED STRUCTURES | 1,983 | 193,147 |
| Dwellings | - | - |
| Non-residential buildings | - | - |
| Other fixed structures | 1,983 | 193,147 |
| HERITAGE ASSETS | - | - |
| Heritage assets | - | - |
| LAND AND SUBSOIL ASSETS | - | - |
| Land | - | - |
| Mineral and similar non-regenerative resources | - | - |
| TOTAL | 1,983 | 193,147 |

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33.6 Immovable assets additional information

| | Estimated completion date | Note | 2014/15 Area | 2013/14 Area |
|---|---------------------------|------------|-----------------|-----------------|
| a) Unsurveyed land | | Annexure 9 | | |
| | | | Number | Number |
| b) Properties deemed vested | | Annexure 9 | | |
| Land parcels | | | 2,971 | 4,420 |
| Facilities | | | | |
| Schools | | | | |
| Clinics | | | | |
| Hospitals | | | | |
| Office buildings | | | | |
| Dwellings | | | | |
| Storage facilities | | | | |
| Other | | | | |
| | Duration of use | | Number | Number |
| c) Facilities on unsurveyed land | | Annexure 9 | | |
| Schools | | | 5,116 | - |
| Clinics | | | 446 | - |
| Hospitals | | | 25 | - |
| Office buildings | | | 175 | - |
| Dwellings | | | 296 | - |
| Storage facilities | | | - | - |
| Other | | | 318 | - |

Un-surveyed State land

- The Nature of un-surveyed land is that no representative data or direct measurement of it exists. With the assistance of all the Surveyor-General Offices, all un-surveyed state land was identified in each province by technically interrogating and researching 'gaps' in the Cadastral Spatial Continuous Map. All identified un-surveyed administrative areas are surveyed.
- All State Domestic Facilities on un-surveyed State Land were simultaneously surveyed with the outside figure (Administrative Area), with approved SG diagrams. The survey and approval of diagrams for State Domestic Facilities (SDF) contained within previously surveyed state land is facilitated by a parallel exercise which is a long-term ongoing exercise, owing to the vast number of un-surveyed SDFs.
- All un-surveyed state land, including those from the former TBVC States and Self Governing Territories and state land in the former territory of the Republic of South Africa (pre 27 April 1994).

Surveyed but not registered State land

- All surveyed but unregistered land parcels for which the custodianship is still being determined and which is not confirmed vested in the name of a province or where custodial powers have not been assigned to another national department in terms of section 4 of the GIAMA.
- All surveyed but unregistered land parcels where the surveying process has been concluded between 1 October and 31 March of every year or where the relevant information to commence registration has not been handed over to the rightful custodian before 30 September of every year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

Surveyed Land registered

- All land vested with the national government situated in the former TBVC states and the former Self Governing Territories including any tribal land located in these areas with the exclusion of land governed by the KwaZulu-Natal Ingonyama Trust Act, 1994 (Act 3 of 1994) and Amendment Act.
- All former South African Development Trust land unless title clearly resides with another party in terms of specific legislation or have been confirmed vested in a province.
- All national land held for land reform purposes.

34. Agent-principal arrangements

34.1 Department acting as the agent

34.1.1 Revenue received for agency activities

| | 2014/15 R'000 | 2013/14 R'000 |
|---|------------------|------------------|
| Include a list of the entities for which the department acts as an agent and the amounts received for these agency duties | 40,375 | - |
| Total | 40,375 | - |

This is the grant from National Skills Fund to the National Rural Youth Service (NARYSEC) Corps programme of the department. The project started during the year under review until 31 March 2016.

34.1.2 Reconciliation of agency funds and disbursements – 2014/15

| Name of principal entity | Total agency funds received R'000 | Expenditure incurred against funds R'000 | Amount remitted to the principal R'000 | Variance between amounts received and amounts remitted R'000 | Explanation of variance |
|---|--------------------------------------|---|---|---|---|
| Department of Higher Education and Training | 40,375 | 23,669 | 16,706 | | Unutilised funds will be surrendered at end of the contract |
| Total | 40,375 | 23,669 | 16,706 | | |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

34.2 Agent- Principal Arrangement

Department Agent-Principal

| | 2014/15 | 2013/14 |
|--|----------------|----------------|
| | R'000 | R'000 |
| Independent Development Trust | 7,321 | 69,453 |
| Agricultural Research Council | 127,996 | 131,634 |
| Development Bank Of Southern Africa | 29,646 | 25,691 |
| National Agricultural Marketing Council | 16,670 | 9,500 |
| National Wool Growers Ass of SA | 19,548 | 11,944 |
| Agribusiness in sustainable natural plant (ASNAPP) | 9,915 | 7,550 |
| CSIR | 24,447 | 88,855 |
| Witzenberg Municipality | 4,577 | 7,112 |
| Mpumalanga Regional Training Trust | 787 | 1,163 |
| Cheadle Thompson & Hayson (CTH) | 87,993 | 76,740 |
| Total | 328,900 | 429,642 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| Name of entity or institution | Nature of the arrangement | Actual expenditure R'000 |
|--|--|--------------------------|
| Independent Development Trust | <ul style="list-style-type: none"> Food security programme | 7,321 |
| Agricultural Research Council | <ul style="list-style-type: none"> Training of the Agricultural Para Professionals. Training of small holder livestock producers. Establishment of fruit and vegetables enterprises in different provinces in SA. breed fifty Bonsmara beef cattle and two Bonsmara bulls and also train and mentor beneficiaries of Segogoane's Valley Trust in Thaba Phachoa within Mantsopa Local Municipality in Free State. Enterprise development sweet potato vine nurseries and farming enterprise. Reconnaissance survey visit in 9 provinces for the establishment of a production support mechanisation centre for the commodity value chain. Agri park concept development which entailed conducting of situational analysis in 14 district municipalities in Mpumalanga, Limpopo, Eastern Cape and Kwazulu Natal. | 127,996 |
| Development Bank Of Southern Africa | <ul style="list-style-type: none"> Assist the Department with the Sustainable Development Plan for Five Years in Muyexe. Assist the Department to conduct a full due diligence study that aims to rationalise 658 cooperatives to 110 trading enterprises. | 29,646 |
| National Agricultural Marketing Council | <ul style="list-style-type: none"> Development of red meat production centres through the National red meat development programme. | 16,670 |
| National Wool Growers Ass of SA | <ul style="list-style-type: none"> Genetic improvement of wool sheep farming in the communal areas of the Eastern Cape | 19,548 |
| Agribusiness in sustainable natural plant (ASNAPP) | <ul style="list-style-type: none"> Implementation of a hydroponics project in the CRDP site in the Sokhulumi Tshwane municipality, Tshwaraganang phase one project and for the Ndluli Ceres phase one project in the Western Cape. | 9,915 |
| CSIR | <ul style="list-style-type: none"> Design and Deployment of New Digital Doorways, upgrading 15 container digital doorways and upgrading connectivity in the 18 schools running the Ischool Africa Programme. 60 x Schools roll out kit submitted to core computer business (PTY) Ltd for Ischool Africa Programme. Feasibility studies for DRDLR Project ideas by Facilitating skills development, Training, Mentoring, Technology transfer, Technical support, Productivity enhancement, Rural Industries development. Cofimvaba Nciba District Infrastructure Costs (School Infrastructure). Establishing an essential oil and Moringa agro processing business at Temotua farm in Driekop. | 24,447 |
| Witzenberg Municipality | <ul style="list-style-type: none"> Implementation of the integrated development plans for community up-liftment | 4,577 |
| Mpumalanga Regional Training Trust | <ul style="list-style-type: none"> Joint venture with Department of human settlements to build houses in Donkerhoek & Jabulani in the Mkhondo Municipality, Mpumalanga Province | 787 |
| Cheadle Thompson & Hayson (CTH) | <ul style="list-style-type: none"> To manage the Land Rights Management Facility on behalf of the Department over a period of three years | 87,993 |

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35. Prior period errors

35.1 Correction of prior period errors

| <i>Note</i> | 2013/14 |
|---|----------------|
| | R'000 |
| The comparative amounts in Note 30 were restated as follows: | |
| Increase in Accrued departmental revenue (Lease Debtors) | 499 |
| Decrease in Accrued departmental revenue (Interest on conveyancers) | (5,564) |
| Decrease in Accrued departmental revenue (ALHA) | (10) |
| Net effect | (5,075) |

Accrued departmental Revenue had the following errors:

Lease Debtors

Interest on Conveyancers

Incorrect disclosure on ALHA receivables

Mis-classification of Contingent assets

| | 2013/14 |
|----------------------------------|------------------|
| | R'000 |
| Decrease in Contingent liability | (630,960) |
| Net effect | (630,960) |

| | 2013/14 |
|---|----------------|
| | R'000 |
| The comparative amounts in Note 22.3 were restated as follows: | |
| Increase in Operating lease revenue | |
| Not later than a year | 2,564 |
| Later than 1 year but not later than 5 years | 4,309 |
| Later than 5 years | 16,407 |
| Net effect | 23,280 |

Operating lease revenue was not disclosed in prior years

| | 2013/14 |
|---|----------------|
| | R'000 |
| The comparative amounts in Note 34.2 were restated as follows: | |
| Increase in Agent-principal arrangements | 429,642 |
| Net effect | 429,642 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

ANNEXURE 1A

Agent-principal arrangements were not disclosed in previous year

STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES

| NAME OF MUNICIPALITY | GRANT ALLOCATION | | | TRANSFER | | | DORA | |
|-------------------------|-------------------------------|------------------|-------------------|-----------------|-----------------------|----------------------|------|--|
| | Division of Revenue Act R'000 | Roll Overs R'000 | Adjustments R'000 | Total Available | Actual Transfer R'000 | Funds Withheld R'000 | | Re-allocations by National Treasury or National Department % |
| Witzenberg Municipality | - | - | - | - | 4,577 | - | - | 7,112 |
| | - | - | - | - | 4,577 | - | - | 7,112 |

ANNEXURE 1B

STATEMENT OF UNCONDITIONAL GRANTS PAID TO MUNICIPALITIES

| NAME OF MUNICIPALITY | GRANT ALLOCATION | | | TRANSFER | | | SPENT | | 2013/14 | | |
|---------------------------|-------------------------------|------------------|-------------------|-----------------|-----------------------|----------------------|--|---------------------------------------|---------|------------------------------------|--|
| | Division of Revenue Act R'000 | Roll Overs R'000 | Adjustments R'000 | Total Available | Actual Transfer R'000 | Funds Withheld R'000 | Re-allocations by National Treasury or National Department % | Amount received by municipality R'000 | | Amount spent by municipality R'000 | % of available funds spent by municipality % |
| Municipal Rates and Taxes | 50,246 | - | 72,856 | 123,102 | 120,996 | - | - | - | - | 98.% | 3,318 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| NAME OF MUNICIPALITY | GRANT ALLOCATION | | | TRANSFER | | | SPENT | | | 2013/14 | |
|----------------------|-------------------------------|------------------|-------------------|-----------------|-----------------------|----------------------|--|---------------------------------------|------------------------------------|----------|--|
| | Division of Revenue Act R'000 | Roll Overs R'000 | Adjustments R'000 | Total Available | Actual Transfer R'000 | Funds Withheld R'000 | Re-allocations by National Treasury or National Department % | Amount received by municipality R'000 | Amount spent by municipality R'000 | | % of available funds spent by municipality % |
| Levies vehicles | 14,207 | - | (14,112) | 95 | 44 | - | - | - | - | 46% | 47 |
| Licences | | | | | | | | | | | |
| | 64,453 | - | 58,744 | 123,197 | 121,040 | - | - | - | - | - | 3,365 |

ANNEXURE 1C

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

| DEPARTMENT/AGENCY/ACCOUNT | TRANSFER ALLOCATION | | | | TRANSFER | | | 2013/14 |
|---------------------------------------|------------------------------|------------------|-------------------|-----------------------|-----------------------|------------------------------------|-------------------------|---------|
| | Adjusted Appropriation R'000 | Roll Overs R'000 | Adjustments R'000 | Total Available R'000 | Actual Transfer R'000 | % of Available funds Transferred % | Appropriation Act R'000 | |
| Ingonyama Trust Board | 17,294 | - | - | 17,294 | 17,294 | 100% | 14,500 | |
| Registration of Deeds Trading Account | 113,194 | - | - | 113,194 | 113,194 | 100% | 241,741 | |
| Agricultural Land Holdings Account | 1,718,757 | - | (105,000) | 1,613,757 | 1,613,529 | 100% | 1,697,119 | |
| Skills Development Levy | 3,401 | - | 117 | 3,518 | 3,518 | 100% | 2,377 | |
| Com: Licences (Radio%TV) | 1 | - | 11 | 12 | 9 | 75% | 26 | |
| Human Sciences Rec Council | - | - | 1,903 | 1,903 | 1,903 | 100% | 3,482 | |
| Khula Enterprises Finance LTD | 1 | - | - | 1 | - | - | - | |
| Mpumalanga Regional Training Trust | - | - | - | - | - | 100% | 1,163 | |
| SA Local Government | - | - | 3,000 | 3,000 | 3,000 | 100% | - | |
| Total | 1,852,648 | - | (99,969) | 1,752,679 | 1,752,447 | - | 1,960,408 | |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

ANNEXURE 1D

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

| NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE | TRANSFER ALLOCATION | | | | EXPENDITURE | | | 2013/14 | |
|---|----------------------------------|------------------|-------------------|-----------------------|-----------------------|------------------------------------|---------------|---------|---------------|
| | Adjusted Appropriation Act R'000 | Roll Overs R'000 | Adjustments R'000 | Total Available R'000 | Actual Transfer R'000 | % of Available funds Transferred % | Capital R'000 | | Current R'000 |
| Public Corporations | - | - | - | - | 7,320 | - | - | - | 69,453 |
| Independent Development Trust | - | - | - | - | - | - | - | - | - |
| Subsidies | - | - | - | - | 7,320 | - | - | - | 69,453 |
| Total | - | - | - | - | 7,320 | - | - | - | 69,453 |
| TOTAL | - | - | - | - | 7,320 | - | - | - | 69,453 |

ANNEXURE 1E

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

| FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION | TRANSFER ALLOCATION | | | EXPENDITURE | | | 2013/14 |
|--|----------------------------------|------------------|-------------------|-----------------------|-----------------------|------------------------------------|---------|
| | Adjusted Appropriation Act R'000 | Roll overs R'000 | Adjustments R'000 | Total Available R'000 | Actual Transfer R'000 | % of Available funds Transferred % | |
| Transfers | 1,450 | - | 614 | 2,064 | 2,063 | 100% | 1,772 |
| UN Membership Fees | 1,450 | - | 614 | 2,064 | 2,063 | 100% | 1,772 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION Subsidies

| | TRANSFER ALLOCATION | | | EXPENDITURE | | 2013/14 |
|--------------|----------------------------------|------------------|-------------------|-----------------------|-----------------------|---------|
| | Adjusted Appropriation Act R'000 | Roll overs R'000 | Adjustments R'000 | Total Available R'000 | Actual Transfer R'000 | |
| | - | - | - | - | - | - |
| Total | 1,450 | 1,450 | 614 | 2,064 | 2,063 | 1,772 |

ANNEXURE 1F

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS

Transfers

Free State Department of Agriculture and Rural Dev
 Free State Department of Human Settlement
 South African Council for Planners
 Goegedacht Trust
 Ikageng Self Help Assoc for the Blind
 Ikemeseng Assoc for the blind
 Ifireleng Trust

| | TRANSFER ALLOCATION | | | | EXPENDITURE | | 2013/14 |
|------------------|----------------------------------|------------------|-------------------|-----------------------|-----------------------|-------------------------------|---------|
| | Adjusted Appropriation Act R'000 | Roll overs R'000 | Adjustments R'000 | Total Available R'000 | Actual Transfer R'000 | Available funds transferred % | |
| | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - |
| | 3,020 | - | - | 3,020 | 3,020 | 100% | 2,849 |
| | - | - | 200 | 200 | 200 | 100% | 1,591 |
| | - | - | - | - | - | - | 1,000 |
| | - | - | - | - | - | - | 993 |
| | - | - | 535 | 535 | 535 | 100% | - |
| | 3,020 | - | 735 | 3,755 | 3,755 | - | 6,433 |
| Subsidies | - | - | - | - | - | - | - |
| Total | 3,020 | - | 735 | 3,755 | 3,755 | - | 6,433 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

| | TRANSFER ALLOCATION | | | EXPENDITURE | | 2013/14 |
|---|----------------------------------|------------------|-------------------|-----------------------|-----------------------|-------------------------|
| | Adjusted Appropriation Act R'000 | Roll Overs R'000 | Adjustments R'000 | Total Available R'000 | Actual Transfer R'000 | Appropriation Act R'000 |
| HOUSEHOLDS | | | | | | |
| Transfers | | | | | | |
| Restitution Grants (Beneficiaries) | 2,051,221 | - | 235,500 | 2,286,721 | 2,260,720 | 2,278,048 |
| Land Reform Grants (Beneficiaries) | 383,514 | - | (87,000) | 296,514 | 295,667 | 619,380 |
| Social benefits Bursaries (Non-Employees) | 33,760 | - | 128 | 33,888 | 33,887 | 28,685 |
| Social benefits (Severance Package) | - | - | - | - | - | - |
| Social benefits (Leave Gratuity) | 935 | - | 3,138 | 4,073 | 4,039 | 3,031 |
| Social benefits (Cash) | 115,942 | - | (13,847) | 102,095 | 102,088 | 669 |
| Social benefits (Narysec) | 365,012 | - | 172,340 | 537,352 | 537,316 | 217,361 |
| Social benefits (RID/REID) | 849,909 | - | (495,438) | 354,471 | 333,356 | 275,175 |
| | 3,800,293 | - | (185,179) | 3,615,114 | 3,567,073 | 3,422,349 |
| Subsidies | | | | | | |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| Total | 3,800,293 | - | (185,179) | 3,615,114 | 3,567,073 | 3,422,349 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

ANNEXURE 1H

STATEMENT OF AID ASSISTANCE RECEIVED

| NAME OF DONOR | PURPOSE | OPENING BALANCE R'000 | REVENUE R'000 | EXPENDITURE R'000 | CLOSING BALANCE R'000 |
|------------------|---|-----------------------|---------------|-------------------|-----------------------|
| Received in cash | | | | | |
| Belgium | Post settlement and development support for land reform beneficiaries | 4,563 | 28,176 | 14,327 | 18,412 |
| European Union | KKH Blueberry Out grower | - | 2,140 | 2,140 | - |
| Subtotal | | 4,563 | 30,316 | 16,467 | 18,412 |
| Received in kind | | | | | |
| Subtotal | | - | - | - | - |
| TOTAL | | 4,563 | 30,316 | 16,467 | 18,412 |

