

DEPARTMENT OF MILITARY VETERANS

ANNUAL REPORT

2019/2020



"Working together to improve and sustain the livelihoods of Military Veterans' Community"



military veterans

Department:
Military Veterans
REPUBLIC OF SOUTH AFRICA





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DEPARTMENT OF MILITARY VETERANS VOTE 19 ANNUAL REPORT 2019/2020 FINANCIAL YEAR

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military veterans

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Military Veterans
REPUBLIC OF SOUTH AFRICA

**DEPARTMENT OF MILITARY VETERAN'S ANNUAL REPORT FOR
THE 2019/20 FINANCIAL YEAR**

Ms N.N. Mapisa-Nqakula, MP, Minister of Defence and Military Veterans

Dear Honourable Minister

I have the honour of submitting to you, in accordance with the Public Finance Management Act 1 of 1999 (as amended) (PFMA), the Department of Military Veteran's Annual Report for the reporting period 01 April 2019 to 31 March 2020.

In terms of Section 40(1) (d) of the PFMA, read together with Treasury Regulation 18.3, I hereby submit to the Executive Authority, the Annual Report 2019/20 Financial Year as a statutory requirement to Parliament.

Kindly submit this performance report for the financial year ending 31 March 2020 to the National Assembly in compliance with Section 40(1) (e) of the PFMA.

DM Mgwebi (Lt Gen) (Ret)

Accounting Officer: Department of Military Veterans

Date: 16-11-2020

Table of Contents

PART A: General Information	11
1. Department General Information	12
2. List of Abbreviations/Acronyms.....	13
3. Foreword by the Minister of Defence and Military Veterans: Ms NN Mapisa-Nqakula, MP	14
4. Report of the Accounting Officer: DM Mgwebi (Lt. Gen) (Ret).....	17
5. Statement of Responsibility and Confirmation of Accuracy for the Annual Report...25	
6. Strategic Overview.....	26
6.1. Vision	26
6.2. Mission.....	26
6.3. Values	26
7. Legislative and other Mandates.....	28
8. Organisational Structure.....	30
9. Entities reporting to the Minister of Defence and Military Veterans	30
PART B: Performance Information	31
1. Auditor General’s Report: Predetermined Objectives	32
2. Overview of Departmental Performance.....	33
2.1 Service Delivery Environment.....	33
2.2 Service Delivery Improvement Plan.....	33
2.3 Organisational Environment	33
2.4 Key Policy Developments and Legislative Changes	34
3. Strategic Outcome-oriented Goals	34
4. Performance Information by Programme.....	38

4.1 Programme 1: Administration	38
4.2 Programme 2: Socio-economic Support (SES)	41
4.3 Programme 3: Empowerment and Stakeholder Management (ESM)	47
5. Capital Investment	50
5.1 Capital Investment, Maintenance and Asset Management Plan	50

PART C: Governance

1. Introduction	52
2. Risk Management	52
3. Fraud and Corruption	53
4. Minimising Conflict of Interest	54
5. Code of Conduct	54
6. Health Safety and Environmental Issues	55
7. Portfolio Committee	55
8. SCOPA Resolutions	56
9. Internal Audit and Audit Committee	56
10. Audit Committee Report	58
11. B-BBEE Compliance Performance Information	61

PART D: Human Resource Management

1. Introduction	64
2. Overview of Human Resources	64
3. Human Resources Oversight Statistics	66

PART E: Financial Information	87
1. Report of the Auditor General.....	88
2. Annual Financial Statements.....	97

List of Figures

<i>Figure 1: Approved Organisational Structure since 2010</i>	30
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List of Tables