ANNEXURE 2A

STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

| NAME OF PUBLIC ENTITY | State Entity's PFMA Schedule type (state yearend if not 31 March) | % Held 14/15 | % Held 13/14 | Number of shares held | | Cost of investment R'000 | | Net Asset value of investment R'000 | | Profit/(Loss) for the year R'000 | | Losses guaranteed Yes/No |
|-----------------------------------|---|--------------|--------------|-----------------------|---------|--------------------------|---------|-------------------------------------|---------|----------------------------------|---------|--------------------------|
| | | | | 2014/15 | 2013/14 | 2014/15 | 2013/14 | 2014/15 | 2013/14 | 2014/15 | 2013/14 | |
| National/Provincial Public Entity | | | | | | | | | | | | |
| Inala Farm (Pty) Ltd | | 1 | 1 | 100 | 100 | 16,112 | 16,112 | - | - | - | - | - |
| Subtotal | | | | 100 | 100 | 16,112 | 16,112 | - | - | - | - | - |
| Other | | - | - | - | - | - | - | - | - | - | - | - |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| NAME OF PUBLIC ENTITY | State Entity's PFMA Schedule type (state yearend if not 31 March) | % Held 14/15 | % Held 13/14 | Number of shares held | | Cost of investment R'000 | | Net Asset value of investment R'000 | | Profit/(Loss) for the year R'000 | Losses guaranteed |
|-----------------------|---|--------------|--------------|-----------------------|---------|--------------------------|---------|-------------------------------------|---------|----------------------------------|-------------------|
| | | | | 2014/15 | 2013/14 | 2014/15 | 2013/14 | 2014/15 | 2013/14 | | |
| Subtotal | | - | - | - | - | - | - | - | - | - | Yes/No |
| TOTAL | | - | - | 100 | 100 | 16,112 | 16,112 | - | - | - | - |

ANNEXURE 3A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2014 – LOCAL

| Guarantor institution | Guarantee in respect of | Original guaranteed capital amount R'000 | Opening balance 1 April 2014 R'000 | Adjustments to Opening balance R'000 | Guarantees draw downs during the year R'000 | Guarantees repayments/ cancelled/ reduced/ released during the year R'000 | Revaluations R'000 | Closing balance 31 March 2015 R'000 | Guaranteed interest for year ended 31 March 2015 R'000 | Realised losses not recoverable i.e. claims paid out R'000 |
|------------------------|-------------------------|--|------------------------------------|--------------------------------------|---|---|--------------------|-------------------------------------|--|--|
| Motor vehicles | | | | | | | | | | |
| Subtotal | | | | | | | | | | |
| Housing | | | | | | | | | | |
| ABSA | | 425 | 394 | | 70 | (39) | - | 425 | - | - |
| BOE (Ltd) | | 18 | 18 | | - | - | - | 18 | - | - |
| First Rand Bank | | 73 | 73 | | - | - | - | 73 | - | - |
| MEEG Bank | | - | 38 | | - | (38) | - | - | - | - |
| Nedbank | | 30 | 30 | | - | - | - | 30 | - | - |
| Old Mutual Div Nedbank | | 13 | 13 | | - | - | - | 13 | 13 | - |
| Standard Bank | | 430 | 433 | (3) | - | - | - | 430 | - | - |
| Nedbank Inc BOE | | 7 | 7 | | - | - | - | 7 | - | - |
| NP Develop Corp.LTD | | 63 | - | | 63 | - | - | 63 | - | - |
| Subtotal | | 1,059 | 1,006 | (3) | 133 | (77) | | 1,059 | 13 | |
| Other | | | | | | | | | | |
| Subtotal | | | | | | | | | | |
| TOTAL | | 1,059 | 1,006 | (3) | 133 | (77) | | 1,059 | 13 | |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2015

| NATURE OF LIABILITY | Opening balance 1 April 2014 R'000 | Adjustment to Opening Balance | Liabilities incurred during the year R'000 | Liabilities paid/reduced during the year R'000 | Liabilities recoverable (Provide details hereunder) R'000 | Closing balance 31 March 2015 R'000 |
|--|------------------------------------|-------------------------------|--|--|---|-------------------------------------|
| Claims against the department | | | | | | |
| Action proceedings against the department to make payment to his family alone | 60 000 | - | - | (60 000) | - | - |
| Application compelling commission to pay grant money to CPA's account | 10 000 | - | - | - | - | 10 000 |
| Breach of agreement and sued for interest | 744 | - | - | - | - | 744 |
| Breach of contract and compelling specific performance | 1 696 | - | - | - | - | 1 696 |
| Claimant dispute claim of just and equitable compensation | 28 470 | - | - | - | - | 28 470 |
| Claimant disputing that her claim is for tenancy but for ownership | 4 113 | 2 463 | - | (1 650) | - | - |
| Claimants allege to have brought the property through a nominee | 3 500 | 1 411 | - | (2 089) | - | - |
| Claimants in this matter are disputing that they received just and equitable compensation. | - | - | - | - | - | - |
| Commission disputes feasibility and claim for specific performance. | 15 678 | - | - | - | - | 15 678 |
| Commission is disputing validity of the contract with applicant | 528 | - | - | - | - | 528 |
| Commission is disputing validity of the contract with applicant | 3 491 | - | - | - | - | 3 491 |
| Commission were compelled to pay 2nd 50% of purchase price and interest | - | - | - | - | - | - |
| Consultants are claiming payment for services rendered. | 1 164 | 914 | - | (250) | - | - |
| Current owner want to be paid more than the valuation amount on an approved s42d matter | 4 500 | - | - | - | - | 4 500 |
| Department dispute Alexcor claim of just and equitable compensation | 164 896 | - | - | - | - | 164 896 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| NATURE OF LIABILITY | Opening balance 1 April 2014 R'000 | Adjustment to Opening Balance | Liabilities incurred during the year R'000 | Liabilities paid/ cancelled/ reduced during the year R'000 | Liabilities recoverable (Provide details hereunder) R'000 | Closing balance 31 March 2015 R'000 |
|--|------------------------------------|-------------------------------|--|--|---|-------------------------------------|
| Interdict against the commission from making payment to Ebrahim family | 1 185 | 2 919 | - | (4 104) | - | - |
| Interest failure to pay 2nd 50%, as contained in the agreement. | 253 | - | - | - | - | 253 |
| Lease rental claim | 1 516 | - | - | - | - | 1 516 |
| Liquidator issued summons against commission matter is opposed breach contract | 15 252 | - | - | - | - | 15 252 |
| Matter for payment of interest for breach of contract | 53 | - | - | - | - | 53 |
| Matter going on appeal as claimants want restoration | - | - | - | - | - | - |
| Matter in court due to breach of contract | 53 | - | - | - | - | 53 |
| Mr Vermaas, claims compensation he received was not just & equitable | 67 989 | - | - | - | - | 67 989 |
| Restitution claim, for purchase price and interest of 15,5% and costs. | 18 927 | - | - | - | - | 18 927 |
| State is refusing to buy paper development thus restoration not feasible | 41 000 | (33 050) | - | (7 950) | - | - |
| Summons issued for Interest on failure to honour legal agreement | 147 | - | - | - | - | 147 |
| The claim is for alleged under compensation to the Ballot family | - | - | - | - | - | - |
| The claim is for alleged under compensation to the Crowter family | 5 000 | (4 170) | - | (830) | - | - |
| This is a direct access case for under compensation | 5 377 | - | - | - | - | 5 377 |
| Restitution claim, for purchase price and interest of 15,5% and costs. | 12 197 | - | - | - | - | 12 197 |
| Claim for valuations performed | 202 | - | - | - | - | 202 |
| Claim on demolished dwellings | 1 600 | - | - | - | - | 1 600 |
| Claim on undervaluation of property | 10 314 | (7 064) | - | (3 250) | - | - |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| NATURE OF LIABILITY | Opening balance 1 April 2014 R'000 | Adjustment to Opening Balance | Liabilities incurred during the year R'000 | Liabilities paid/ cancelled/ reduced during the year R'000 | Liabilities recoverable (Provide details hereunder) | Closing balance 31 March 2015 R'000 |
|--|--|-------------------------------------|---|--|--|--|
| Claim on property | 74 | - | - | - | - | 74 |
| Restitution claim, for purchase price and interest of 15.5% and costs. | 994 230 | - | - | - | - | 994 230 |
| Claim on property | 168 | - | - | - | - | 168 |
| The claim is for alleged under compensation | | - | 7 600 | - | - | 7 600 |
| The claim is for alleged under compensation | | - | 1 436 | - | - | 1 436 |
| Claim on interest 15.5% | 5 290 | - | - | - | - | 5 290 |
| Claim on property | - | - | - | - | - | - |
| Breach of agreement | 363 | - | - | - | - | 363 |
| Labour dispute | 653 | - | - | - | - | 653 |
| Breach of agreement | 2 812 | (1 171) | 1 159 | (2 800) | - | - |
| Claim for losses incurred as result of fire | 28 042 | - | 13 639 | - | - | 41 681 |
| Contractual claim | - | - | - | - | - | - |
| Grants claim | 1 000 | - | - | - | - | 1 000 |
| Negligence | 100 | - | - | - | - | 100 |
| Other | 435 846 | 1 220 | 169 371 | (9 217) | - | 597 220 |
| Personal claim (Labour dispute) | 202 | - | - | (202) | - | - |
| Claim for repair of boundary fence | 16 | - | - | - | - | 16 |
| Negligence by the employees of the Deeds Office-Cape Town | 917 | - | - | - | - | 917 |
| Occupational Specific Dispensation | 428 | - | - | - | - | 428 |
| Constructive Obligations | 59 789 | - | 9 235 | - | - | 69 024 |
| Application for payment in respect of adjustment account | 740 | - | - | - | - | 740 |
| Application compelling payment | 6 000 | 188 | - | (6 188) | - | - |
| Contractual claim | 360 | - | - | - | - | 360 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| NATURE OF LIABILITY | Opening balance 1 April 2014 R '000 | Adjustment to Opening Balance | Liabilities incurred during the year R '000 | Liabilities paid/ cancelled/ reduced during the year R '000 | Liabilities recoverable (Provide details hereunder) | Closing balance 31 March 2015 R '000 |
|---|---|-------------------------------------|--|---|--|---|
| Rates claim | 273 | - | 74 | - | - | 347 |
| Contractual claim | 167 | - | - | - | - | 167 |
| Contractual claim | - | - | 3 436 | - | - | 3 436 |
| Damages for misrepresentation | - | - | 1 000 | - | - | 1 000 |
| Contractual claim | - | - | 626 | - | - | 626 |
| Professional Services | - | - | 313 | (313) | - | - |
| Negligence by the employees of the Deeds Office-Pretoria | - | - | 141 | - | - | 141 |
| Contractual claim | - | - | 8 800 | - | - | 8 800 |
| Monetary claim | - | - | 11 312 | - | - | 11 312 |
| Offer to purchase | - | - | 11 414 | - | - | 11 414 |
| Restitution claims | - | - | 108 | - | - | 108 |
| Claim for services rendered | - | - | 189 | - | - | 189 |
| Claim for property rates | - | - | 10 705 | - | - | 10 705 |
| Subtotal | 2 017 314 | (45 916) | 250 558 | (98 843) | - | 2 123 113 |
| Other | - | - | - | - | - | - |
| Restitution claims that are on route to the Minister for approval | 329 191 | - | 2 140 449 | (2 356 338) | - | 113 302 |
| Subtotal | 329 191 | - | 2 140 449 | (2 356 338) | - | 113 302 |
| TOTAL | 2 346 505 | (45 916) | 2 391 007 | (2 455 181) | - | 2 236 415 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

ANNEXURE 4

CLAIMS RECOVERABLE

| GOVERNMENT ENTITY | Confirmed balance outstanding | | Unconfirmed balance outstanding | | Total | | Cash in transit at year end 2014/15 * | |
|--|-------------------------------|---------------------|---------------------------------|---------------------|---------------------|---------------------|---|-----------------|
| | 31/03/2015 R'000 | 31/03/2014 R'000 | 31/03/2015 R'000 | 31/03/2014 R'000 | 31/03/2015 R'000 | 31/03/2014 R'000 | Receipt date up to six (6) working days after year end | Amount R'000 |
| Department | - | - | - | - | - | - | - | - |
| Department of GG transport | - | - | - | - | - | - | - | - |
| Gauteng: Treasury | - | - | 33 | - | 33 | - | - | - |
| Public Works | - | - | - | 1 | - | 1 | 1 | - |
| National Treasury | - | - | - | 48 | - | 48 | 7 | - |
| KZN Agriculture & Environment | - | - | - | 7 | - | 7 | 7 | - |
| Social Development | - | - | - | 1 | - | 1 | 1 | - |
| Education | - | - | - | 7 | - | 7 | 7 | - |
| Water Affairs | - | - | - | 38 | - | 38 | 38 | - |
| Mpumalanga: Health | - | - | - | 19 | - | 19 | 19 | - |
| North West: Public Works | - | - | - | 66 | - | 66 | 66 | - |
| Mpumalanga: Social Development | - | - | - | 21 | - | 21 | 21 | - |
| Free State: Social Development | - | - | - | 14 | - | 14 | 14 | - |
| Government Pensions Administration Agency | - | - | - | - | - | - | - | - |
| Limpopo: COO and Traditional Affairs | - | - | - | - | - | - | - | - |
| North West: Local Government & Traditional Affairs | - | - | - | - | - | - | - | - |
| North West: Human Settlement | - | - | - | - | - | - | - | - |
| North West: Arts & Culture | - | - | - | - | - | - | - | - |
| Justice | - | - | - | - | - | - | - | - |
| Limpopo: Economic Development and Tourism | - | - | - | - | - | - | - | - |
| South African Police Service | - | - | - | 24 | - | 24 | 24 | - |
| Limpopo: Economic Development | - | - | - | - | - | - | - | - |
| Housing and Local Government | - | - | - | 19 | - | 19 | 19 | - |
| Gauteng: Health | - | - | - | 3 | - | 3 | 3 | - |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| GOVERNMENT ENTITY | Confirmed balance outstanding | | Unconfirmed balance outstanding | | Total | | Cash in transit at year end 2014/15 * | |
|--|-------------------------------|------------------|---------------------------------|------------------|------------------|------------------|--|--------------|
| | 31/03/2015 R'000 | 31/03/2014 R'000 | 31/03/2015 R'000 | 31/03/2014 R'000 | 31/03/2015 R'000 | 31/03/2014 R'000 | Receipt date up to six (6) working days after year end | Amount R'000 |
| Free State: Dept of Agriculture | - | - | - | 17 | - | 17 | | |
| Justice and Constitutional Development | 89 | - | - | - | 89 | - | | |
| KZN Public Works | - | - | 19 | - | 19 | - | | |
| SAPS: Civilian Secretariat | 29 | - | - | - | 29 | - | | |
| | 118 | - | 52 | 285 | 170 | 285 | | |
| Other Government Entities | | | | | | | | |
| PLAS Trading Entity | - | - | - | - | - | - | | |
| Deeds Trading Entity | | | 3,205 | 3,878 | 3,205 | 3,878 | | |
| TOTAL | 118 | - | 3,257 | 4,163 | 3,375 | 4,163 | | |

ANNEXURE 5 INTER-GOVERNMENT PAYABLES

| GOVERNMENT ENTITY DEPARTMENTS | Confirmed balance outstanding | | Unconfirmed balance outstanding | | TOTAL | | Cash in transit at year end 2014/15 * | |
|---------------------------------------|-------------------------------|------------------|---------------------------------|------------------|------------------|------------------|---|--------------|
| | 31/03/2015 R'000 | 31/03/2014 R'000 | 31/03/2015 R'000 | 31/03/2014 R'000 | 31/03/2015 R'000 | 31/03/2014 R'000 | Payment date up to six (6) working days before year end | Amount R'000 |
| Current | - | - | - | 10 | - | 10 | | |
| International Relations & Cooperation | - | - | - | 1,819 | - | 1,819 | | |
| Justice | | | | | | | | |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| | Confirmed balance outstanding | | Unconfirmed balance outstanding | | TOTAL | | Cash in transit at year end 2014/15* | |
|----------------------------|-------------------------------|---------------------|---------------------------------|---------------------|---------------------|---------------------|---|-----------------|
| | 31/03/2015 R'000 | 31/03/2014 R'000 | 31/03/2015 R'000 | 31/03/2014 R'000 | 31/03/2015 R'000 | 31/03/2014 R'000 | Payment date up to six (6) working days before year end | Amount R'000 |
| GOVERNMENT ENTITY | | | | | | | | |
| Free State Provincial Dept | - | 6,865 | - | 6,865 | - | 6,865 | | |
| Chief Deeds | - | - | - | - | - | - | | |
| Subtotal | - | 6,865 | - | 6,865 | - | 6,865 | | |
| Non-current | | | | | | | | |
| Subtotal | - | - | - | - | - | - | | |
| Total | - | 8,694 | - | 8,694 | - | 8,694 | | |

ANNEXURE 6 INVENTORIES

| Inventory | Note | 2014/15 | | 2013/14 | |
|---|------|----------------|--------------|----------------|--------------|
| | | Quantity | R'000 | Quantity | R'000 |
| Opening balance | | 149,556 | 8,927 | 90,358 | 1,032 |
| Add/(Less): Adjustments to prior year balance | | - | 21 | 88,547 | 5,734 |
| Add: Additions/Purchases - Cash | | 243,148 | 80,054 | 381,637 | 49,184 |
| Add: Additions - Non-cash | | 50 | - | 1,534 | - |
| (Less): Disposals | | (1,022) | (58) | (29,347) | (1,177) |
| (Less): Issues | | (250,720) | (79,701) | (383,174) | (49,137) |
| Add/(Less): Adjustments | | | | 1 | 3,291 |
| Closing balance | | 141,012 | 9,243 | 149,556 | 8,927 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

ANNEXURE 7

MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2015

| | Opening balance R'000 | Current Year Capital WIP R'000 | Completed Assets R'000 | Closing balance R'000 |
|--|--------------------------|--------------------------------------|------------------------------|-----------------------------|
| HERITAGE ASSETS | - | - | - | - |
| Heritage assets | - | - | - | - |
| MACHINERY AND EQUIPMENT | (15,994) | 9,011 | 15,994 | 9,011 |
| Transport assets | - | - | - | - |
| Computer equipment | (130) | - | 130 | - |
| Furniture and office equipment | - | - | - | - |
| Other machinery and equipment | (15,864) | 9,011 | 15,864 | 9,011 |
| SPECIALISED MILITARY ASSETS | - | - | - | - |
| Specialised military assets | - | - | - | - |
| BIOLOGICAL ASSETS | - | - | - | - |
| Biological assets | - | - | - | - |
| BUILDINGS AND OTHER FIXED STRUCTURES | (154,782) | 387,212 | 162,879 | 395,309 |
| Dwellings | - | - | - | - |
| Non-residential buildings | - | - | - | - |
| Other fixed structures | (154,782) | 387,212 | 162,879 | 395,309 |
| LAND AND SUBSOIL ASSETS | (14,297) | 49,238 | 14,297 | 49,238 |
| Land | (14,297) | 49,238 | 14,297 | 49,238 |
| Mineral and similar non-regenerative resources | - | - | - | - |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

| | Opening balance R'000 | Current Year Capital WIP R'000 | Completed Assets R'000 | Closing balance R'000 |
|--|--------------------------|--------------------------------------|------------------------------|-----------------------------|
| SOFTWARE Software | - | - | - | - |
| MASTHEADS AND PUBLISHING TITLES Mastheads and publishing titles | - | - | - | - |
| PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS Patents, licences, copyright, brand names and trademarks | - | - | - | - |
| RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS Recipes, formulae, prototypes, designs, models | - | - | - | - |
| SERVICES AND OPERATING RIGHTS Services and operating rights | - | - | - | - |
| TOTAL | (185,073) | 445,461 | 193,170 | 453,558 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

ANNEXURE 8A

INTER-ENTITY ADVANCES PAID (note 14)

| ENTITY | Confirmed balance outstanding | | Unconfirmed balance outstanding | | TOTAL | |
|-----------------------------|-------------------------------|---------------------|---------------------------------|---------------------|---------------------|---------------------|
| | 31/03/2015 R'000 | 31/03/2014 R'000 | 31/03/2015 R'000 | 31/03/2014 R'000 | 31/03/2015 R'000 | 31/03/2014 R'000 |
| NATIONAL DEPARTMENTS | | | | | | |
| Department of Communication | - | - | 20,989 | - | 20,989 | |
| Subtotal | - | - | 20,989 | - | 20,989 | - |
| PUBLIC ENTITIES | | | | | | |
| Cheadle Thompson inc | - | - | 28,213 | 23,357 | 28,213 | 23,357 |
| Subtotal | - | - | 28,213 | 23,357 | 28213 | 23,357 |
| Total | - | - | 49,202 | 23,357 | 49,202 | 23,357 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

ANNEXURE 8B

INTER-ENTITY ADVANCES RECEIVED (note 21 AND note 22)

| ENTITY | Confirmed balance outstanding | | Unconfirmed balance outstanding | | TOTAL | |
|--|-------------------------------|---------------------|---------------------------------|---------------------|---------------------|---------------------|
| | 31/03/2015 R'000 | 31/03/2014 R'000 | 31/03/2015 R'000 | 31/03/2014 R'000 | 31/03/2015 R'000 | 31/03/2014 R'000 |
| NATIONAL DEPARTMENTS | | | | | | |
| Current | | | | | | |
| National Higher Education and Training | - | - | 16,706 | - | 16,706 | - |
| Subtotal | | | | | | |
| Non-Current | - | - | 16,706 | - | 16,706 | - |
| TOTAL | | | | | | |
| Current | - | - | 16,706 | - | 16,706 | - |
| Non-current | | | 16,706 | - | 16,706 | - |

Report of the Auditor-General to Parliament on Agricultural Land Holding Account

Report on the financial statements

Introduction

1. I have audited the financial statements of the Agricultural Land Holding Account (ALHA) set out on pages 249 to 278, which comprise the statement of financial position as at 31 March 2015, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

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

Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and

disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the ALHA as at 31 March 2015 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the PFMA.

Emphasis of matters

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

Restatement of corresponding figures

8. As disclosed in note 26 to the financial statements, the corresponding figures for 31 March 2014 have been restated as a result of an error discovered during the financial year ended 31 March 2015 in the financial statements of the ALHA at, and for the year ended, 31 March 2014.

Impairment of trade receivables

- As disclosed in note 7 to the financial statements, the trading entity had receivables from exchange transactions totalling R307 103 000 (2014: R287 120 000), with an allowance for impairment of R264 098 000 (2014: R241 926 000) at 31 March 2015. The extent of the recoverability of these amounts is uncertain.

Impairment of receivables from non-exchange transactions

- As disclosed in note 8 to the financial statements, the trading entity had receivables from non-exchange transactions totalling R376 273 000 (2014: R374 716 000) with an allowance or impairment of R225 798 000 (2014: R187 295 000) which has not been recovered from strategic partners to set off the receivable from non-exchange transactions.

Report on other legal and regulatory requirements

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

Predetermined objectives

- The strategic objectives, programme outputs, indicators and targets of the ALHA are incorporated in the reported programme performance of the Department of Rural Development and Land Reform and are reported under Programme 5.

As a result, findings relating to the audit of predetermined objectives are reported as part of the audit report on the Department of Rural Development and Land Reform.

Compliance with legislation

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

Revenue management

- Effective and appropriate steps were not taken to collect all money due, as required by section 38(1)(c)(i) of the PFMA and treasury regulations 11.2.1, 15.10.1.2(a) and 15.10.1.2(e).

Internal control

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

Financial and performance management

- Management did not have adequate monitoring controls and an effective action plan in place to address the challenges on collection of long-outstanding debt. This has resulted in the entity not complying with the treasury regulation on revenue management.

Other reports

Investigations

- As at 31 March 2015, 17 cases were under investigation by internal audit. These investigations relate mainly to allegations of financial mismanagement and financial

irregularities at the entity. The investigation was still in progress at year-end and is expected to be finalised during 2015/16 financial year.

18. As at 31 March 2015, 10 cases under investigation by the internal audit were finalised. These investigations related mainly to allegations of financial mismanagement and corruption at the entity. The financial impact of these cases has been considered and found not to be material to the annual financial statements.

Auditor - General -

**Pretoria
31 July 2015**



AGRICULTURAL LAND HOLDINGS ACCOUNT

Annual Financial Statements for the year ended 31 March 2015

General Information

Country of incorporation and domicile:

South Africa

Legal form of entity:

Trading Account

Nature of business and principal activities:

Land Acquisition and Management

Business address:

No 184 Jeff Masemola Street

Pretoria

0001

Postal address:

Private Bag X 833

Pretoria

0001

Bankers:

ABSA

Auditors:

Auditor General of South Africa

AGRICULTURAL LAND HOLDINGS ACCOUNT

| Annual Financial Statements for the year ended 31 March 2015

Index

The reports and statements set out below comprise the annual financial statements presented to the parliament:

| Index | Page |
|--|-------------|
| Statement of Financial Position | 252 |
| Statement of Financial Performance | 253 |
| Statement of Changes in Net Assets | 254 |
| Cash Flow Statement | 255 |
| Statement of Comparison of Budget and Actual Amounts | 256-259 |
| Accounting Policies | 260-266 |
| Notes to the Annual Financial Statements | 267-278 |

The annual financial statements set out on page 252 - 278 which have been prepared on the going concern basis, were approved by the accounting officer on 31 July 2015 and were signed on its behalf by:



R Sadiki
Chief Financial Officer



PM Shabane
Director General

Audit committee members

Mrs Z N Qunta (Chairperson)

Ms M A F Moja

Mr H G Hlomane

Mr A N Mhlongo

Audit committee responsibility

The audit committee reports that it has complied with its responsibilities arising from section 38(10)(1) of the PFMA and Treasury Regulation 3.1.

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

AGRICULTURAL LAND HOLDINGS ACCOUNT

| Annual Financial Statements for the year ended 31 March 2015

Statement of Financial Position

| | Note(s) | 2015 R '000 | 2014 Restated* R '000 |
|--|---------|-------------------|-----------------------------|
| ASSETS | | | |
| Current Assets | | | |
| Trade and other receivables from exchange transactions | 7 | 43 366 | 45 303 |
| Trade and other receivables from non-exchange transactions | 8 | 150 535 | 188 116 |
| Cash and cash equivalents | 6 | 279 048 | 91 849 |
| | | 472 949 | 325 268 |
| Non-Current Assets | | | |
| Property, plant and equipment | 3 | 10 299 714 | 9 170 522 |
| Intangible assets (Share on packaging houses) | 4 | 1 908 | 1 102 |
| Other financial assets | 5 | 250 178 | 236 689 |
| | | 10 551 800 | 9 408 313 |
| TOTAL ASSETS | | 11 024 749 | 9 733 581 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade and other payables from exchange transactions | 9 | 33 102 | 14 581 |
| Trade and other payables from non-exchange transactions | 10 | 31 347 | 26 709 |
| | | 64 449 | 41 290 |
| TOTAL LIABILITIES | | 64 449 | 41 290 |
| NET ASSETS | | 10 960 300 | 9 692 291 |
| Accumulated surplus | | 10 960 300 | 9 691 291 |

* See Note 26

AGRICULTURAL LAND HOLDINGS ACCOUNT

Annual Financial Statements for the year ended 31 March 2015

Statement of Financial Performance

| | Note(s) | 2015 R '000 | 2014 Restated* R '000 |
|---|---------|------------------|-----------------------------|
| REVENUE | | | |
| Revenue from exchange transactions | | | |
| Rental income on lease receivables | | 126 | 60 895 |
| Rental income on servitude | | 435 | - |
| Interest received on lease receivables | | 20 823 | 15 861 |
| Interest on servitude | | 26 | - |
| Other income | 13 | 18 467 | 11 831 |
| Interest received - bank | 12 | 29 796 | 13 261 |
| Total revenue from exchange transactions | | 69 673 | 101 848 |
| Revenue from non-exchange transactions | | | |
| Transfer revenue | | | |
| Grant income - non exchange | | 1 613 529 | 1 697 119 |
| Donation received | | 1 545 | 21 813 |
| Total revenue from non-exchange transactions | | 1 615 074 | 1 718 932 |
| TOTAL REVENUE | 11 | 1 684 747 | 1 820 780 |
| EXPENDITURE | | | |
| Depreciation and amortisation | | (41 133) | (34 851) |
| Impairment | 16 | (89 159) | (323 350) |
| Finance costs | 15 | - | (49) |
| Operating expenditure farmers & Other operating expenditure | 14 | (284 967) | (694 094) |
| TOTAL EXPENDITURE | | (415 259) | (1 052 344) |
| Operating surplus | | 1 269 488 | 768 436 |
| Loss on disposal of assets | | (1 479) | (128) |
| Surplus for the year | | 1 268 009 | 768 308 |

* See Note 26

AGRICULTURAL LAND HOLDINGS ACCOUNT

| Annual Financial Statements for the year ended 31 March 2015

Statement of Changes in Net Assets

| | Accumulated surplus R '000 | Total net assets R '000 |
|--|----------------------------------|-------------------------------|
| Opening balance as previously reported | 8 934 100 | 8 934 100 |
| Adjustments | | |
| Prior year adjustments - Note 26 | (10 117) | (10 117) |
| Balance at 01 April 2013 as restated* | 8 923 983 | 8 923 983 |
| Changes in net assets | | |
| Surplus for the year | 768 308 | 768 308 |
| Total changes | 768 308 | 768 308 |
| Restated* Balance at 01 April 2014 | 9 692 291 | 9 692 291 |
| Changes in net assets | | |
| Surplus for the year | 1 268 009 | 1 268 009 |
| Total changes | 1 268 009 | 1 268 009 |
| Balance at 31 March 2015 | 10 960 300 | 10 960 300 |

* See Note 26

AGRICULTURAL LAND HOLDINGS ACCOUNT

Annual Financial Statements for the year ended 31 March 2015

Cash Flow Statement

| | 2015 | 2014 |
|---|---------------------|---------------------|
| | R '000 | Restated* R '000 |
| Cash flows from operating activities | | |
| Cash receipts | | |
| Sale of goods and services | 2 549 | 5 854 |
| Grant income | 1 613 529 | 1 697 119 |
| Interest income | 29 796 | 13 261 |
| Other operating revenue | 3 890 | 21 594 |
| | 1 649 764 | 1 737 828 |
| Cash paid to suppliers and employees | | |
| Suppliers other payables | (264 199) | (627 965) |
| Finance costs | - | (49) |
| | (264 199) | (628 014) |
| Net cash flows from operating activities | 17 1 385 565 | 1 109 814 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | 3 (1 203 023) | (1 336 767) |
| Proceeds from sale of assets | 5 682 | - |
| Purchase of other intangible assets (share on packaging rights) | 4 (1 025) | - |
| Net cash flows from investing activities | (1 198 366) | (1 336 767) |
| Net increase/(decrease) in cash and cash equivalents | 187 199 | (226 953) |
| Cash and cash equivalents at the beginning of the year | 91 849 | 318 802 |
| Cash and cash equivalents at the end of the year | 6 279 048 | 91 849 |

* See Note 26

AGRICULTURAL LAND HOLDINGS ACCOUNT

Annual Financial Statements for the year ended 31 March 2015

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

| | Approved budget R '000 | Adjustment R '000 | Final budget R '000 | Actual amounts on comparable basis R '000 | Differences between final budget and actual R '000 | Reference |
|---|---------------------------|----------------------|------------------------|--|---|-----------|
| Statement of Financial Performance | | | | | | |
| Revenue | | | | | | |
| Revenue from exchange transactions | | | | | | |
| Rental income on servitude | - | - | - | 435 | 435 | 0% |
| Interest received (outstanding debtors) | 10 274 | 3 084 | 13 358 | 20 823 | 7 465 | 56% |
| Interest on servitude | - | - | - | 26 | 26 | 0% |
| Rental income | 88 303 | (69 303) | 19 000 | 126 | (18 874) | 99% |
| Other income | - | 13 200 | 13 200 | 18 467 | 5 267 | 40% |
| Interest received - bank | 21 842 | (13 200) | 8 642 | 29 796 | 21 154 | 245% |
| Total revenue from exchange transactions | 120 419 | (66 219) | 54 200 | 69 673 | 15 473 | |
| Revenue from non-exchange transactions | | | | | | |
| Taxation revenue | | | | | | |
| Government grants & subsidies | 1 934 628 | (321 099) | 1 613 529 | 1 613 529 | - | 0% |
| Transfer revenue | | | | | | |
| Donation received | - | - | - | 1 545 | 1 545 | 0% |
| Total revenue from non-exchange transactions | 1 934 628 | (321 099) | 1 613 529 | 1 615 074 | 1 545 | |
| Total revenue | 2 055 047 | (387 318) | 1 667 729 | 1 684 747 | 17 018 | |
| Expenditure | | | | | | |
| Depreciation and amortisation | - | - | - | (41 133) | (41 133) | 0% |
| Impairment | - | - | - | (89 159) | (89 159) | 0% |
| Operating expenditure farmers & other operating expenditure | (122 628) | (196 988) | (319 616) | (284 967) | 34 649 | 11% |
| Total expenditure | (122 628) | (196 988) | (319 616) | (415 259) | (95 643) | |
| Operating surplus | 1 932 419 | (584 306) | 1 348 113 | 1 269 488 | (78 625) | |
| Loss on disposal of assets | - | - | - | (1 479) | (1 479) | |
| Surplus before taxation | 1 932 419 | (584 306) | 1 348 113 | 1 268 009 | (80 104) | |

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

1. In preparation of the expenditure framework for 2015, the department conducted reprioritisation with the purpose of funding other programmes. For this purpose, reprioritisation of programmes within the baseline allocation was considered. As a result, an amount of R321 099million was reprioritised which decreased the grant from R1 934 628billion to R1 613 529billion.
2. **Interest received (outstanding debtors)** - The interest charged on the outstanding debt has increased due to the review of lease contracts and suspension on the billing, not much was collected during the financial year.
3. **Rental income** - No billing was done during the current financial year as the billing on lease/rental was suspended until the 31 March 2015.
4. **Interest received - bank** - In the current financial year there has been a slow spending within program and it resulted to an increase on an increase in ALHA's bank account.
5. **Depreciation** - ALHA did not budget for depreciation.
6. **Impairment** - ALHA did not budget for impairment because at the time of budget there was no indication that impairment would be required.
7. **Operating expenditure farmers and other operating expenditure** - Spending was not in according to plan due to the delay in signing of contracts with farmers.

AGRICULTURAL LAND HOLDINGS ACCOUNT

Annual Financial Statements for the year ended 31 March 2015

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

| | Approved budget R '000 | Adjustments R '000 | Final Budget R '000 | Actual amounts on comparable basis R '000 | Difference between final budget and actual R '000 | Reference |
|--|---------------------------|-----------------------|------------------------|--|--|-----------|
| Statement of Financial Position | | | | | | |
| ASSETS | | | | | | |
| Current Assets | | | | | | |
| Trade and other receivables from exchange transactions | 50 662 | - | 50 662 | 43 366 | (7 296) | 14 % |
| Trade and other receivables from non-exchange transactions | 202 643 | - | 202 643 | 150 535 | (52 108) | 26% |
| Cash and cash equivalents | 130 000 | - | 130 000 | 279 048 | 149 048 | 115% |
| | 383 305 | - | 383 305 | 472 949 | 89 644 | |
| Non-Current Assets | | | | | | |
| Property, plant and equipment | 1 753 614 | (459 701) | 1 293 913 | 10 299 714 | 9 005 801 | 696% |
| Intangible assets (Share on packaging houses) | - | - | - | 1 908 | 1 908 | 0% |
| Other financial assets | 252 106 | - | 252 106 | 250 178 | (1 928) | 0.7% |
| | 2 005 720 | (459 701) | 1 546 019 | 10 551 800 | 9 005 781 | |
| TOTAL ASSETS | 2 389 025 | (459 701) | 1 929 324 | 11 024 749 | 9 095 425 | |
| LIABILITIES | | | | | | |
| Current Liabilities | | | | | | |
| Trade and other payables from exchange transactions | 19 565 | - | 19 565 | 33 102 | 13 537 | 69% |
| Trade and other payables non-exchange | 28 165 | - | 28 165 | 31 347 | 3 182 | 11% |
| | 47 730 | - | 47 730 | 64 449 | 16 719 | |
| TOTAL LIABILITIES | 47 730 | - | 47 730 | 64 449 | 16 719 | |
| NET ASSETS | 2 341 295 | (459 701) | 1 881 594 | 10 960 300 | 9 078 706 | |
| NET ASSETS | | | | | | |
| Net Assets Attributable to Owners of Controlling Entity | | | | | | |
| Reserves | | | | | | |
| Accumulated surplus | 2 341 295 | (459 701) | 1 881 594 | 10 960 300 | 9 078 706 | |

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

8. **Trade and other receivables from exchange transactions** - The billing for rental/lease has been suspended due to the review of lease contracts in order to allow the implementation process of the State land lease and disposal policy.
9. **Trade and other receivables from non exchange transactions** - The decrease is due to non-spending by farmers, as a result of non-submission of expenditure reports from farmers during the year.
10. **Cash and cash equivalent** - R279 048million is cash at the bank against the budget of R130 000million which is as a result of under spending on RADP projects.
11. **Property, plant and equipment** - Opening balance for the year amounts to R9 170 552billion, additions for the year amount to R1 204 278million resulting to the closing balance of R10 299 714billion. The final budget did not take into account the opening balance, depreciation and impairment
12. **Intangible assets** - Intangibles were not budgeted for, at the time of compiling the budget there was no intention to acquire any intangible assets during the current financial year.
13. **Trade and other payables from exchange transactions** - The increase is due to unsettled municipality accounts for rates and taxes that were not planned for as the extent of the debt was not available.
14. **Trade and other payables from non exchange transactions** - The increase is due to restitution leases that continue paying rental income into ALHA's bank account.