<i>Table 1: Departmental Receipts</i>	20
<i>Table 2: Programme Expenditure</i>	21
<i>Table 3: Challenges and Mitigations on Supply Chain Management</i>	22
<i>Table 4: Constitutional Mandate</i>	28
<i>Table 5: Legislative Mandate</i>	28
<i>Table 6: Strategic Outcome-oriented goals and objectives</i>	35
<i>Table 7: List of sub-programme under Administration</i>	38
<i>Table 8: Overall Performance under Administration</i>	39
<i>Table 9: Administration mitigation strategies to address under performance</i>	40
<i>Table 10: Sub-programme expenditure: Administration</i>	41
<i>Table 11: List of sub-programmes under SES</i>	41
<i>Table 12: Overall Performance under SES</i>	42
<i>Table 13: SES mitigation strategies to address under performance</i>	45
<i>Table 14: Sub-programme expenditure: SES</i>	46
<i>Table 15: List of sub-programmes under ESM programme</i>	47
<i>Table 16: Overall Performance under ESM</i>	48
<i>Table 17: ESM mitigation strategies to address under performance</i>	49
<i>Table 18: Sub-programme expenditure: ESM</i>	49
<i>Table 19: Capital Investment</i>	50
<i>Table 20: Main activities of the Portfolio Committee</i>	55
<i>Table 21: Audit Committee Members</i>	57
<i>Table 22: Internal Audit work</i>	58

Part D: Human Resources Oversight Statistics

Table 3.1.1	Personnel expenditure by programme for the period 1 April 2019 and 31 March 2020.....	66
Table 3.1.2	Personnel costs by salary band for the period 1 April 2019 and 31 March 2020.....	66
Table 3.1.3	Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2019 and 31 March 2020.....	66
Table 3.1.4	Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2019 and 31 March 2020.....	67
Table 3.2.1	Employment and vacancies by programme as on 31 March 2020.....	67
Table 3.2.2	Employment and vacancies by salary band as on 31 March 2020.....	67
Table 3.2.3	Employment and vacancies by critical occupations as on 31 March 2020.....	68
Table 3.3.1	SMS post information as on 31 March 2020.....	68
Table 3.3.2	SMS post information as on 30 September 2019.....	68
Table 3.3.3	Advertising and filling of SMS posts for the period 1 April 2019 and 31 March 2020.....	69
Table 3.3.4	Reasons for not having complied with the filling of funded vacant SMS – Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2019 and 31 March 2020.....	69
Table 3.3.5	Disciplinary steps taken for not complying with the prescribed time frames for filling SMS posts within 12 months for the period 1 April 2019 and 31 March 2020.....	69
Table 3.4.1	Job Evaluation by Salary band for the period 1 April 2019 and 31 March 2020.....	70
Table 3.4.2	Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2019 and 31 March 2020.....	70
Table 3.4.3	Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2019 and 31 March 2020.....	70
Table 3.4.4	Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2019 and 31 March 2020.....	71
Table 3.5.1	Annual turnover rates by salary band for the period 1 April 2019 and 31 March 2020.....	71
Table 3.5.2	Annual turnover rates by critical occupation for the period 1 April 2019 and 31 March 2020.....	71
Table 3.5.3	Reasons why staff left the department for the period 1 April 2019 and 31 March 2020.....	72
Table 3.5.4	Promotions by critical occupation for the period 1 April 2019 and 31 March 2020.....	72
Table 3.5.5	Promotions by salary band for the period 1 April 2019 and 31 March 2020.....	72