Accounting Policies

1. Presentation of Annual Financial Statements

Public Sector Practices and Policies: Inter-relationship with national government

The Agricultural Land Holdings Account operates as a trading entity under the administration of the Department: Rural Development and Land Reform. Policies and procedures applicable to the Department: Rural Development and Land Reform are applicable except where accounting policies of the trading entity states otherwise.

Basis of preparation

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board ("ASB") in accordance with section 91(1) of the Public Finance Management Act, (Act 1 of 1999).

The annual financial statements were prepared on an accrual basis of accounting and incorporate the historical cost conventions as the basis of measurement, except where specified otherwise.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

The principal accounting policies applied in the preparation of annual financial statements are set out below. These accounting policies are consistent with those applied in the preparation of the prior year financial statements, unless specified otherwise.

1.1 Presentation currency

The annual financial statements are presented in South African Rand, which is the functional currency of the Trading Entity.

1.2 Rounding

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

1.3 Prior year comparatives

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are also reclassified and restated, unless such comparative reclassification is not required by a Standard of GRAP. The nature and reasons for such reclassification and restatement are also disclosed.

Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as practicable and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

Presentation and classification of items in the current year are consistent with prior periods.

1.4 Going concern assumption

The annual financial statements were prepared based on the expectation that the entity will continue to operate as a going concern.

1.5 Budget

Budget information has been provided in a separate disclosure note in accordance with GRAP 1 and 24. GRAP 24 is applicable to all entities preparing their financial statements on accrual basis of accounting and is also applicable to all entities that are required or elect to make their approved budget publicly available.

ALHA budget does not meet the scope of GRAP 24 because its budget is not approved by council. The trading account has elected to make their approved budget publicly available. ALHA has presented separate statement of comparison of budget and actual amount that is not on the same accounting basis as the rest of the financial statements. The annual financial statements were presented using accrual basis of accounting while the budget information is presented using cash basis of accounting.

1.6 Significant judgements and estimates

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement are inherent in the

Accounting Policies

formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Trade receivables

The entity assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the surplus makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

There has been a change in government policies regarding the determination of rental revenue and lease terms on existing lease agreements. The impact of the policy will result into new lease agreements with new lease terms and rental amounts being concluded, therefore all receivable arising from the old agreements have been written off. The lease agreements will be calculated prospectively upon signing by both parties. Billing was suspended up to 31 March 2015 to allow the process of concluding new lease agreements.

Impairment of non financial assets

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the entity is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The entity uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the end of the reporting period.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual

cash flows at the current market interest rate that is available to the entity for similar financial instruments.

In testing for impairment, the Trading entity performs assessment on current condition of the assets and makes use of the estimates to impair the carrying amount of the assets.

A percentage of carrying amounts is impaired based on the following categories:

- Fair condition – 5%
- Poor condition – 20%
- Very poor/Scrap status – 100%

Biological Assets

The Trading entity recognises expenditure on biological assets (living animals and plants) as an expense in the statement of financial performance. Management has applied judgment and concluded that it is not probable that future economic benefits or service potential associated with Biological Assets will flow to the Trading entity. This is because it is difficult for the trading entity to demonstrate on going control of these assets after they have been placed in the custody of the farmers.

Depreciation

Depreciation is recognised on property, plant and equipment and is determined with reference to the useful lives of the underlying items. The useful lives of the assets are based on management's estimation of the asset's condition at the end of the period of use, its current use and expected future use.

Recapitalization and Development funding

The Trading entity provides funding to farmers for recapitalisation and development of farms. The transactions between the trading entity and the farmers are classified as non – exchange transaction because entity does not receive equal value in the form of goods and services directly.

1.7 Property, plant and equipment

Initial recognition and measurement

Property, plant and equipment are tangible non-current assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Items of property, plant and equipment are recognised as assets when it is probable that future economic benefits or service potential associated with the item will flow to the entity and the cost or fair value of the item can be measured reliably.

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Accounting Policies

Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost where acquired through exchange transactions. However, when items of property, plant and equipment are acquired through non-exchange transactions, those items are initially measured at their fair values as at the date of acquisition. This fair value is recognised as deemed cost of the asset.

The cost of an item of property, plant and equipment is the purchase price and other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the entity. Trade discounts and rebates are deducted in arriving at the cost at which the asset is recognised. The cost also includes the estimated costs of dismantling and removing the asset and restoring the site on which it is operated.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. These major components are depreciated separately over their useful lives.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value is not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the entity expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

Subsequent measurement

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

Where the entity replaces parts of an asset, it derecognizes the part of the asset being replaced and capitalises the new component.

Subsequent expenditure including major spare parts and servicing equipment qualify as property,

plant and equipment if the recognition criteria are met.

Depreciation

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The entity maintains and acquires assets to provide a social service to the community, with no intention dispose of the assets for any economic gain, and thus no residual values are applicable other than for motor vehicles.

The asset's residual values, useful lives and depreciation methods are reviewed at each financial year-end and adjusted prospectively, if appropriate.

The annual depreciation rates are based on the following estimated asset useful lives:

| Details | Average useful life – Years |
|--|-----------------------------|
| LAND | |
| • Agricultural Land | Unlimited |
| INFRASTRUCTURE | |
| • Production facility | 40 - 50 |
| • Production infrastructure | 30 – 50 |
| BUILDINGS | |
| • Farm dwellings | 40 - 50 |
| • Farm buildings | 40 – 50 |
| AGRICULTURAL EQUIPMENT | |
| • No moving parts e.g. Ploughs | 20 -30 |
| • High intensity moving parts e.g. Chain Saws | 5 - 7 |
| • Low intensity moving parts e.g. Planters | 7 - 12 |
| • Mechanical e.g. Tractors | 10 |
| • Water high intensity e.g. Irrigation pipes | 30 |
| • Water high intensity e.g. Movable irrigation pumps | 15 -20 |
| • Electrical e.g. Butchery equipment | 15 |
| • Office Equipment | 5 |
| MOTOR VEHICLES | |
| • Motor vehicles | 5 |

Impairment

The Entity tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of property, plant and equipment is greater than the

Accounting Policies

estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

Where items of Property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss which is recognised as an expense in the Statement of Financial Performance in the period identified.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of the impairment is recognised in the Statement of Financial Performance.

ALHA assesses at each reporting date whether there's an indication that an impairment loss recognised in prior periods may no longer exist or may decreased. If any such indication exists the recoverable amount of those assets are estimated. A reversal of impairment loss of an asset carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

Derecognition

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

1.8 Intangible assets (Share on packaging houses) Initial recognition and measurement

Initial recognition and measurement

An intangible asset is an identifiable non-monetary asset without physical substance. The Trading entity recognises intangible assets in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the assets will flow to the entity and the cost or fair value of the item can be measured reliably. Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Intangibles are initially recognised at cost.

Where intangible assets are acquired by the Trading entity for no or non-monetary

consideration, the cost is deemed to be equal to the fair value of the assets on date acquired.

Where items of intangibles are acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Subsequent measurement

Subsequent to initial recognition, intangible assets are measured at cost less accumulated amortisation and impairments. The cost of an intangible asset is amortised over the useful life where that useful life is finite. Where the useful life is indefinite, the asset is not amortised but is subject to an annual impairment test. The useful life of the packaging and service rights is reviewed annually.

| Details | Average Useful life |
|----------------------------|---------------------|
| Shares on packaging houses | 5 |

Impairments

An intangible asset with finite life is tested for impairment annually when there is an indication that an asset may be impaired. An assessment of whether there is an indication of a possible impairment is done at each reporting date. Where the carrying amount of an item of an intangible asset is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

Derecognition

Intangible assets are derecognized when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognized in the Statement of Financial Performance.

1.9 Revenue

Revenue from non-exchange transactions:

Revenue from non-exchange transactions refers to transactions where the trading entity received revenue from another entity without directly giving approximately equal in exchange. Revenue from non-exchange transactions is generally recognized to the extent that the related receipt or receivable

Accounting Policies

qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from non-exchange transactions is measured at the amount of the increase in net assets recognized by the entity.

Revenue from exchange transactions:

Revenue from exchange transactions is measured at the fair value of the consideration received or receivable taking into account the amount of any discounts allowed by the entity, for goods and services provided in the normal course of business.

Revenue from the sale of farms is recognized when all the following conditions have been satisfied:

- The entity has transferred to the purchaser the significant risks and rewards of ownership of the property.
- The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the property sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest is recognized, in surplus or deficit, using the effective interest rate method.

Rental revenue arising from operating leases is accounted for on a straight line basis over the lease terms.

1.10 Government Grants

The transfer from the Department of Rural Development and Land Reform is recognized when it is appropriated and probable that future economic benefits will flow to the entity and the amount can be measured reliably. A transfer is recognized as revenue to the extent that there is no corresponding liability arising from the receipt of the transfer payment.

Where conditions are attached to the transfer that gives rise to a corresponding liability; the corresponding amount is recognized as non-exchange revenue as and when the related liability is discharged.

1.11 Leases

The Trading entity as a lessor

Classification

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset.

An operating lease is a lease other than a finance lease.

The Trading entity classifies its leases as operating leases. The classification of the leases is based on the extent that the entity does not transfer substantially all the risks and rewards incidental to ownership of the assets to the lessee.

Measurement

- Lease income from operating leases is recognized in income on a straight-line basis over the lease term.
- Lease income is disclosed in the Statement of Financial Performance.
- Any contingent rental income is recognized as surplus or deficit in the period in which it is receivable.

1.12 Financial instruments

Classification

The trading entity classifies its financial instruments at amortised cost i.e. non – derivative financial assets or no-derivative financial liabilities that have a fixed or determinable payments, excluding instruments that:

- The Trading entity designates at fair value at initial recognition, or
- Are held for trading.

The classification depends on the purpose for which the financial instruments were obtained or incurred and takes place at initial recognition. Classification is reassessed on an annual basis.

Initial recognition

Financial instruments are recognized initially when the trading entity becomes a party to the contractual provisions of the instruments.

The trading entity classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and to the extent that the instrument satisfies the definition of a financial liability, a financial assets or a residual interest.

Accounting Policies

Initial measurement

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determined, which are measured at cost.

For financial instruments which are not at fair value, transaction costs are included in the initial measurement of the instrument.

Subsequent measurement

Financial assets at amortised cost are subsequently measured at amortised cost, using the effective interest rate method, less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest rate method.

Impairment of financial assets

At each reporting date the Trading entity assesses all financial assets, other than those at fair value to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the Trading entity, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

If there is objective evidence that an impairment loss on financial assets measured at amortised costs have been incurred, the amount of the loss is measured at as the difference between the asset's carrying amount and the present value of the future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the loss is reduced through the use of an allowance amount. The amount of the loss is recognised in surplus or deficit.

Impairment deficits are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Where financial assets are impaired through use of an allowance account, the amount of the deficit is recognised in surplus or deficit within operating expenses. When such assets are written off, the write off is made against the relevant allowance account.

Subsequent recoveries of amounts previously written off are credited against operating expenses.

Trade and other receivables

The Trade receivables are initially recognised at fair value and are subsequently stated at amortised costs less provision for impairment.

Allowance and impairment

Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default of payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured at the sum of 40% of trade receivables outstanding for between 3 - 6 months, 65% of trade receivables outstanding for between 6 -12 months and 90% of trade receivables outstanding for more than 12 months.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and are subject to an insignificant risk of changes in value. These are classified as financial assets at amortised cost.

Other financial assets

Other financial assets represent financial guarantees to land bank and are classified as financial assets at amortised cost.

1.13 Services in kind

The trading entity does not recognize services in kind as revenue. Services in kind are disclosed under related parties.

1.14 Commitments

No provision is made for projects approved for recapitalization at year-end, unless the service in terms of the contract has been delivered or the contract is of an onerous nature. Where a project has been approved and contracted, but no expenditure has accrued it is disclosed as commitments in the notes to the financial statements.

Accounting Policies

1.15 Irregular, fruitless and wasteful expenditure

Irregular expenditure means expenditure, other than unauthorized expenditure, incurred in contravention of, or that is not in accordance with a requirement of the Department's approved policies or any applicable legislation, including:

- The PFMA, or
- The State Tender Board Act, 1968 (Act No.88 of 1986), or any regulations made in terms of that Act; or
- Any national legislation providing for procurement in the National Government.

Fruitless and wasteful expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

Any irregular, fruitless and wasteful expenditure is charged against surplus or deficit in the period in which it is incurred.

1.16 Unauthorised Expenditure

Unauthorised expenditure is expenditure that has not been budgeted for, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, trading entity or organ of state and expenditure in the form of a grant that is not permitted in terms of the Public Finance Management Act (No.1 of 1999 as amended by Act 29 of 1999). Unauthorised expenditure is accounted for as surplus or deficit in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.17 Other non-exchange receivables

Recognition and measurement

Trade and other receivables are categorised as financial assets and are initially recognized at fair value and subsequently carried at amortised cost. Amortised cost refers to initial carrying amount plus interest less repayments and impairments. Other non-exchange receivables consist of funds transferred to farmers for recapitalization and development of farms and is recognized as deferred expenses. Expenditure is recognized by the Trading entity upon receiving of spending reports from farmers.

Allowance and measurement

Considering the nature of the deferred expenditure, the Trading entity provides for an allowance of the estimated non submission of spending reports by

farmers at year end at the sum of 25% of deferred expenditure outstanding for 120 days, 50% of deferred expenditure outstanding between 121–270 days, 75% of deferred expenditure outstanding between 271–360 days and 100% of deferred expenditure outstanding for more than 360 days.

1.18 Contingent Asset

A contingent asset is disclosed by the trading entity where there is a possible asset 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 entity.

1.19 Contingent Liability

A contingent liability is disclosed by the trading entity where there is a possible obligation arising 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 ALHA; OR where there is a present obligation arising from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

1.20 Events after the reporting date

Adjusting events

The entity will adjust the amounts recognized in the financial statements to reflect events that provided evidence of conditions that existed at the reporting date once the event has occurred.

Non – Adjusting events

The entity will disclose the nature of the events and estimates in its financial statements for non – adjusting events, where non disclosure could influence the economic decisions of the users.

1.21 Related parties

The entity has controls in place to aid in the identification of related parties. The entity provides information on transactions with related parties in its financial statements. Disclosure of transactions with other government entities is only provided to the extent that the transaction was not on normal terms (not at arm's length).

Notes to the Annual Financial Statements

2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The following Standards of GRAP have been issued by the Accounting Standards Board. The Trading entity has not early adopted any of these new Standards but has referred to them for guidance in the development of accounting policies in accordance with GRAP 3 as read with Directive 5.

| Standard/ Interpretation: | Effective date: Years beginning On or after: | Expected impact: |
|---|--|--|
| • GRAP 18: Segment Reporting | No effective date | |
| • GRAP 105: Transfers of functions between entities under common control | No effective date | |
| • GRAP 106: Transfers of functions between entities not under common control | No effective date | |
| • GRAP 107: Mergers | No effective date | |
| • GRAP 20: Related parties | No effective date | The impact on the financial results is considered to be minimal. The Trading entity has applied the principles of IPSAS 20 at present. |
| • GRAP32: Service Concession Arrangements: Grantor | No effective date | |
| • GRAP108: Statutory Receivables | No effective date | |
| • IGRAP17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset | No effective date | |

3. Property, plant and equipment

| | 2015 R '000 | | | 2014 R '000 | | |
|------------------------|---------------------|---|-------------------|---------------------|---|-------------------|
| | Cost / Valuation | Accumulated depreciation and accumulated impairment | Carrying value | Cost / Valuation | Accumulated depreciation and accumulated impairment | Carrying value |
| Agricultural land | 9 013 216 | - | 9 013 216 | 7 989 641 | - | 7 989 641 |
| Buildings | 788 600 | (64 849) | 723 751 | 660 005 | (35 627) | 624 378 |
| Motor vehicles | 13 651 | (6 428) | 7 223 | 13 071 | (3 344) | 9 727 |
| Infrastructure | 498 862 | (43 150) | 455 712 | 472 059 | (22 437) | 449 622 |
| Agricultural equipment | 131 825 | (32 013) | 99 812 | 113 083 | (15 929) | 97 154 |
| Total | 10 446 154 | (146 440) | 10 299 714 | 9 247 859 | (77 337) | 9 170 522 |

Reconciliation of property, plant and equipment - 2015

| | Opening balance | Additions | Additions through donations | Disposals | Depreciation | Impairment loss | Total |
|---------------------------|--------------------|------------------|-----------------------------------|----------------|-----------------|--------------------|-------------------|
| Agricultural land | 7 989 641 | 1 026 859 | - | (3 284) | - | - | 9 013 216 |
| Buildings | 624 378 | 130 204 | - | (1 488) | (15 135) | (14 208) | 723 751 |
| Motor vehicles | 9 727 | 580 | - | - | (2 722) | (362) | 7 223 |
| Infrastructure | 449 622 | 27 740 | 4 | (803) | (11 101) | (9 750) | 455 712 |
| Agricultural equipment | 97 154 | 17 640 | 1 251 | (114) | (11 956) | (4 163) | 99 812 |
| | 9 170 522 | 1 203 023 | 1 255 | (5 689) | (40 914) | (28 483) | 10 299 714 |

AGRICULTURAL LAND HOLDINGS ACCOUNT

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Notes to the Annual Financial Statements

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2014

| | Opening balance | Additions | Disposals | Depreciation | Impairment loss | Total |
|------------------------|------------------|------------------|--------------|-----------------|-----------------|------------------|
| Agricultural land | 7 047 487 | 942 154 | - | - | - | 7 989 641 |
| Buildings | 478 555 | 172 013 | - | (13 066) | (13 124) | 624 378 |
| Motor vehicles | 6 501 | 5 537 | - | (2 282) | (29) | 9 727 |
| Infrastructure | 295 960 | 171 071 | - | (9 588) | (7 821) | 449 622 |
| Agricultural equipment | 62 044 | 45 968 | (128) | (9 915) | (815) | 97 154 |
| Total | 7 890 547 | 1 336 743 | (128) | (34 851) | (21 789) | 9 170 522 |

Additional information

Property, Plant and Equipment is carried at cost less accumulated depreciation and impairment losses. The net carrying amount of Property, Plant and Equipment is R10 299 714billion (2014: R9 170 522billion) after depreciation and impairment losses of R40 914million and R28 483million.

Prior period error relates to:

The Trading entity retrospectively derecognised assets that were not verified for the past three financial years. These assets were previously not disposed. Total amount of R4 102million relates to the cost, R352thousand (depreciation) and R100thousand (impairment) of the assets that have been derecognised. Property, plant and equipment figures have been corrected retrospectively from the beginning of 2013, with an adjustment against the accumulated surplus as per note 26.

Transfer costs relating to the acquisition of property were previously not recognised and the total amount of R21thousand has been restated against Property, plant and equipment class. Assets amounting to R3thousand were incorrectly recognised as expense in 2013/14 financial year. Errors have been corrected accordingly to recognise the asset as per note 26.

The Trading entity identified that assets amounting to R128thousand were disposed in the previous financial year however the disposal was not recognised. The assets were derecognised retrospectively as per note 26.

4. Intangible assets (Share on packaging houses)

| | 2015 R '000 | | | 2014 R '000 | | |
|---|------------------|---|----------------|------------------|---|----------------|
| | Cost / Valuation | Accumulated amortisation and accumulated impairment | Carrying value | Cost / Valuation | Accumulated amortisation and accumulated impairment | Carrying value |
| Accumulated Amortisation and Impairment | - | (219) | (219) | - | - | - |
| Intangible assets | 2 127 | - | 2 127 | 1 102 | - | 1 102 |
| Total | 2 127 | (219) | 1 908 | 1 102 | - | 1 102 |

Other information

Reconciliation of carrying amount:

2014/15: Opening Balance R1 102million add additions R1 025million less amortisation R219thousand and less Impairment R0rand.

Notes to the Annual Financial Statements

4. Intangible assets (Share on packaging houses) (continued)

2013/14: Opening Balance R1 102million add additions R0rand less amortisation R0rand and less impairment loss R0rand.

During the current financial year it was realised that the share packaging rights have been transferred to a farmer. Therefore total amount of R903thousand has been adjusted retrospectively from 2013.

5. Other financial assets

| | 2015 R '000 | 2014 R '000 | |
|---|-----------------------------|---|----------------|
| | Correction R'000 | Financial assistance R'000 | Total |
| Opening balance at 01 April 2014 | 4 164 | 236 689 | 240 853 |
| Interest earned for the year | - | 13 489 | 13 489 |
| Correction - adjustment of Eskom Deposits | (4 164) | - | (4 164) |
| | - | 250 178 | 250 178 |

Non-current assets

| | | |
|------------------------|---------|---------|
| Other financial assets | 250 178 | 236 689 |
| | - | - |

Other financial assets comprise of financial assistance to Land Bank as guarantees for farms in distress. No assets were held as collaterals. No portion of the financial assistant has passed the due date therefore there were no impairment indications.

Other financial assets have been adjusted with an amount of R4 164 relating to Eskom deposits which were incorrectly allocated to other financial assets. The error has been corrected retrospectively as per note 26.

6. Cash and cash equivalents

Cash and cash equivalents consist of:

| | 2015 R '000 | 2014 R '000 |
|--------------|----------------|----------------|
| Cash at bank | 279 048 | 91 849 |

Cash and deposits are held with a registered banking institution which is subjected to insignificant credit risk. The maximum exposure to credit risk at reporting date is the fair value of cash and cash equivalents mentioned above.

7. Trade and other receivables from exchange transactions

| | 2015 R '000 | 2014 R '000 |
|-----------------------------|----------------|----------------|
| Operating lease receivables | 43 005 | 45 194 |
| Accured interest | 361 | 109 |
| | 43 366 | 45 303 |

Credit quality of trade and other receivables

The carrying value of operating lease receivables of R43 005million (2014: R45 194million) after restatement as per note 26, is stated after an allowance for impairment of R264 098million

Notes to the Annual Financial Statements

7. Trade and other receivables from exchange transactions (continued)

(2014: R241 926million). An allowance for impairment of operating leases is assessed at the end of the reporting date. The gross operating lease receivables value is R307 103million (2014: R287 120million).

| | 2015 R '000 | 2014 R '000 |
|--|----------------|----------------|
| Reconciliation of the allowance | | |
| Balance at the beginning of the year | 241 926 | 104 301 |
| Contribution to provisions | 22 172 | 137 625 |
| | 264 098 | 241 926 |

Trade and other receivables past due but not impaired

Trade and other receivables less than 3 months are not impaired unless individual debtor impairment is identified. Total trade and other receivables of R43 005million (2014: R45 194million) were not impaired.

The ageing of amounts past due but not impaired is as follows:

| | 2015 R '000 | 2014 R '000 |
|--------------------|----------------|----------------|
| Less than 3 months | 7 283 | 6 632 |
| 3 to 6 months | 2 165 | 4 298 |
| 6 to 12 months | 5 510 | 17 546 |
| Over 12 months | 28 047 | 16 718 |
| | 43 005 | 45 194 |

Trade and other receivables impaired

Trade and other receivables of R264 098million (2014: R241 926million) were impaired.

The ageing of the impairment loss is as follows:

| | 2015 R '000 | 2014 R '000 |
|----------------|----------------|----------------|
| 3 to 6 months | 1 443 | 3 694 |
| 6 to 12 months | 10 233 | 35 463 |
| Over 12 months | 252 422 | 202 769 |
| | 264 098 | 241 926 |

8. Trade and other receivables from non-exchange transactions

| | 2015 R '000 | 2014 R '000 |
|-------------------|----------------|----------------|
| Deferred expenses | 150 475 | 187 421 |
| Other debtors | 60 | 695 |
| | 150 535 | 188 116 |

Deferred expenses relates to recapitalisation and development funds transferred to Farmers. The carrying value of the deferred expenses is R150 475million (2014: R187 421million) after providing for an impairment loss R225 798million (2014: R187 295million).

An allowance for impairment of deferred expenses is assessed at the end of the reporting date. The gross deferred expense value is R376 273million (2014: R374 716million).

Notes to the Annual Financial Statements

9. Trade and other payables from exchange transactions

| | 2015 R '000 | 2014 R '000 |
|----------------------------|----------------|----------------|
| Trade payables | 30 267 | 12 868 |
| Rental received in advance | 2 835 | 1 713 |
| | 33 102 | 14 581 |

The accrual expense relates to rates and taxes invoices from municipalities and farmers expenditure.

10. Trade and other payables from non exchange transactions

| | 2015 R '000 | 2014 R '000 |
|------------------------------|----------------|----------------|
| Inter-departmental creditors | 31 347 | 26 709 |

The Trading entity collected an amount of R31 347million (2014: R26 709million) from restitution debtors which is a programme under the Department of Rural Development and Land Reform. The opening balance of interdepartmental creditors has been restated as per note 26.

11. Revenue

| | 2015 R '000 | 2014 R '000 |
|-----------------------------------|------------------|------------------|
| Rental income on lease receivable | 126 | 60 895 |
| Rental income on servitude | 435 | - |
| Interest on lease receivable | 20 823 | 15 861 |
| Interest on servitude | 26 | - |
| Other income | 18 467 | 11 831 |
| Interest received - bank | 29 796 | 13 261 |
| Grant income - non exchange | 1 613 529 | 1 697 119 |
| Donation received | 1 545 | 21 813 |
| | 1 684 747 | 1 820 780 |

The grant received from the Department of Rural Development and Land Reform is an allocation from voted funds for the purposes of executing the Pro-Active Land Acquisition Strategy.

Billing of rental is suspended for a period of 12 months in line with State Land Lease and Disposal Policy to allow ALHA to enter into new lease agreements based on the changes in government policies. The effect of the change of the policy only affects future lease payments. Interest on lease receivable is charged based on the prime rate. Interest is charged after the debt is being overdue for 365 days.

The Trading entity received a donation amounting to R1 545million from a farmer during the current financial year and an amount of R1 255million refers to PPE transferred to the Trading Entity at no cost and R290thousand refers to other operating expenditure.

12. Interest income

| | 2015 R '000 | 2014 R '000 |
|------------------------|----------------|----------------|
| Interest earned - bank | 29 796 | 13 261 |

The interest relates to the interest earned from the bank in the current year.

During the current financial year it was identified that interest earned bank was not accrued. A total amount of R76thousand which relates to 2011/12 and R108thousand relates to 2013/14 financial year. The figures have been corrected retrospectively from 2013, with an adjustment against the accumulated surplus.

AGRICULTURAL LAND HOLDINGS ACCOUNT

Annual Financial Statements for the year ended 31 March 2015

Notes to the Annual Financial Statements

13. Other income

| | 2015 R '000 | 2014 R '000 |
|--------------|----------------|----------------|
| Other income | 18 467 | 11 831 |

The total amount for other income includes the following: Interest earned from land bank amounts to R13 489million (2014: R11 387million), profit on sale of an asset in 2014/15 amounting to R1 470million, recovery from attorneys on acquisition of property and R199thousand that relates to unallocated deposits.

14. Operating expenses/goods and services

| | 2015 R '000 | 2014 R '000 |
|--|----------------|----------------|
| Bank charges | 28 | 39 |
| Repairs and maintenance | 285 | 402 |
| Consultants, contracts and agency costs | 11 381 | 31 426 |
| Consumables | 332 | 1 630 |
| Recapitalization and development expenditure | 223 985 | 505 573 |
| Seeds | 6 | - |
| Animal feeds | 763 | 2 380 |
| Fuel and diesel expenses | 40 | 62 |
| Security expenses | 1 984 | - |
| Training and skills development | 200 | 641 |
| Water and electricity | 901 | 617 |
| Rates and taxes | 9 532 | 7 085 |
| Fertilizer | 39 | 505 |
| Machinery and equipment | 551 | 585 |
| Biological assets | 29 370 | 139 291 |
| Road grading and other repair | - | 40 |
| Other expenses | 5 570 | 3 818 |
| | 284 967 | 694 094 |

The total amount of R5 570million (2014: R3 818million) for other expenses relates to Business planning, Legal fees, and Management fees.

Operating expenditure 2014/15: Total amount of R284 967million relates to operating expenditure farmers amounting to R258 456million and other operating expenditure amounting to R26 511million.

Operating expenditure 2013/14: Total amount of R694 094million relates to operating expenditure farmers amounting to R651 727million and other operating expenditure amounting to R42 367million.

15. Finance costs

| | 2015 R '000 | 2014 R '000 |
|---------------|----------------|----------------|
| Interest paid | - | 49 |

16. Impairment

| | 2015 R '000 | 2014 R '000 |
|-------------------------------|----------------|----------------|
| Impairments | | |
| Property, plant and equipment | 28 483 | 21 789 |
| Lease debtors | 22 172 | 137 625 |
| Deferred expenditure | 38 504 | 163 890 |
| Other debtors | - | 46 |
| | 89 159 | 323 350 |

AGRICULTURAL LAND HOLDINGS ACCOUNT

Annual Financial Statements for the year ended 31 March 2015

Notes to the Annual Financial Statements

17. Cash generated from operations

| | 2015 R '000 | 2014 R '000 |
|--|------------------|------------------|
| Surplus | 1 268 009 | 768 308 |
| Adjustments for: | | |
| Depreciation and amortisation | 41 133 | 34 851 |
| Interest - land bank | (13 489) | (11 387) |
| Profit on disposal of asset | (1 470) | - |
| Loss on disposal of asset | 1 479 | 128 |
| Adjust for Donations received | (1 255) | - |
| Impairment of assets | 28 483 | 21 789 |
| Changes in working capital: | | |
| Trade and other receivables from exchange transactions | 1 937 | 64 152 |
| Other receivables from non-exchange transactions | 37 581 | 237 700 |
| Trade and other payables from exchange transactions | 18 519 | (9 381) |
| Trade and other payables from non-exchange | 4 638 | 3 654 |
| | 1 385 565 | 1 109 814 |

18. Financial instruments disclosure

Categories of financial instruments

2015

Financial asset by category

| | 2015 R '000 | 2014 R '000 |
|--|----------------------|----------------|
| | At amortised cost | Total |
| Other financial assets | 250 178 | 250 179 |
| Trade and other receivables from exchange transactions | 43 005 | 43 005 |
| Cash and cash equivalents | 279 048 | 279 048 |
| | 572 231 | 572 231 |

Financial liability by category

| | 2015 R '000 | 2014 R '000 |
|---|----------------------|----------------|
| | At amortised cost | Total |
| Trade and other payables from exchange transactions | 30 267 | 30 267 |

2014

Financial asset by category

| | 2015 R '000 | 2014 R '000 |
|--|----------------------|----------------|
| | At amortised cost | Total |
| Other financial assets | 236 689 | 236 689 |
| Trade and other receivables from exchange transactions | 45 194 | 45 194 |
| Cash and cash equivalents | 91 849 | 91 849 |
| | 373 732 | 373 732 |

Notes to the Annual Financial Statements

18. Financial instruments disclosure (continued)

Financial liabilities

| | 2015 R '000 | 2014 R '000 |
|---|----------------------|----------------|
| | At amortised cost | Total |
| Trade and other payables from exchange transactions | 12 868 | 12 868 |

19. Related parties

The trading entity is a related party to other state departments and other state owned entities in the national sphere of government. The trading entity does not separately disclose transactions with government entities related parties unless there are transactions or balances between the trading entity and the related parties and, in accordance with IPSAS 20: Related Parties, those transactions were not on normal terms and practice for the sector.

Related party balances

| | 2015 R '000 | 2014 R '000 |
|---|----------------|----------------|
| Inter-departmental payables | | |
| Department: Rural Development and Land reform: Payables | 31 347 | 26 709 |

Related party transactions

| | 2015 R '000 | 2014 R '000 |
|--|----------------|----------------|
| Department: Rural Development and Land Reform - Grant received | 1 613 529 | 1 697 119 |
| Department of rural development - Donation received | - | 21 813 |

No executive emoluments are paid by the entity, as they are remunerated by the Department of Rural Development & Land Reform.

The Department: Rural Development and Land Reform also provides administrative services to the trading entity at no cost. These are not accounted for but disclosed as services in kind. Refer to note 21.

20. Risk management

Financial risk management

The trading entity's activities expose it to a variety of financial risks including credit risk and liquidity risk.

The trading entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the trading entity's financial performance. Risk management is carried out by a management committee of the department under the risk management framework approved by the Audit Committee.

Liquidity risk

The table below analyses the trading entity's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Notes to the Annual Financial Statements

20. Risk management (continued)

| | Less than 3 months R'000 | Between 3 and 6 months R'000 | Between 6 months and 1 year R'000 | Total R'000 |
|--|--------------------------------|---------------------------------------|--|----------------|
| At 31 March 2015 | | | | |
| Trade and other receivables from exchange transactions | 7 283 | 2 165 | 33 557 | 43 005 |
| Trade and other payables from exchange transactions | 30 232 | 35 | - | 30 267 |
| At 31 March 2014 | | | | |
| Trade and other receivables from exchange transactions | 6 632 | 4 298 | 34 264 | 45 194 |
| Trade and other payables from exchange transactions | 12 000 | - | 868 | 12 868 |

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, trade receivables and other financial assets. The trading entity only deposits cash with major banks and service providers with high quality credit standing and limits exposure to any one counterparty.

Financial assets exposed to credit risk at year end were as follows:

| | 2015 R '000 | 2014 R '000 |
|--|----------------|----------------|
| Financial instrument | | |
| Cash and cash equivalents | 279 048 | 91 849 |
| Trade and other receivables from exchange transactions | 43 005 | 45 194 |
| Other financial assets | 250 178 | 236 689 |

Interest rate risk

As the trading entity has no significant interest-bearing assets, the trading entity's income and operating cash flows are substantially independent of changes in market interest rates.

21. Services in kind

The Trading entity falls under the administration of the Department of Rural Development and Land Reform. The executives of the department spend some of their time on the affairs of the trading entity. Furthermore, the department provides the services of internal audit function, information technology and staff training. There is no cost charged by the department in this regard.

22. Fruitless and wasteful expenditure

| | 2015 R '000 | 2014 R '000 |
|-------------------------|----------------|----------------|
| Finance and legal costs | 60 | 49 |

The total amount of R60 thousand relates to an over payment to a farmer and late settlement of an account. A debtor has been raised in this regard.

Notes to the Annual Financial Statements

23. Future minimum lease receivable

The Trading entity leases farms to farmers for a period of 30 years effective from 01 April 2015 after the renewal of previous lease agreements. The total lease payment will be based on 5% of the projected income having been calculated using the farmers business plan. Billing based on the old lease agreements were suspended to allow the finalisation of new lease agreements based on the revised State land and disposal policy.

The future minimum lease has not been calculated and will not be disclosed due to the process of implementing the State land lease disposal policy. The suspension of billing is due to the review of lease contracts to determine new lease terms and rental amount to align to the policy.

Lease revenue - contingent rent

| | |
|----------------------|----------------|
| Within 1 year | 92 528 |
| Between 2 and 5 year | 91 379 |
| | <u>183 907</u> |

Included in revenue from exchange transactions is the amount of R126thousand (rental income on lease receivable - commercial lease) that was recognised as a portion of contingent rent because the lease payments are not fixed and are based on CPI that changes other than with the passage of time. The entire amount has been recognised as revenue in the statement of financial performance.

24. Commitments

| | 2015 R '000 | 2014 R '000 |
|--------------------------------------|----------------|----------------|
| Contracted recapitalization projects | 302 291 | 340 288 |
| Guarantees Land acquisition | 25 451 | 65 591 |
| Open orders | 5 048 | 4 980 |
| Project Management | 13 634 | - |
| | <u>346 424</u> | <u>407 859</u> |

25. Contingent asset

During the previous financial year, the Trading Entity determined that a farmer had unlawfully removed movable assets to the value of R1 596million from the farm. As a result the Trading Entity took legal action against the farmer to recover the loss of the assets. The matter is still in the court of law.

26. Disclosure of prior period errors

The Trading Entity identified the following prior period errors during the 2013/14 financial year:

Property, Plant and Equipment

The Trading entity retrospectively derecognised assets that were not verified for the past three financial years. These assets were previously not disposed. Total amount of R4 102million relates to the cost, R352thousand (depreciation) and R100thousand (impairment) of the assets that have been derecognised. Property, plant and equipment figures have been corrected retrospectively from the beginning of 2013, with an adjustment against the accumulated surplus.