Table 3.6.1	Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2020.....	73
Table 3.6.2	Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2020.....	73
Table 3.6.3	Recruitment for the period 1 April 2019 to 31 March 2020.....	74
Table 3.6.4	Promotions for the period 1 April 2019 to 31 March 2020.....	74
Table 3.6.5	Terminations for the period 1 April 2019 to 31 March 2020.....	75
Table 3.6.6	Disciplinary action for the period 1 April 2019 to 31 March 2020.....	75
Table 3.6.7	Skills development for the period 1 April 2019 to 31 March 2020.....	76
Table 3.7.1	Signing of Performance Agreements by SMS members as on 31 May 2019.....	76
Table 3.7.2	Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2020.....	76
Table 3.7.3	Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2020.....	76
Table 3.8.1	Performance Rewards by race, gender and disability for the period 1 April 2019 to 31 March 2020.....	77
Table 3.8.2	Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2019 to 31 March 2020.....	77
Table 3.8.3	Performance Rewards by critical occupation for the period 1 April 2019 to 31 March 2020.....	77
Table 3.8.4	Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2019 to 31 March 2020.....	78
Table 3.9.1	Foreign workers by salary band for the period 1 April 2019 and 31 March 2020.....	78
Table 3.9.2	Foreign workers by major occupation for the period 1 April 2019 and 31 March 2020.....	78
Table 3.10.1	Sick leave for the period 1 January 2019 to 31 December 2019.....	78
Table 3.10.2	Disability leave (temporary and permanent) for the period 1 January 2019 to 31 December 2019.....	79
Table 3.10.3	Annual Leave for the period 1 January 2019 to 31 December 2019.....	79
Table 3.10.4	Capped leave for the period 1 January 2019 to 31 December 2019.....	79
Table 3.10.5	Leave pay outs for the period 1 April 2019 and 31 March 2020.....	79

Table 3.11.1 Steps taken to reduce the risk of occupational exposure.....	80
Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information).....	80
Table 3.12.1 Collective agreements for the period 1 April 2019 and 31 March 2020	82
Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2019 and 31 March 2020	82
Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2019 and 31 March 2020	82
Table 3.12.4 Grievances logged for the period 1 April 2019 and 31 March 2020.....	82
Table 3.12.5 Disputes logged with Councils for the period 1 April 2019 and 31 March 2020	82
Table 3.12.6 Strike actions for the period 1 April 2019 and 31 March 2020	82
Table 3.12.7 Precautionary suspensions for the period 1 April 2019 and 31 March 2020	83
Table 3.13.1 Training needs identified for the period 1 April 2019 and 31 March 2020	83
Table 3.13.2 Training provided for the period 1 April 2019 and 31 March 2020.....	84
Table 3.14.1 Injury on duty for the period 1 April 2019 and 31 March 2020	84
Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2019 and 31 March 2020	85
Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2019 and 31 March 2020	85
Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2019 and 31 March 2020	85
Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2019 and 31 March 2020.....	85
Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2019 and 31 March 2020	85





**PART A:
GENERAL INFORMATION**

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

AR	Annual Report
AO	Accounting Officer
AGSA	Auditor General of South Africa
B-BBEE	Broad-Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
DMV	Department of Military Veterans
DPSA	Department of Public Service and Administration
DPWI	Department of Public Works and Infrastructure
DSAC	Department of Sports, Arts and Culture
DTPS	Department of Telecommunications Postal Services
EHW	Employee Health and Wellness
ESM	Empowerment and Stakeholder Management
GEMS	Government Employee Management Services
HRM	Human Resource Management
LOGIS	Logistics Information System
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
PCD&MV	Portfolio Committee on Defence and Military Veterans
PFMA	Public Finance Management Act
SAMHS	South African Military Health Services
SANMVA	South African National Military Veterans Association
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SES	Socio-economic Support
SITA	State Information Technology Agency
SMS	Senior Management Service

3. FOREWORD BY THE MINISTER OF DEFENCE AND MILITARY VETERANS: Ms. NN MAPISA-NQAKULA, MP.



Ms. NN MAPISA-NQAKULA, MP
Minister of Defence and Military Veterans

It is an honour for me to be accorded the opportunity, to present this Annual Report (AR) for the Department of Military Veterans (DMV). We present this AR against the backdrop of the country battling with a global Covid-19 pandemic. A pandemic that is ravaging human kind across the globe including our very own country, South Africa. Never before has the ANC-led democratic government been faced with such an enormous challenge that the Covid-19 pandemic brought, with negative/dismal impact on social, political and economic conditions to the entire nation.

Our government and governments all over world, are fighting hard to find both immediate and lasting solutions to mitigate its health as well as socio economic impact including amongst others finding a vaccine. The South

African government is also knee deep in trying to save the lives of its citizens including Military Veterans, resuscitate an ailing economy whilst at the same time; trying to balance that with delivering services to its citizens.

It has not been an easy road to many Military Veterans and their dependants and not least the DMV in its efforts to deliver on its mandate to the Military Veterans' community. This pandemic has posed one of the biggest challenges and threats that mankind has ever had to contend with in the 20th and beginning of the 21st century.

The Secretary General, of the United Nations Mr. Antinio Gutares, recently observed when presenting 18th lecture on the former and first President of the democratic SA the late Nelson Mandela on 18th July 2020, the world will never be the same again after this devastating pandemic. "We stand together or we fall apart. ...We are at a breaking point."

In this regard new ways of doing things including governance of countries will need a qualitatively new approach beyond this pandemic, based on "new social contracts" founded on human solidarity.

We present this AR at a historic moment of the DMV being 10 years in existence. It now has a separate Vote of its own from the Department of Defence (DOD) for the first time since its establishment on 1st April 2010. Throughout the years since its establishment, the DMV has been slowly but surely maturing with the times. It has by and large been focusing on facilitation and coordination to strengthen the intergovernmental relations in order to ensure

easy and faster access of Military Veterans and their dependents to benefits stipulated in the Military Veterans Act 18, of 2011.

The DMV is steadily maturing with the times in the execution of its mandate. Other government departments are increasingly moving towards policies and programme commitments of prioritising services to Military Veterans and their dependents as a designated group. Through this collective action, the DMV continues to seek to ensure that in the short term the military veterans and their dependents have access to the 11 benefits as outlined in Section 5 of the Act in a seamless manner and in accordance with available resources. The vision being to ultimately empower the Military Veterans' community empowered to be self-reliant.

During the year under review, significant albeit modest advances have been made in delivering these benefits and services to many Military Veterans. This relates to the provision of Health and Wellness services, education support, housing, empowerment and skills development, memorialisation and burial support as well as the building of the capacity and capability of the DMV to deliver in its mandate. The DMV has had to contend with the changing macro socio-economic environment of an economic growth rate of less than 2% which was further exacerbated by the advent of Covid-19 pandemic. This has resulted in serious budgets cuts with far-reaching socio-economic implications and the provision of the benefits and services to the Military Veterans' community.

One of the weaknesses of the DMV was an inadequate legislative framework. Priority is now being given to address that. The current leadership is also working on strengthening its policy trajectory alongside the finalisation of the legislative review process. The Department is in the process of finalising the regulatory review process that aims at ensuring that areas that require policy consensus are attended to, as well as ensure the development of delegated legislation as provided for in section 24 of the Military Veterans Act 18 of 2011.

The national database of Military Veterans still proves to be elusive. The Department is still working hard with all its stakeholders in fast tracking the long overdue creation of a secured, reliable and credible national Military Veterans' database. The database will be the anchor for accessing all Military Veterans' benefits. This national database will also serve as a knowledge hub for South African history and serve as part of honouring those who participated in creating the free, democratic, non-racial and non-sexist South Africa we live in.

The Department has and continues to strive to strengthen its intergovernmental relations engagements with national provincial and local government as well as other state agencies, with a view to increase access to services by Military Veterans. These engagements have

further assisted with empowerment of Military Veterans within their respective provinces and municipalities.

The Deputy Minister will further elaborate on some aspects related to the achievements made and challenges faced in the delivery of benefits to the Military Veterans community. Suffice to say that, legislative review, strengthening and introduction of the regulations where they are not there, as well as bringing about policy certainty began in the 2019/20 financial year and is being given priority attention in the 2020/21FY.

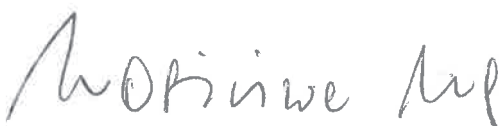
Appreciation

My sincere appreciation goes to the Deputy Minister TSP Makwetla for his dedicated leadership of the Department; the Accounting Officer, Lt General (Ret) Derick Mgwebi, the DMV management team and its employees for striving under difficult conditions to deliver to Military Veterans and for their continuous support to improve processes of delivery and continue to do so even under the life-threatening and trying times of Covid-19 pandemic.