Transfer costs relating to the acquisition of property were previously not recognised and the total amount of R21thousand has been restated against Property, plant and equipment class. Assets amounting to R3thousand were incorrectly recognised as expense in 2013/14 financial year. Errors have been corrected accordingly to recognise the asset as per note 26.

The Trading entity identified that assets amounting to R128thousand were disposed in the previous financial year however the disposal was not recognised. The assets were derecognised retrospectively.

Notes to the Annual Financial Statements

26. Disclosure of prior period errors (continued)

Intangible assets – shares on packaging rights

During the current financial year it has been realised that share packaging rights have been transferred to a farmer. The transfer was previously not recognised and an adjustment of R903thousand has been adjusted retrospectively from 2013.

Rental Receivable - Operating lease receivable

During the current financial year the Trading entity identified lease agreements with lease rental receivables amounting to R18 256million relating to prior periods that were not previously recognised. The revenue recognition has been corrected retrospectively from the beginning of 2013, with an adjustment against the opening balance on the accumulated surplus. Provision for doubtful debts has increased by R18 242million. The annual financial understated and the comparative figures were restated appropriately.

The Trading entity identified a lease debtor that belongs to DRDLR. Total amount of R38thousand was previously recognised as ALHA lease debtor from 2009/10 financial year. The error has been corrected retrospectively from 2013.

Servitudes were incorrectly recognised in the previous financial years which resulted into over statement of other lease receivable. An amount of R108thousand has been corrected retrospectively from 2013, with an adjustment against the accumulated surplus.

Interest rental for 2013/14 was incorrectly calculated which resulted in understatement of interest received rental. The error amounting to R93thousand has been corrected to adjust the interest received that was previously reported.

The Trading entity identified an error that relates to smoothing for 2013/14 financial year amounting to R2 186million and resulted in overstatement on deferred lease asset. The error has been corrected retrospectively from the beginning of 2013.

Re - classification - Future lease

The re-classification of the future lease is due to the review of lease contracts and this process will then determine new lease terms and new rental amount. Billing activities were suspended until the finalisation of the new lease contracts.

Other financial assets

Payments relating to Eskom deposits for properties leased by farmers amounting to R4 164million were incorrectly disclosed as other financial asset (deferred asset) which resulted to an over statement on the deferred asset during 2013/14 and the error has been corrected retrospectively from 2013.

Interdepartmental creditors

During the current financial year the Trading entity identified a lease debtor that belongs to amounting to R38thousand that was recognised as ALHA lease debtor from 2009/10 financial year which resulted in an understatement on creditors. The error has been corrected retrospectively from the beginning of 2013.

Trade payables/accruals

The Trading entity identified accruals that were previously not recognised amounting to R5 052million that relates to Rates and Taxes amounting to R4 536million, R21thousand which relates to the acquisition of land and farm expenditure amounting to R494thousand. The error has been corrected retrospectively from the beginning of 2013.

Accrued interest

It was identified during the current financial year that interest earned in ALHA's bank account was not accrued in the previous financial years. The total adjustment amounts to R108thousand and was correctly recognised retrospectively.

Notes to the Annual Financial Statements

26. Disclosure of prior period errors (continued)

Receivable - servitude

Servitudes were incorrectly recognised in the previous financial years which resulted to an over statement of other lease receivable. An amount of R108thousand has been corrected retrospectively from 2013, with an adjustment against the accumulated surplus.

| | 2015 R '000 | 2014 R '000 |
|---|----------------|----------------|
| Statement of Financial Position - 2013/14 | | |
| Non current assets - Property, plant and equipment - Cost | - | 4 078 |
| Non current assets - Property, plant and equipment - Asset disposal | - | 128 |
| Non current assets - Property, plant and equipment - Accumulated depreciation | - | (363) |
| Non current assets - Property, plant and equipment - Accumulated impairment | - | (117) |
| Non current assets - Intangible assets (shares on packaging houses) | - | 903 |
| Trade and other receivable exchange - Operating lease | - | 1 834 |
| Non current assets - Other financial assets | - | 4 164 |
| Trade and other payables non exchange - Interdepartmental creditors | - | 38 |
| Trade and other payables exchange - Accruals | - | 5 052 |
| Cash and cash equivalent - Accrued interest | - | (109) |
| Receivable exchange - Servitude (receivable) | - | (109) |
| | - | 15 499 |
| Statement of Financial Performance - 2013/14 | | |
| Expenditure - Depreciation | - | 225 |
| Expenditure - Impairment | - | 117 |
| Expenditure - Asset disposal | - | (128) |
| Revenue - Interest lease receivable | - | 555 |
| Revenue - Rental income receivable | - | 11 256 |
| Expenditure - Impairment - lease debtor | - | (14 411) |
| Operating expenditure farmers & other operating expenditure | - | (2 942) |
| Revenue - Accrued interest | - | 32 |
| Finance costs - Interest paid | - | (13) |
| Expenditure – Impairment – deferred expenses/transfers | - | (73) |
| | - | (5 382) |

27. Change in Accounting Estimates

Management changed its accounting estimates on intangible assets from indefinite to finite during the 2014/15 financial year. As result management has changed the useful life of the Intangible Asset from Indefinite to 5 years at the beginning of the current financial year.

As a result, an increase of amortisation of R219thousand was recognised in the statement of financial performance. The amortisation for the intangible asset will increase by R219thousand over the next 4 years in relation to the very same assets

Report of the Auditor-General to Parliament on the Deeds Registration Trading Account

Report on the financial statements

Introduction

1. I have audited the financial statements of the Deeds Registration Trading Account set out on pages 282 to 313, which comprise the statement of financial position as at 31 March 2015, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

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

Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Deeds Registration Trading Account as at 31 March 2015 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the PFMA.

Emphasis of matters

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

Restatement of corresponding figures

8. As disclosed in note 22 to the financial statements, the corresponding figures for 31

March 2014 have been restated as a result of an error discovered during the financial year ended 31 March 2015 in the financial statements of the Deeds Registration Trading Account at, and for the year ended, 31 March 2014.

Impairments

9. As disclosed in note 3 to the financial statements, an impairment provision for R23 937 000 relating to prepayment made to a service provider was raised as a result of the entity not foreseeing that the full amount paid would be recoverable from the service provider through service delivery.
10. As disclosed in note 4 to the financial statements, provision for doubtful debts to the amount of R3 556 000,00 was raised for estimated irrecoverable trade debtors.

Significant uncertainties

11. With reference to note 20 to the financial statements, three contingent liabilities have been disclosed in the notes to the annual financial statements. The entity is disputing the services reportedly provided to the entity by three services providers. The three cases are still under investigation and discussions with the service providers are ongoing, therefore the ultimate outcome regarding these matters could not be determined at the reporting date.

Report on other legal and regulatory requirements

12. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof. I have a responsibility to report findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each

subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

13. The strategic objectives, programme outputs, indicators and targets of the Deeds Registration Trading Account are incorporated in the reported programme performance of the Department of Rural Development and Land Reform, and are reported under programme 2: Geospatial and Cadastral Services. As a result, findings relating to the audit of performance information are reported as part of the audit report on the Department of Rural Development and Land Reform.

Compliance with legislation

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

Annual financial statements

15. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1) (a) and (b) of the PFMA. Material misstatements regarding property, plant and equipment, commitment and budget disclosure were identified by the auditors in the submitted financial statement and were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Internal control

16. I considered internal control relevant to my audit of the financial statements and

compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in findings on compliance with legislation included in this report.

Leadership

17. Progress is still required regarding management's oversight of financial reporting and related internal controls. This is evident from the fact that the implemented internal monitoring of controls currently fail to ensure accurate financial reporting. These deficiencies resulted in the material misstatements identified by the auditors. The entity needs to focus on implementing action plans to address the root cause of the internal control deficiencies identified going forward.

Financial and performance management

18. Daily and monthly controls over assets and preparation of financial statements require attention going forward. This is evident as material corrections were made to the financial statements submitted, resulting in material non-compliance. Furthermore, management needs to pay full attention to the information system control environment as several matters have been identified that require attention.

Other reports

Investigations

19. As at 31 March 2015, two cases were under investigation by internal audit as requested by the department. These investigations related to the allegation of financial mismanagement at the entity. The investigations started in the 2013-14 period and were still in progress at year-end. They are expected to be finalised in the 2015-16 period.
20. As at 31 March 2015, eight cases under investigation by the internal audit and SIU were finalised. These investigations related to the following:
 - Allegations relating to corruption and financial mismanagement at the Deeds office
 - Allegations relating to allegations of manipulation of the deeds registration system.
 - Allegations of fraudulent state land transfers.
21. The financial impact of these cases have been considered and found not to be material to the annual financial statements.

Auditor-General

Auditor-General
Pretoria
31 July 2015



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

DEEDS REGISTRATION TRADING ACCOUNT

| Annual Financial Statements for the year ended 31 March 2015

General Information

Country of incorporation and domicile:

South Africa

Nature of business and principal activities:

Office of the Chief Registrar of Deeds / Branch Deeds
Registration

Business address:

Corner Bosman and Pretorius
Rentmeester Building Pretoria
0001

Bankers:

Standard Bank

Auditors:

Auditor General of South Africa

DEEDS REGISTRATION TRADING ACCOUNT

| Annual Financial Statements for the year ended 31 March 2015

Index

The reports and statements set out below comprise the annual financial statements presented to the parliament:

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| Statement of Changes in Net Assets | 286 |
| Cash Flow Statement | 287 |
| Statement of Comparison of Budget and Actual Amounts | 288-290 |
| Accounting Policies | 291-300 |
| Notes to the Annual Financial Statements | 301-313 |

The annual financial statements set out on pages 282 to 313, which have been prepared on the going concern basis, were approved by the accounting authority on 31 July 2015 and were signed on its behalf by:



PM Shabane
Accounting Officer

DEEDS REGISTRATION TRADING ACCOUNT

Annual Financial Statements for the year ended 31 March 2015

Statement of Financial Position as at 31 March 2015

| | Note(s) | 2015 R '000 | 2014 Restated* R '000 |
|---|---------|----------------|-----------------------------|
| Assets | | | |
| Current Assets | | | |
| Inventories | 2 | 3,283 | 3,006 |
| Prepayments | 3 | 8,743 | 49,292 |
| Receivables from exchange transactions | 4 | 53,227 | 49,562 |
| Cash and cash equivalents | 5 | 289,819 | 279,698 |
| | | 355,072 | 381,558 |
| Non-Current Assets | | | |
| Property, plant and equipment | 6 | 152,327 | 48,989 |
| Intangible assets | 7 | 140,050 | 140,050 |
| | | 292,377 | 189,039 |
| Total Assets | | 647,449 | 570,597 |
| Liabilities | | | |
| Current Liabilities | | | |
| Finance lease obligation | 8 | 1,007 | 697 |
| Payables from exchange transactions | 9 | 71,669 | 33,847 |
| Unspent conditional grants and receipts | 10 | 91,922 | 164,000 |
| | | 164,598 | 198,544 |
| Non-Current Liabilities | | | |
| Finance lease obligation | 8 | 903 | 749 |
| Provisions | 11 | 14,735 | 14,525 |
| | | 15,638 | 15,274 |
| Total Liabilities | | 180,236 | 213,818 |
| Net Assets | | 467,213 | 356,779 |
| Accumulated surplus | | 467,213 | 356,779 |

* See Note 22

DEEDS REGISTRATION TRADING ACCOUNT

Annual Financial Statements for the year ended 31 March 2015

Statement of Financial Performance

| | 2015 R '000 | 2014 Restated* R '000 |
|---|-------------------|-----------------------------|
| Revenue | | |
| Revenue from exchange transactions | | |
| Registration of deeds and sale of information | 521,549 | 515,045 |
| Other income | 2,793 | 1,186 |
| Interest received - investment | 14 12,386 | 6,569 |
| Total revenue from exchange transactions | 536,728 | 522,800 |
| Revenue from non-exchange transactions | | |
| Transfer revenue | | |
| Government grants | 185,272 | 77,741 |
| Public contributions and donations | - | 2,824 |
| Total revenue from non-exchange transactions | 185,272 | 80,565 |
| Total revenue | 13 722,000 | 603,365 |
| Expenditure | | |
| Bad debts | (586) | (41) |
| Depreciation and amortisation | (20,490) | (24,770) |
| Employee costs | (411,717) | (349,243) |
| Finance costs | 15 (177) | (130) |
| General expenses | (107,080) | (107,949) |
| Impairment of prepayment | (23,937) | - |
| Impairment loss | (2,298) | (1,558) |
| Repairs and maintenance | (44,730) | (13,600) |
| Total expenditure | (611,015) | (497,291) |
| Operating surplus | 110,985 | 106,074 |
| Loss on disposal of assets | (549) | (754) |
| Surplus for the year | 110,436 | 105,320 |

* See Note 22

DEEDS REGISTRATION TRADING ACCOUNT

| Annual Financial Statements for the year ended 31 March 2015

Statement of Changes in Net Assets

| | Accumulated surplus R '000 | Total net assets R '000 |
|--|----------------------------|-------------------------|
| Balance at 01 April 2013 | 251,458 | 251,458 |
| Changes in net assets | | |
| Surplus for the year | 105,320 | 105,320 |
| Total changes | 105,320 | 105,320 |
| Opening balance as previously reported | 355,821 | 355,821 |
| Adjustments | | |
| Prior year adjustments - Note 22 | 957 | 957 |
| Restated* Balance at 01 April 2014 as restated* | 356,778 | 356,778 |
| Changes in net assets | | |
| Surplus for the year | 110,435 | 110,435 |
| Total changes | 110,435 | 110,435 |
| Balance at 31 March 2015 | 467,213 | 467,213 |

* See Note 22

DEEDS REGISTRATION TRADING ACCOUNT

Annual Financial Statements for the year ended 31 March 2015

Cash Flow Statement

| | Note(s) | 2015 R '000 | 2014 Restated* R '000 |
|---|---------|-------------------------|-----------------------------|
| Cash flows from operating activities | | | |
| Receipts | | | |
| Registration of Deeds and sale of information | | 537,295 | 506,952 |
| Grants | | 113,194 | 241,741 |
| Interest income | | 12,386 | 6,569 |
| | | <u>662,875</u> | <u>755,262</u> |
| Payments | | | |
| Employee costs | | (411,717) | (349,243) |
| Suppliers | | (116,946) | (164,684) |
| | | <u>(528,663)</u> | <u>(513,927)</u> |
| Net cash flows from operating activities | 19 | <u>134,212</u> | <u>241,335</u> |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 6 | (124,449) | (6,594) |
| Proceeds from sale of property, plant and equipment | 6 | 70 | 48 |
| Purchase of other intangible assets | 7 | - | (50,177) |
| Net cash flows from investing activities | | <u>(124,379)</u> | <u>(56,723)</u> |
| Cash flows from financing activities | | | |
| Finance lease payments | | 288 | (366) |
| Net increase/(decrease) in cash and cash equivalents | | <u>10,121</u> | <u>184,246</u> |
| Cash and cash equivalents at the beginning of the year | | 279,698 | 95,452 |
| Cash and cash equivalents at the end of the year | 5 | <u>289,819</u> | <u>279,698</u> |

* See Note 22

DEEDS REGISTRATION TRADING ACCOUNT

Annual Financial Statements for the year ended 31 March 2015

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

| | Approved budget R '000 | Adjustments R '000 | Final Budget R '000 | Actual amounts on comparable basis R '000 | Difference between final budget and actual R '000 | Reference |
|--|---------------------------|-----------------------|------------------------|--|---|-----------|
| Statement of Financial Performance | | | | | | |
| Revenue | | | | | | |
| Revenue from exchange transactions | | | | | | |
| Registration of Deeds and sale of information | 605,170 | (13) | 605,157 | 521,549 | (83,608) | 1 |
| Other income | - | - | - | 2,793 | 2,793 | 2 |
| Interest received - investment | 8,471 | 68 | 8,539 | 12,386 | 3,847 | 3 |
| Total revenue from exchange transactions | 613,641 | 55 | 613,696 | 536,728 | (76,968) | |
| Revenue from non-exchange transactions | | | | | | |
| Transfer revenue | | | | | | |
| Government grants & subsidies | 113,194 | - | 113,194 | 185,272 | 72,078 | 4 |
| Total revenue | 726,835 | 55 | 726,890 | 722,000 | (4,890) | |
| Expenditure | | | | | | |
| Personnel | (463,970) | - | (463,970) | (411,717) | 52,253 | 5 |
| Depreciation and amortisation | (28,892) | - | (28,892) | (20,490) | 8,402 | 6 |
| Impairment loss/ Reversal of impairments | - | - | - | (26,235) | (26,235) | 7 |
| Finance costs | - | - | - | (177) | (177) | 8 |
| Bad debts written off | - | - | - | (586) | (586) | 9 |
| Repairs and maintenance | (31,268) | (916) | (32,184) | (44,730) | (12,546) | 10 |
| General Expenses | (202,540) | - | (202,540) | (107,080) | 95,460 | 11 |
| Total expenditure | (726,670) | (916) | (727,586) | (611,015) | 116,571 | |
| Operating surplus | 165 | (861) | (696) | 110,985 | 111,681 | |
| Loss on disposal of assets | - | - | - | (549) | (549) | 12 |
| (Deficit)/Surplus before taxation | 165 | (861) | (696) | 110,436 | 111,132 | |
| Actual Amount on Comparable | 165 | (861) | (696) | 110,436 | 111,132 | |
| Basis as Presented in the Budget and Actual Comparative Statement | | | | | | |
| Reconciliation | | | | | | |
| Statement of Financial Position | | | | | | |
| Assets | | | | | | |
| Current Assets | | | | | | |
| Inventories | 2,152 | - | 2,152 | 3,283 | 1,131 | 13 |
| Receivables from exchange transactions | 84,954 | - | 84,954 | 53,227 | (31,727) | 14 |

DEEDS REGISTRATION TRADING ACCOUNT

Annual Financial Statements for the year ended 31 March 2015

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

| | Approved budget R '000 | Adjustments R '000 | Final Budget R '000 | Actual amounts on comparable basis R '000 | Difference between final budget and actual R '000 | Reference |
|--|---------------------------|-----------------------|------------------------|--|---|-----------|
| Prepayments | - | - | - | 8,743 | 8,743 | 15 |
| Cash and cash equivalents | 50,506 | 236,094 | 286,600 | 289,819 | 3,219 | 16 |
| | 137,612 | 236,094 | 373,706 | 355,072 | (18,634) | |
| Non-Current Assets | | | | | | |
| Property, plant and equipment | 142,277 | (6,283) | 135,994 | 152,327 | 16,333 | 17 |
| Intangible assets | - | - | - | 140,050 | 140,050 | 18 |
| | 142,277 | (6,283) | 135,994 | 292,377 | 156,383 | |
| Total Assets | 279,889 | 229,811 | 509,700 | 647,449 | 137,749 | |
| Liabilities | | | | | | |
| Current Liabilities | | | | | | |
| Finance lease obligation | 738 | - | 738 | 1,007 | 269 | 19 |
| Payables from exchange transactions | 74,974 | - | 74,974 | 71,668 | (3,306) | 20 |
| Unspent conditional grants and receipts | 3,816 | - | 3,816 | 91,922 | 88,106 | 21 |
| | 79,528 | - | 79,528 | 164,597 | 85,069 | |
| Non-Current Liabilities | | | | | | |
| Finance lease obligation | 833 | - | 833 | 903 | 70 | 22 |
| Provisions | - | 13,285 | 13,285 | 14,735 | 1,450 | 23 |
| | 833 | 13,285 | 14,118 | 15,638 | 1,520 | |
| Total Liabilities | 80,361 | 13,285 | 93,646 | 180,235 | 86,589 | |
| Net Assets | 199,528 | 216,526 | 416,054 | 467,214 | 51,160 | |
| Net Assets | | | | | | |
| Net Assets Attributable to Owners of Controlling Entity | | | | | | |
| Reserves | | | | | | |
| Accumulated surplus | 199,528 | 216,526 | 416,054 | 467,214 | 51,160 | |

1. This item is budgeted by using previous year trends. The economy has a direct effect on property market therefore this budget is only an estimate. Financial institutions apply stricter criteria to assess potential borrowers as per National Credit Act. The implementation of the act has reduced the number of persons meeting the criteria.
2. This item is not budgeted for as it is mostly made up of the following sources of income: Bad debts recovered and staff debts recovered eg; private telephone usage.
3. The favourable bank interest received was due to the high bank balance carried throughout the year. The high carrying amount was due to grant received which was not utilised during the financial year.
4. The actual amount represents the spent portion of grants received. The allocation for 2014/15 was R113,194 million of which R14,894 was utilised for salary increments and R98,300 was allocated for eCadastre. During 2014/15 computer hardware (infrastructure - servers for eCadastre) were delivered and paid for R112 million. Funds for infrastructure were transferred in 2013/14 financial year.
5. During 2014/15 there were 151 posts budgeted for but due to reprioritisation this number was reduced to 119 posts.