My sincere gratitude also goes to the Secretary for Defence, Dr. Sam Gulube, the Chief of National Defence Force, General Solly Shoke for continuously supporting the Department of Military Veterans with personnel and other forms of support, in its bid to accelerate disbursement of benefits.

May I also take this opportunity to acknowledge the work done by the Advisory Council, the Appeal's Board and the South African National Military Veterans Association in assisting the Department and the Ministry in strengthening the policies and delivery mechanisms of the Department.

Together with Military Veterans and all the relevant stakeholders such as the three spheres of government, state agencies, the private sector, civil society and communities at large, as well as the Military Veterans communities, the Department will continue to strive to improve its capacity to deliver benefits and services effectively and efficiently as well as in a sustainable manner .



Ms. NN Mapisa-Nqakula

Executive Authority: Minister of Defence and Military Veterans, MP

Date: 16 November 2020

4. REPORT OF THE ACCOUNTING OFFICER: DM MGWEBI (Lt. Gen) (Ret)

Overview of the operations of the department:



DM MGWEBI (Lt. Gen) (Ret)
Accounting Officer:
Department of Military Veterans

The 2019/20 financial year Annual Report considers progress made by the Department towards delivering on its vision of “*A dignified, unified, empowered and self-sufficient military veterans` community*” and the extent to the improvement in facilitating optimal benefits in a secure and humane environment and the enabling of service delivery through partnerships.

The Military Veterans’ mandate, as gleaned from the Military Veterans Act 18 of 2011, it is mandated to provide benefits to Military Veterans and their dependants.

The 2019 financial year has not been without events. This account presents the extent to which the Department has supported the delivery in line with the Executive Priorities.

This account will utilise the seven priorities to launch the Accounting Officer’s brief and the implementation thereof.

The seven (7) Executive Authority priorities have formed the basis for the Departmental Deliverables and these determine the extent to which the mandate has been serviced. The overview of achievement will thus be launched from these priorities.

Priority 1 entails acquisition of a fully functional Department with systems and processes to realise a separate vote. Realisation of a fully functional Department with systems especially transversal systems has been negatively affected by the finalisation of the structure.

The separate vote will enable, through engagement with National Treasury, the transfer payment configurations to provide independent funds for the statutory bodies reporting to the Executive Authority.

The previous financial year has seen strides in the reconfirmation of the service delivery model that flows from the proposals made by the Military Veterans Task Team Report. Several developments have subsequently ensued. These include options that form the basis for further engagement with the DPSA to finalise an appropriate organisational structure for the DMV. In the interim various levels of support have been solicited from the Defence Force to service the delivery of benefits.

In strengthening systems, the department has during the period under review benchmarked with other organs of state with the sole purpose of utilising government intellectual property across the service delivery value chain as well as support.

In this regard, various collaborations at Accounting Officers level have been developed to enable the full utilisation of National Treasury Regulation 16(A) 6.6. These developments will gain finality and aggressive implementation during the 2020 fiscal year.

Furthermore the acquisition of an agile invoice tracking system as well as beneficiary support capability to mention but a few, are some of the areas that have been given attention during year under review, working concerted with SITA.

Priority 2 relates to the strengthening of accountability protocols, the Department has been able to provide a nodal point for engagement with Appeals Board in an attempt to ensure speedy resolution to appeal cases. This intervention coupled with the positioning of these organs of state within the accounting officer in line with section 6(a) has enabled improved participation of the Department.

During the period under review several engagements were held with the organs of state whose term of office is coming to an end within 2020. During this period several conferences were held in preparation for the major conference to be held to give substance to the provisions of Section 7 of the Military Veterans Act 18 of 2011. This is in recognition of the indispensable role these organs of state play in the realisation of an end state of a dignified, unified, military veteran's community. Several engagements were held with the Audit Committee and the report provided in the AR bears testimony to such.

Priority 3 relates to the comprehensive provision of benefits. Whilst some mileage has been made regarding the provision of health support. The achievements that have been made and are a varying levels regarding comprehensive delivery of benefits to Military Veterans and their dependence, has been aptly presented under Programme Performance. It is worth registering that the achievements registered have been made possible by the support provided by the SANDF at both tactical as well as strategic levels including amongst others the Council on Defence (COD).

Priority 4 relates to empowerment and nation building which has seen participation of the department in various events which deal with memorialisation including the Resistance Liberation heritage Route led by the Inter Ministerial Committee established by the Cabinet.

Priority 5 entails memorialisation has seen participation of the Department at in the region and beyond. The participation was through Department of Sports Arts and Culture in Botswana.

Priory 6 that emphasises the realisation of the centre of gravity for the Military Veterans mandate. This relates to the reliable and secure integrated dataset for benefits management. The financial year has seen a creative approach that has been adopted to deal with validity and reliability of the military veterans' information. In collaboration with the Department of defence assistance was solicited through commanders to validate the applications that were received as part of fast track mechanism.

Notwithstanding the project frustration, the focused on the development of secure platforms through SITA, the Department is optimistic that maximisation of collaboration across organs of state that have similar systems or developed similar systems seems the only possible route to explore. To this end, engagements with CSIR have commenced in this regard during the financial year under review.

Lastly, the implementation of an aggressive communication and marketing strategy has not yet been as anticipated due to amongst others resource limitations. More collaborations and prudent planning for a properly costed and funded Communication Programme and plan has been introduced to help deal with this critical matter. The move began in the year under review to ensure that communication has to be budgeted for at service delivery and linked to each benefit.

Closing the 2020 financial year has been quite unprecedented, dynamic and demanding a different approach to servicing military veterans. The call for the comprehensive analysis of support available across all organs of state has never been as demanded and urgent as it has manifested from beneficiary support capability.

It must be noted that the emergence of the Covid-19 pandemic and its declaration by the World Health Organisation (WHO) in March 2020, has changed the strategic agenda and the focus on ensuring that military veterans lives are protected from the Coronavirus pandemic; that their dignity is protected and restored; and that they occupy their rightful place of honour and respect in our society. The Military Veterans play a catalyst and significant role in enhancing social cohesion and nation building.

Overview of the financial results of the department:

Most of the budget allocated to the DMV is spent on benefits enlisted in Section 5 of the Military Veterans Act 18 of 2011.

The Department planned to achieve 20 performance targets areas during the 2019/20 financial year. Of the 20 targeted performance areas, seven (7) targets were achieved which constituted 35% overall achievement.

Audit Approach, 2019/20 financial year

The Audit of Annual Performance Information conducted by the AGSA, requires the Department to provide evidence, supporting the performance results to be published in the Annual Report of the Department. In addition to the supporting evidence maintained by the Department, the AGSA will give an opinion conclusion on the performance against predetermined objectives.

Table 1: Departmental Receipts

Departmental receipts	2018/2019			2019/2020		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	-	36	-	-	41	-
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	17	-	-	1 042	-
Total	-	53	-	-	1 083	-

Table 2: Programme Expenditure

Programme Name	2018/2019			2019/2020		
	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	140 585	138 072	2 513	141 054	139 614	1 440
Socio-economic Support	336 772	334 660	2 112	365 351	254 843	110 508
Empowerment and Stakeholder Management	149 730	69 246	80 484	146 148	82 748	63 400
Total	627 087	541 978	85 110	652 553	477 205	175 348

Virements/roll overs

The Department was not granted the permission to rollover funds not spent during the 2019/20 financial year. There was no unauthorised expenditure incurred by the Department during the year under review.

To defray continued cost pressure within Administration Branch mainly on logistical support to Statutory Bodies such as Advisory Council and Appeals Board, the Department performed a virement of R5 million from Empowerment and Stakeholder Management Branch. A further virement of R8.6 million was performed from the same Branch to defray the cost pressure identified under Socio Economic Support Branch on Healthcare Support.