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

6. The infrastructure assets amounting to R112 million were not yet functional during 2014/15 subsequently no depreciation was raised on the assets.
7. The expenditure was not budgeted for the prepayment was reduced to reflect a realistic carrying value, impairment of R23 million.
8. The expenditure relates to finance leasee and was not budgeted for. Finance leases are for photocopy machines.
9. The expenditure is not budgeted for.
10. An amount of R10 million for support and maintenance for eCadastre infrastructure for the period 01/04/2014 - 31/03/2015 which was not budgeted for.
11. The delay in the re-scoping and re-alignment of the eCadastre project contributed to the budget not being fully utilised.
12. The item is not budgeted for.
13. The expense is only recognised when store items are issued. The items are budgeted for separately under the specific expenditure items.
14. The majority of debtors settle their accounts during the financial year.
15. The item is not budgeted for.
16. The entity received higher than expected interest per month from a favourable bank balance due to grant from DRDLR.
17. eCadastre infrastructure was procured during the financial period.
18. The item is not budgeted for.
19. Additional finance leases were procured during the financial year which resulted in an increase in current and non-current liabilities.
20. The variance is due to Dataintelect contract being canceled and Gijima contracts going through re-scoping and re-planning process and therefore a reduction in expenditure.
21. Unspent conditional grant was not fully utilised during the financial year due to re-alignment and re-scoping of eCadastre project.
22. Additional finance leases were procured during the financial year which resulted in an increase in current and non-current liabilities.
23. The non-current provision relates to capped leave which is paid out when official's reach normal retirement. The capped leave value per official increases annually due to salary increment.

Accounting Policies

1. Presentation of Annual Financial Statements

The Annual Financial Statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act, (Act No 1 of 1999).

The annual financial statements have been prepared on the accrual basis of accounting and incorporate the historical cost conventions as the basis of measurement, except where specified otherwise. All amounts have been presented in the currency of the South African Rand (R), which is also the functional currency of the entity. Unless otherwise stated all financial figures have been rounded to the nearest One Thousand Rand (R'000). Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

1.1 Going concern assumption

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.2 Comparative figures

Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

The nature and reasons for the reclassification and restatement are disclosed in note 22 (Prior period error) to the Financial Statements.

1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future

could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Trade receivables

The entity assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables is calculated on amounts that are 90 days or more overdue. Assessment for the impairment has been made on individual debtors based on specific probability of recovery. Consideration is also given with regard to payment received from long outstanding debtors after year end, as well as information obtained from any debt collector used by the Trading Entity. The fair value includes the initial recognition of the debts. Interest is levied on dates when debt is due and payable but outstanding.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in note 11 - Provisions.

Depreciation and amortisation

Depreciation recognised on property, plant and equipment is determined with reference to the useful lives and residual values of the underlying items. The useful lives and residual values of assets are based on management's estimation of the asset's condition, expected condition at the end of the period of use, its current use, and expected future use and the entity's expectations about the availability of finance to replace the asset at the end of its useful life. In evaluating the how the condition and use of the asset informs the useful life and residual value management considers the impact of technology and minimum service requirements of the assets.

Impairment of non-financial assets

In testing for, and determining the value-in-use of non-financial assets, management is required to rely on the use of estimates about the asset's ability to continue to generate cash flows (in the case of cash-generating assets).

Accounting Policies

1.4 Property, plant and equipment

Property, plant and equipment are tangible non-current assets that are held for use in the supply of goods or services, or for administrative purposes and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when: it is probable that future economic benefits or service potential associated with the item will flow to the entity; and the cost of the item can be measured reliably.

Property, plant and equipment are initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition, which is recognised as the deemed cost thereof.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Subsequent to initial recognition, items of property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on the depreciable amount using the straight-line method over the estimated useful life of the asset. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The depreciable amount is determined after taking into account an asset residual value, where applicable.

The asset residual values, useful life and depreciation methods are reviewed at each financial year-end and adjusted prospectively, if appropriate.

The useful lives of items of property, plant and equipment have been assessed as follows:

| Item | Average useful life |
|------------------------|------------------------------------|
| Furniture and fixtures | 15 - 30 years |
| Office equipment | 5 - 13 years |
| IT equipment | 5 - 13 years |
| Leasehold improvements | Lower of useful life or lease term |
| Photographic equipment | 5 - 13 years |

Expenditure on improvement on leasehold building has been depreciated over the remaining period of the underlying lease for such period if ownership does not transfer at the end of the lease.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of financial performance in the period that the disposal occurs.

1.5 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

Accounting Policies

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

1.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest in another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The entity first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the entity analyses a concessionary loan into its component parts and accounts for each component separately. The entity accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

Accounting Policies

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Impairment and uncollectibility of financial assets

The entity assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;

- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity :
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Accounting Policies

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

1.7 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of return on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred. Operating leases - lessee Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.8 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Inventories consisting of consumable stores are measured at the lower of cost and net realisable

value. The basis of determining cost is the weighted-average method.

Differences arising on the valuation of inventory are recognised in the statement of financial performance in the year in which they arose. The amount of any reversal of any write-off of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction of inventories recognised as an expense in the period in which the reversal occurs.

If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs.

1.9 Impairment of cash-generating assets

Cash-generating assets are those assets held by the entity with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the entity; or
- (b) the number of production or similar units expected to be obtained from the asset by the entity.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists,

Accounting Policies

the entity estimates the recoverable amount of the asset.

Reversal of impairment loss

The entity assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

1.10 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where

the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;

- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed or determinable contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognise the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

1.11 Provisions and contingencies

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present

Accounting Policies

value of the expenditures expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating deficits.

1.12 Impairment of non-cash-generating assets

Cash-generating assets are those assets held by the entity with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's

length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the entity; or
- (b) the number of production or similar units expected to be obtained from the asset by the entity.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the entity estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also test a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

1.13 Revenue from exchange transactions

Revenue consists of fees charged for property registration and for provision of registration data to customers in accordance with the tariffs provided for in the Schedule of Fees prescribed by Regulation 84 of the Deeds Registries Act, 1937 (Act 47 of 1937), and approved by the Minister of Rural Development and Land Reform. Revenue is recognised on execution of the Deeds applications as well as on sale of the data that has been requested.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

Accounting Policies

- the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.14 Revenue from non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving

approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the entity has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Services in-kind

Services received in kind from other organs of state have not been recognised in the financial statements. The disclosure of their nature and type has however been disclosed by way of note to the financial statements in line with GRAP 23. These services may include:

- Administration Services
- Accommodation
- Information Technology
- Staff Training

Accounting Policies

All other services that are provided on behalf of the entity and are charged to the entity have been classified normally as expenses in terms of the approved Standard Chart of Accounts (SCOA).

1.15 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not 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.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.16 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.17 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

- The PFMA; or
- the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

Irregular expenditure that was incurred and identified during the current financial year and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

1.18 Related parties

The entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

Accounting Policies

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. All employees on level 13 and above (SMS) are regarded as key management as a result of authority and responsibilities assigned as per Deeds Registry Act and SMS hand book.

1.19 Prior period error

Prior period errors are omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that: \checkmark was available when financial statements for those periods were authorised for issue; and \checkmark could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

Such errors may include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretation of facts, and fraud.

Material prior period errors are retrospectively corrected by:

- restating the comparative amounts for the prior period presented in which the error occurred; or
- If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

1.20 Contingent liabilities

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 in the control of the entity; or

A present obligation that arises from past events that is not recognised because;

- It is not probable that an out flow of resources and embodying economic benefits will be required to settle the obligation; or
- The amount of the obligation cannot be measured with sufficient reliability.

1.21 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.22 Budget information

Entity are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 01/04/2014 to 31/03/2015.

The budget for the economic entity includes all the entities approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

Notes to the Annual Financial Statements

2. Inventories

| | 2015 R '000 | 2014 R '000 |
|-----------------------------|----------------|----------------|
| Consumable material on hand | 3,283 | 3,006 |

None of the entity's inventory was measured at net realisable value. Accordingly, the balance as presented represents the cost of inventories at hand. Inventories consist mainly of stationary and consumable material.

Inventory to the value of R6,816 million (2014: R4,407 million) was recognised as an expense during the year. The inventories are recognised as an expense as and when consumed within the entity and the related expense is included in the printing and stationary expense line item.

The basis of determining cost is the weighted-average method.

3. Prepayments

| | 2015 R '000 | 2014 R '000 |
|--|----------------|----------------|
| Opening balance | 49,292 | 51,162 |
| Add: during financial year | 2,326 | 2,144 |
| Less: prepaid expense worked back | (19,249) | (509) |
| Less: prepaid recognised previous financial year | (2,144) | (1,050) |
| Less: workback plan ending 30 June 2015 | (23,937) | - |
| Add/(Less): discounting of prepaid expenditure | 2,455 | (2,455) |
| | 8,743 | 49,292 |

The prepayment relates to payments to Gijima amounting to R50,112 million for the scanning of microfilm images at the increased average price of R0.48 per image, this average price was agreed between the parties. Subsequent to an internal audit by DRDLR during July 2012, Gijima was informed to return to the original cost differentiation for the scanning of paper and microfilm as per the Gijima tender response. Due to the re-calculation this resulted in a prepayment, Gijima therefore agreed to work back the prepayment. During 2013/14 financial year R509 038 was worked back by Gijima. During financial year 2014/15 an amount of R19,249 million was worked back by Gijima. The outstanding balance is R30,354 million. The average amount which will be worked back for April, May and June 2015 is R6,416. Therefore the asset was reduced by R23,937 million to fairly represent the recoverable amount.

An amount of R1,970 million was prepaid to Oracle Corporation for software license (period April 2015 to May 2015). An amount of R309 365 was prepaid to Acctech System for software license (period April 2015 to December 2015). An amount of R47 005 was prepaid to CQS Technology for software license (period April 2015 to January 2016).

4. Receivables from exchange transactions

| | 2015 R '000 | 2014 R '000 |
|----------------------|----------------|----------------|
| Trade receivables | 50,069 | 46,415 |
| Other receivables | 2,114 | 2,179 |
| Interest receivables | 1,044 | 968 |
| | 53,227 | 49,562 |

The carrying value of trade receivables of R50,069 million is stated after a provision for impairment of trade receivables of R3,556 million (2014: R5,122 million) on gross trade receivables value of R53,625 million. The

Notes to the Annual Financial Statements

provision for impairment of trade receivables is determined from the age analysis of trade receivables that are overdue for 90 days and more. The prospects of recovery are however assessed per individual account.

Trade and other receivables impaired

The ageing of these receivables is as follows:

| | 2015 R '000 | 2014 R '000 |
|---------------|----------------|----------------|
| 3 to 6 months | 3,556 | 5,122 |

Reconciliation of doubtful debts provision

| | 2015 R '000 | 2014 R '000 |
|--|----------------|----------------|
| Opening balance | 5,122 | 4,454 |
| Provision for impairment | 253 | 196 |
| Bad debts written off in the current year | (1,884) | (265) |
| Bad debts provided for but recovered in the current year | (1,979) | (625) |
| Contributions to provision | 2,044 | 1,362 |
| | 3,556 | 5,122 |

Trade receivables age analysis

| | 2015 R '000 | 2014 R '000 |
|--------------|----------------|----------------|
| Current | 47,737 | 41,975 |
| 30 days | 2,411 | 4,459 |
| 60 days | 81 | 311 |
| 90 days | 155 | 57 |
| over 90 days | 3,241 | 4,734 |
| | 53,625 | 51,536 |

The current provision for impairment of Trade and Other Receivables has been included in operating expenses in the statement of financial performance, under account "Depreciation, Amortisation and Impairments". Amounts charged to Impairment of Receivables are generally written off when there is no expectation of recovery. The maximum exposure to credit risk at reporting date is the carrying value of each class of receivables recognised above. Deeds Registration does not hold any collateral as security.

5. Cash and cash equivalents

| | 2015 R '000 | 2014 R '000 |
|---------------------------|----------------|----------------|
| Cash on hand (Petty Cash) | 23 | 19 |
| Bank | 289,796 | 279,680 |
| | 289,819 | 279,699 |

Cash and deposits are held with a registered banking institution which is subjected to insignificant credit risk. The maximum exposure to credit risk at reporting date is R289,819 million (2014: R279,699 million). None of the cash and cash equivalents of the entity are subject to restricted availability as these balances are not encumbered.

Notes to the Annual Financial Statements

6. Property, plant and equipment

| | 2015 | | | 2014 | | |
|------------------------|------------------|---|----------------|------------------|---|----------------|
| | Cost / Valuation | Accumulated depreciation and accumulated impairment | Carrying value | Cost / Valuation | Accumulated depreciation and accumulated impairment | Carrying value |
| Furniture and fixtures | 31,954 | (28,250) | 3,704 | 30,315 | (19,760) | 10,555 |
| Office equipment | 4,016 | (2,191) | 1,825 | 3,726 | (2,343) | 1,383 |
| IT equipment | 108,874 | (79,972) | 28,902 | 104,671 | (72,206) | 32,465 |
| Leasehold improvements | 15,697 | (13,963) | 1,734 | 76,667 | (73,705) | 2,962 |
| Infrastructure | 112,742 | - | 112,742 | - | - | - |
| Photographic equipment | 5,976 | (2,556) | 3,420 | 4,039 | (2,415) | 1,624 |
| Total | 279,259 | (126,933) | 152,327 | 219,418 | (170,429) | 48,989 |

Reconciliation of property, plant and equipment - 2015

| | Opening balance | Additions | Disposals | Depreciation | Total |
|------------------------|-----------------|----------------|--------------|-----------------|----------------|
| Furniture and fixtures | 10,555 | 2,081 | (178) | (8,753) | 3,704 |
| Office equipment | 1,383 | 1,463 | - | (1,021) | 1,825 |
| IT equipment | 32,465 | 6,125 | (441) | (9,247) | 28,902 |
| Leasehold improvements | 2,962 | - | - | (1,228) | 1,734 |
| Infrastructure | - | 112,742 | - | - | 112,742 |
| Photographic equipment | 1,624 | 2,038 | - | (241) | 3,420 |
| | 48,989 | 124,449 | (619) | (20,490) | 152,327 |

Reconciliation of property, plant and equipment - 2014

| | Opening balance | Additions | Disposals | Revaluations | Depreciation | Total |
|------------------------|-----------------|--------------|--------------|--------------|-----------------|---------------|
| Furniture and fixtures | 13,611 | 2,937 | (204) | 2,824 | (8,614) | 10,555 |
| Office equipment | 1,604 | 849 | (22) | - | (1,048) | 1,383 |
| IT equipment | 42,980 | 2,794 | (565) | - | (12,743) | 32,465 |
| Leasehold improvements | 5,086 | - | - | - | (2,124) | 2,962 |
| Photographic equipment | 1,862 | 14 | (11) | - | (241) | 1,624 |
| | 65,143 | 6,594 | (802) | 2,824 | (24,770) | 48,989 |

The Department of Public Works provides office accommodation for some Deeds Registries. The category of Leasehold Improvements represents costs incurred by the Deeds Registration Trading Account to improve the buildings that are owned / leased on behalf of Deeds Registries by the Department of Public Works. The lease improvements are amortised over the lease period or useful life, whichever is regarded as shorter period.

Office equipment comprises of photocopy machines which are leased in term of finance lease agreement. The period of the lease agreements are 3 years and the carrying value is R1,824 million. Refer to note.8 where finance lease obligation is disclosed.

The significant addition in Infrastructure (work in progress) is related to procurement of computer hardware for eCadastre project. The Infrastructure was not functional as at 31 March 2015. The hardware is being assembled and tested before being transported to final location for operation.

Notes to the Annual Financial Statements

7. Intangible assets

| | 2015 | | | 2014 | | |
|-------------------|------------------|---|----------------|------------------|---|----------------|
| | Cost / Valuation | Accumulated depreciation and accumulated impairment | Carrying value | Cost / Valuation | Accumulated depreciation and accumulated impairment | Carrying value |
| Intangible assets | 140,050 | - | 140,050 | 140,050 | - | 140,050 |

Reconciliation of intangible assets - 2015

| | Opening balance | Total |
|-------------------|-----------------|---------|
| Intangible assets | 140,050 | 140,050 |

Reconciliation of intangible assets - 2014

| | Opening balance | Additions | Total |
|-------------------|-----------------|-----------|---------|
| Intangible assets | 89,873 | 50,177 | 140,050 |

The intangible asset is related to the development of software modules to facilitate the implementation of the eCadastre project.