These virements were approved by National Treasury during Adjustment Budget period.

Future plans of the department

- During 2020/21 financial year, the Department will strengthen provisioning of services closer to Military Veterans through the participation with the District Development Model. To optimise functionality at provincial level and district levels, aggressive implementation of ICT enablement as well as other support functions necessary to realise accountability for the utilisation of resources will be implemented during the 2020/21 FY and that process was initiated during the year under review.
- In ensuring the attainment of a secure, reliable and interoperable database as envisaged, the Department intends to implement the Business Intelligence tools for purposes of conducting data analytics and data management to give effect to Section 6 (c) to (h) of the Military Veterans Act 18 of 2011. The Department has further embraced the service delivery model that locates delivery at provincial level and will accordingly cascade to it to district levels. The proposed functional structure will be consulted with DPSA and National Treasury.
- The Department will finalise its organogram after consultation with DPSA and National Treasury, which will prioritise the creation of new capacity in the service delivery branches.
- The Department will continue to engage with Provincial Governments to conclude agreements to ensure the prioritisation of Military Veterans in the delivery of houses, education and healthcare, etc.

- The South African National Military Veterans Association (SANMVA) is required in terms of its constitution to hold a National Conference during the 2020/21 financial year and plans are afoot to support that initiative.

Public Private Partnerships

The Department of Military Veterans did not enter into Public Private Partnership agreement during the 2019/20 financial year.

Discontinued activities / activities to be discontinued

There were no activities which were discontinued or to be discontinued by the Department during the 2019/20 financial year.

New or proposed activities

The Department is in the process of revising its organisational structure in order to enhance the service delivery branches in order to expedite the delivery of benefits to Military Veterans and their dependants.

Supply Chain Management (SCM)

Notable capacity challenges with the Departmental organisation structure persisted during the year under review. This led to stagnation in resolution of the challenges enlisted during the 2019/20 financial year as per Table 3 below:

Table 3: Challenges and Mitigations on Supply Chain Management

Challenges	Mitigations
Capacity and skills challenges due to shortfall with the approved organogram	As at 31 March 2020, the Department was still engaged with the process of reviewing the organogram. It is envisaged that the review process will conclude by the end of the current financial year.
Continuous usage of manual systems	LOGIS implementation is envisaged to be completed by end of quarter 2 of 2021/22 financial year
Challenged Assets Management System	Linked to the renewal of the organogram to address capacitation challenges.
Challenged compliance culture affecting ability of the department to prevent irregular and fruitless and wasteful expenditure	<ul style="list-style-type: none"> • Continued attempts made to address organisational culture • Learnings and capacity drawn from best performing Departments in order to curb the escalation on irregular and fruitless and wasteful expenditure

During the 2019/20 financial year, the Department did not enter into any procurement arrangement of any value equivalent to a Bid or Tender.

Gifts and Donations received in kind from non-related parties

The Department did not receive any goods nor services in kind from parties other than related parties.

Exemptions and deviations received from the National Treasury

There were no exemptions and deviations received from National Treasury.

Events after the reporting date

During March 2020, the President of South Africa, His Excellency, Cyril Ramaphosa, declared a state of disaster whereby the Country was put on Lockdown. Following the announced state of disaster, budget reduction across all Government Departments was announced.

The purpose of the budget reduction was to immediately fund the response plan on Covid-19 pandemic related initiatives.

The DMV budget reduction of R137 million was affected accordingly of which R90 million was a reduction on transfers and subsidies and R47 million a reduction in goods and services. Despite this budget reduction of R137 million, DMV will continue to disburse and facilitate military veteran's benefits within the limited financial resources.

Acknowledgement/s or Appreciation

The zeal and passion, and commitment displayed by the senior management staff of the Department is highly acknowledged. I would also like to thank the key stakeholders of the DMV, the Military Veterans and their Associations, the Appeal Board and Advisory Council for their engagements with the Department to improve service delivery whose account of performance is provided for in the Reports that are Annexures to the Departmental non-performance section of the Report.