The total intangible asset for the period ended 31 March 2015 is R140,050. The intangible asset is regarded as having an indefinite useful life as there is no limit to the period over which the asset is expected to generate net cash flows or potential service.

8. Finance lease obligation

Minimum lease payments due

| | 2015 R '000 | 2014 R '000 |
|--|----------------|----------------|
| within one year | 1,136 | 793 |
| in second to fifth year inclusive | 958 | 801 |
| | 2,094 | 1,594 |
| less: future finance charges | (184) | (148) |
| Present value of minimum lease payments | 1,910 | 1,446 |

Present value of minimum lease payments due

| | 2015 R '000 | 2014 R '000 |
|-----------------------------------|----------------|----------------|
| within one year | 1,007 | 697 |
| in second to fifth year inclusive | 903 | 749 |
| | 1,910 | 1,446 |
| Non-current liabilities | 903 | 749 |
| Current liabilities | 1,007 | 697 |
| | 1,910 | 1,446 |

The average lease term ranges between 2 and 5 years for office equipment, with an average interest rate of 9% applied to the leases. The finance leases are secured by the assets leased in terms of the agreement. Please refer to note 6 where the assets held under the finance leases are disclosed as part of office equipment.

Contingent rent recognised as an expense in the period amounted to R396 536. The contingent rents relate to copy charges per copy machine.

Notes to the Annual Financial Statements

9. Payables from exchange transactions

| | 2015 R '000 | 2014 R '000 |
|-------------------|----------------|----------------|
| Trade payables | 7,685 | 6,692 |
| Unallocated cash | 12 | 159 |
| Accrued leave pay | 14,109 | 9,577 |
| Accrued bonus | 12,048 | 11,153 |
| Sundry accruals | 36,052 | 4,787- |
| Other payables | 1,763 | 1,479 |
| | 71,669 | 33,847 |

Unallocated cash represents money deposited at the bank but not yet identified and allocated to Trade Receivables at the end of the financial year.

10. Unspent conditional grants and receipts

Deferred revenue closing balance for 2014/15 refers to an unspent portion of a grant received from Department of Rural Development and Land Reform. The grant was provided for E-Cadastre project (R98,300 million), annual increase in salary expenditure (R14,894 million) and E-Cadastre project computer hardware (R164, 000 million).

Reconciliation of unspent conditional grants

| | 2015 R '000 | 2014 R '000 |
|--------------------------------------|----------------|----------------|
| Balance at the beginning of the year | 164,000 | - |
| Additions during the year | 113,194 | 241,741 |
| Income recognition during the year | (185,272) | (77,741) |
| Closing balance | 91,922 | 164,000 |

These amounts are invested in a ring-fenced investment until utilised.

11. Provisions

Reconciliation of provisions - 2015

| | Opening Balance | Additions | Total |
|-----------------|-----------------|-----------|--------|
| Leave provision | 14,525 | 210 | 14,735 |

Reconciliation of provisions - 2014

| | Opening Balance | Additions | Total |
|-----------------|-----------------|-----------|--------|
| Leave provision | 14,026 | 499 | 14,525 |

The leave pay provision relates to long term / capped leave that accrued to employees. It is not possible to anticipate the timing of the utilisation or the timing of the cash-out of this balance. Accordingly the uncertainty related to the balance is limited to the timing of realisation. A review of the utilisation trends has however evidenced that it is unlikely that the full balance will be realised within the short term. Accordingly the balance is classified as non-current.

The value of the provision is determined with reference to the capped leave days that have accrued to employees and the basic salaries of the employees. This represents the weighted average probable economic outflow that may be required to settle the capped leave balance.

Notes to the Annual Financial Statements

12. Financial instruments disclosure

Categories of financial instruments 2015

Financial assets

| | At amortised cost | Total |
|--|-------------------|----------------|
| Trade and other receivables from exchange transactions | 50,069 | 50,069 |
| Cash and cash equivalents | 289,819 | 289,819 |
| Closing balance | 339,888 | 339,888 |

Financial liabilities

| | At amortised cost | Total |
|---|-------------------|---------------|
| Trade and other payables from exchange transactions | 71,668 | 71,668 |
| Finance lease liability | 1,910 | 1,910 |
| Closing balance | 73,578 | 73,578 |

2014

Financial assets

| | At amortised cost | Total |
|--|-------------------|----------------|
| Trade and other receivables from exchange transactions | 46,415 | 46,415 |
| Cash and cash equivalents | 279,698 | 279,698 |
| Closing balance | 326,113 | 326,113 |

Financial liabilities

| | At amortised cost | Total |
|---|-------------------|---------------|
| Trade and other payables from exchange transactions | 33,847 | 33,847 |
| Finance lease liability | 1,446 | 1,446 |
| Closing balance | 35,293 | 35,293 |

13. Revenue

The amount included in revenue arising from exchanges of goods or services are as follows:

| | 2015 R '000 | 2014 R '000 |
|---|----------------|----------------|
| Registration of deeds and sale of information | 521,549 | 515,045 |
| Other income | 2,793 | 1,186 |
| Interest received - investment | 12,386 | 6,569 |
| | 536,728 | 522,800 |

The amount included in revenue arising from non-exchange transactions is as follows:

Transfer revenue

| | 2015 R '000 | 2014 R '000 |
|------------------------------------|----------------|----------------|
| Government grants | 185,272 | 77,741 |
| Public contributions and donations | - | 2,824 |
| Interest received - investment | 185,272 | 80,565 |
| Total revenue | 722,000 | 603,365 |

Notes to the Annual Financial Statements

14. Investment revenue

Interest revenue

| | 2015 R '000 | 2014 R '000 |
|---------------------------------------|----------------|----------------|
| Interest received - bank | 12,036 | 6,260 |
| Interest received - trade receivables | 316 | 297 |
| Interest received - staff debtors | 34 | 11 |
| | 12,386 | 6,568 |

15. Finance costs

| | 2015 R '000 | 2014 R '000 |
|----------------|----------------|----------------|
| Finance leases | 177 | 130 |

16. Auditors' remuneration

| | 2015 R '000 | 2014 R '000 |
|------------|----------------|----------------|
| Audit fees | 3,637 | 3,190 |

External audit fees (Auditor General) amounted to R3,637 million for the 2014/15 financial year (2013/14 R3,190 million).

17. Operating lease

The following amounts are due in future financial years due to contractual obligations: Operating leases relate to service level agreements for example; water coolers, metrofile and interpark.

Minimum lease payments due:

| | 2015 R '000 | 2014 R '000 |
|-----------------------------|----------------|----------------|
| Payable within 1 year | 797 | 739 |
| Payable within 2 to 5 years | - | 387 |
| | 797 | 1,126 |

18. Commitments

Commitments relate to operating contracts (service level agreements) due in future financial years for example: cleaning contracts, security contracts, hygiene contracts etc. The total future commitments amount to R54 937 million for financial year 2014/15, financial year 2013/14 R195 885 million.

19. Cash generated from operations

| | 2015 R '000 | 2014 R '000 |
|--------------------------------|----------------|----------------|
| Surplus | 110,435 | 105,320 |
| Adjustments for: | | |
| Depreciation and amortisation | 20,490 | 24,770 |
| Loss/(Gain) on sale of assets | 549 | 754 |
| Finance costs - finance leases | 177 | 130 |

Notes to the Annual Financial Statements

| | 2015 R '000 | 2014 R '000 |
|---|----------------|----------------|
| Impairment deficit | 26,235 | 1,558 |
| Movements in provisions | 211 | 500 |
| Prior year - reclassification of asset | - | (2,824) |
| Changes in working capital: | | |
| Inventories | (278) | (653) |
| Receivables from exchange transactions | (5,962) | (8,967) |
| Prepayments | 16,612 | 1,869 |
| Payables from exchange transactions | 37,821 | (45,122) |
| Unspent conditional grants and receipts | (72,078) | 164,000 |
| | 134,212 | 241,335 |

20. Contingent Liabilities

Deeds Trading Account has established that it has a contingent liability in respect of a dispute with DataIntellect regarding services rendered. Deeds disputes DataIntellect's claim that services were rendered for November 2014, December 2014, January 2015, February 2015 and March 2015. Deeds declines to settle the outstanding invoices and DataIntellect expressed their intent to take legal action. The total value of the outstanding invoices is R2,486 million.

A dispute exists with Datacentrix, in April 2009 Datacentrix claims Deeds entered into a gentlemen's agreement with an understanding that a R2,5 million proposal was going to be approved once all the Deeds internal processes have been concluded. On the basis of this understanding Datacentrix claims to have continued to give support services as and when Deeds required it. Deeds disputes this gentlemen's agreement and declines to settle the outstanding invoice as there is no proof of services rendered.

Deeds Trading Account has established that it has a contingent liability towards Gijima Holdings related to e-Cadastre project. Invoices submitted from April to October 2014 could not be associated with deliverables; and payment was therefore not made. The total value of the outstanding invoices is R7,858 million.

Contingent assets

A work back plan agreed to with Gijima, relating to a prepayment on the scanning solution, will terminate on 30 June 2015. The outstanding balance of the prepayment at 31 March 2015 is R30,354 million and the average amount which will be worked back for April, May and June 2015 is R6,416 million. The projected outstanding balance at 30 June 2015 will be R23,937 million. Recovery of the outstanding amount will be determined in the project closeout.

21. Related parties

Relationships

National Department and controlled entities

The trading entity is a related party to other state departments and other state owned entities in the national sphere of government. The trading entity does not separately disclosure transactions with government entities related parties unless there are transactions or balances between the trading entity and the related parties and in accordance with IPSAS 20: Related Parties those transactions were not on normal terms and practice for the sector.

DEEDS REGISTRATION TRADING ACCOUNT

Annual Financial Statements for the year ended 31 March 2015

Notes to the Annual Financial Statements

Related party balances

| | 2015 R '000 | 2014 R '000 |
|---|----------------|----------------|
| Amount included in trade receivables | | |
| Department of Rural Development and Land Reform | - | 102 |

| | 2015 R '000 | 2014 R '000 |
|---|----------------|----------------|
| Rendering of services to related parties | | |
| Department of Rural Development and Land Reform | (171,093) | (218,588) |
| Salary claim | 247 | - |
| IT related services | 246 | - |

| | 2015 R '000 | 2014 R '000 |
|---|----------------|----------------|
| Grant received from DRDLR | | |
| Procurement of hardware/eCadastre project | 98,300 | 164,000 |
| Procurement of software systems | - | 64,000 |
| Salary inflation funds | 14,894 | 13,741 |

Related party transactions

| | 2015 R '000 | 2014 R '000 |
|---|----------------|----------------|
| Rent paid to (received from) related parties | | |
| Office accommodation | 49,274 | - |

| | 2015 R '000 | 2014 R '000 |
|----------------------------|----------------|----------------|
| Security Services | | |
| Total amount paid to DRDLR | 6,199 | - |

| | 2015 R '000 | 2014 R '000 |
|--|----------------|----------------|
| Building maintenance office accommodation | | |
| Outstanding payment KZN upgrade | 2,921 | - |

| | 2015 R '000 | 2014 R '000 |
|----------------------|----------------|----------------|
| Salary Claims | | |
| DRDLR | 90 | - |

Remuneration paid to key management

| Class | Description | Number |
|---------------------------|-------------------|-----------|
| Senior Financial Officer | Performance bonus | 56,091.96 |
| Registrar of Deeds | Performance bonus | 56,933.64 |
| Deputy Registrar of Deeds | Performance bonus | 46,278.36 |
| Directors | Performance bonus | 47,667.32 |

Notes to the Annual Financial Statements

| Levels | 2015 | 2014 | 2015 | 2014 |
|--------|------------------|------------------|---------------|---------------|
| | No. of officials | No. of officials | Remuneration | Remuneration |
| 13 | 26 | 25 | 19,813 | 19,028 |
| 14 | 12 | 11 | 11,767 | 9,304 |
| 15 | 1 | 1 | 1,202 | 39 |
| | 39 | 37 | 32,782 | 28,371 |

22. Prior period errors

In 2014/15 financial year it was identified the useful life of assets with R1 value were not re-assessed as required by GRAP17. The useful life was corrected retrospectively and comparative amounts for 2013/14 financial year have been restated R6,987 million.

Deeds Trading Account received a donation of assets in previous financial years. The assets were recognised in Deeds books at R1 book value. Deeds performed a re-assessment of assets recognised at R1 value and allocated value using similar assets on FAR. The value of the assets allocated to cost R2,824 million.

The entity reversed a transaction allocated in 2013/14 financial year to provision. The correct allocation according to GRAP standards is prepaid expenditure.

Financial year 2013/14 Deeds Trading Account created a provision of R5,120 million for a supplier Datacentrix. The supplier issued invoices to Deeds for services rendered and the invoices were signed off as correct and certified for payment. Deeds later disputed the services rendered and a task team was formed to investigate the claims by the service provider. After a discussion with Datacentrix the supplier could not provide credible source documents to support the invoices. A decision was taken to reverse the full provision in the previous financial year.

The correction of the error results in adjustments as follows:

| | 2015 R '000 | 2014 R '000 |
|---|----------------|----------------|
| Statement of financial position | | |
| Sundry provisions | - | 5,120 |
| Accumulated depreciation | - | (6,987) |
| Furniture and Equipment | - | 2,824 |
| Provision | - | (2,455) |
| Prepaid expenditure | - | 2,455 |
| Statement of Financial Performance | | |
| Irregular expenditure | - | (5,120) |
| Depreciation | - | 6,987 |
| Donation received | - | (2,824) |

23. Risk management

The Trading Account activity exposes it to currency risk, fair value interest rate risk, cash flow interest rate risk, credit risk and liquidity risk.

Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments.

Notes to the Annual Financial Statements

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The entity only deposits cash with major banks with high quality credit standing.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis.

Financial assets exposed to credit risk at year end were as follows:

| | 2015 R '000 | 2014 R '000 |
|----------------------|----------------|----------------|
| Financial instrument | | |
| Deposit with bank | 289,796 | 279,680 |
| Trade receivables | 50,069 | 46,415 |

Interest rate risk

As the entity has no significant interest-bearing assets, the entity's income and operating cash flows are substantially independent of changes in market interest rates.

Deposits attract interest at rates that vary with prime. The Trading Account policy is to manage interest rate risk such that fluctuations in rate do not have a material impact on surplus or deficit. At year end, the financial instruments exposed to interest rate risk were balances with the bank.

24. Irregular expenditure

| | 2015 R '000 | 2014 R '000 |
|--|----------------|----------------|
| Opening balance | 39,750 | 38,923 |
| Less: Irregular expenditure recovered | (1,050) | - |
| Add: Irregular Expenditure - current year | - | 5,947 |
| Less: Irregular expenditure prior period error | - | (5,120) |
| Less: Amount condoned 2011/12 | (1,987) | - |
| Less: Amounts condoned 2012/13 | (4,076) | - |
| Less: Amounts condoned 2013/14 | (827) | - |
| Fruitless and wasteful expenditure awaiting write off | 31,810 | 39,750 |

Analysis of expenditure to be condoned per age classification

| | | |
|-------------|---|--------|
| Prior years | - | 31,810 |
|-------------|---|--------|

Details of irregular expenditure

| | |
|--|-------|
| Disciplinary steps taken/criminal proceedings: Irregular 2012/13 and 2013/14 Labour relations procedures instituted and warning letters. | 4,810 |
|--|-------|

During 2014/15 financial year irregular expenditure to the value of R6,891 million was condoned with the following steps taken: condonement, condoned with warning letters and disciplinary letters.

Financial year 2012/13 an amount of R31 810 059 paid to Gijima for Enterprise Architecture was considered irregular due to not following SCM processes. During financial year 2013/14 the entity received credit notes of R1 049 598 for irregular expenditure disclosed in financial year 2012/13 related to Regulatory Impact Assessment.

Notes to the Annual Financial Statements

Details of irregular expenditure condoned

| | Condoned by (condoning authority) | 2014 R '000 |
|-------------------|-----------------------------------|----------------|
| Irregular 2012/13 | Director General | 49 |
| Irregular 2013/14 | Director General | 43 |
| | | <u>92</u> |

Details of irregular expenditure recoverable (not condoned)

| | 2014 R '000 |
|--------------------------------|----------------|
| Supplier provided credit notes | <u>1,050</u> |

25. Fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful expenditure

| | 2015 R '000 | 2014 R '000 |
|---|----------------|----------------|
| Opening balance | 20 | - |
| Add: Fruitless and wasteful expenditure | 7 | 20 |
| Less: Amount condoned | (20) | - |
| | <u>7</u> | <u>20</u> |

During 2014/15 financial year fruitless and wasteful expenditure to the value of R20,000 was condoned with the following steps taken; recovery from officials and warning letters.

Analysis of expenditure to be condoned per age classification

| | 2015 R '000 |
|--------------|----------------|
| Current year | <u>7</u> |

26. Services in kind

Administrative services in kind

Deeds Trading Account falls under the administration of the Department of Rural Development and Land Reform. The executive of the department spend some of their time on the affairs of the Trading Account. Furthermore, the department provides the services of information technology, office accommodation and staff training. There is no cost charged by the department in this regard.

Other services in kind

The Department of Public Works provides office accommodation for some of the Deeds Registries.

Notes to the Annual Financial Statements

27. New standards and interpretations

Standards and interpretations issued, but not yet effective

The following Standards of GRAP have been issued by the Accounting Standards Board. The Trading entity has not early adopted standards and interpretations, but has referred to them for guidance in the development of accounting policies in accordance with GRAP 3 as read with Directive 5:

| Standard/ Interpretation: | Effective date: Years beginning on or after | Expected impact: |
|---|---|--|
| • GRAP 18: Segment Reporting | 01 April 2015 | |
| • GRAP 105: Transfers of functions between entities under common control | 01 April 2015 | |
| • GRAP 106: Transfers of functions between entities not under common control | 01 April 2015 | |
| • GRAP 107: Mergers | 01 April 2015 | |
| • GRAP 20: Related parties | 01 April 2016 | The impact on the financial results is considered to be minimal. The Trading Entity has applied the principles of IPSAS 20 at present. |
| • GRAP 8 (as revised 2010): Interests in Joint Ventures | 01 April 2015 | |
| • GRAP32: Service Concession Arrangements: Grantor | 01 April 2016 | |
| • GRAP108: Statutory Receivables | 01 April 2016 | |
| • IGRAP17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in Assets | 01 April 2016 | |
| • DIRECTIVE 11: Changes in measurement bases following the initial adoption of Standards of GRAP | 01 April 2016 | |

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