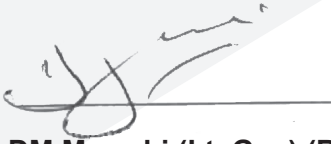
Appreciation is also accorded to the Council on Defence (COD) as well as the South African National Defence Force and Defence Secretariat for availing support at tactical and strategic level in support of the Military Veterans mandate. The decisive leadership provided by the Honourable Minister and the Deputy Minister of Defence and Military Veterans respectively is appreciated and commendable.

Conclusion

I wish to express my heartfelt gratitude to DMV Senior Management Personnel and staff for their selfless commitment, dedication and hard work to deal with all challenges experienced during the year under review. Without this the achievements reported would not have been realised.

Approval and sign off

The Annual Financial Statements (AFS) set out on pages 97 to 194 have been approved by the Accounting Officer of the Department of Military Veterans.

A handwritten signature in black ink, appearing to be 'DM Mgwebi', written over a horizontal line.

DM Mgwebi (Lt. Gen) (Ret)

Accounting Officer: Department of Military Veterans

Date: 16-11-2020

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

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

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

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

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

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

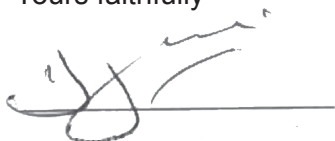
The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2020.

Yours faithfully



DM Mgwebi (Lt. Gen) (Ret)

Accounting Officer: Department of Military Veterans

Date: 16-11-2020

6. STRATEGIC OVERVIEW

6.1. Vision

A dignified, unified, empowered and self-sufficient military veterans` community

6.2. Mission

To facilitate delivery and co-ordinate all activities that recognise and entrench the restoration of dignity and appreciation of the contribution of military veterans to our freedom and nation building.

6.3. Values

Service Charter that Underpins the Delivery of Services to Military Veterans

As a Department, we pledge to manage and administer the affairs of Military Veterans with dignity and compassion and to ensure that the unique needs of all Military Veterans are provided for. This will be achieved through overall coordination and facilitation of the activities of Government and that of the private sector to ensure the provision of coherent assistance to all Military Veterans.

Our service delivery ethos is rooted in a value system characterised by the following:

- **Service Standards.** Service standards are based on clear direction and strong leadership. Our priority is to maximise the benefits to Military Veterans and our contribution to the health and socio-economic support services to the Military Veterans of the Republic of South Africa. We will maintain high standards of excellence and professionalism in everything we do and will strive to:
 - acknowledge receipt of a query by a military veteran within 24 hours and provide responses to queries lodged by no later than ten working days from the date of registration of the query;
 - ensure that all telephones are answered without undue delay and that telephonic queries are responded to immediately;
 - respond to all ministerial enquiries within the timeframes prescribed;
 - endeavour to finalise payments to service providers for services rendered within the 30-day period prescribed in the Public Finance Management Act 1 of 1999 (PFMA) and applicable delegated legislation and Practice Notes promulgated from time to time; and
 - discharge our responsibilities in accordance with the Batho Pele principles.
- **Teamwork.** The Department is one team that embraces one purpose. In debating all issues comprehensively, each team member will represent his or her individual responsibilities rigorously with the overriding aim of reaching conclusions that will be best for the Department and the community of Military Veterans as a whole and act on them.

- **Discipline.** We will consistently strive towards upholding a high level of discipline. Individually and collectively, we will rebuild the profile and image of the Department establishment as the best disciplined profession. We will promote mutual respect for Military Veterans at all times.
- **Excellence.** We will build on what we do well and actively foster a climate of success. We will invest in our people and encourage innovation. We will provide the right incentives and recognise individual and team contributions. We will provide services to Military Veterans with empathy and compassion at all times.
- **Ethics.** We will adopt and encourage reasonable working practices. We will not be deflected by the demands of vested interests. We will foster fairness and trustworthiness in all we do. We will not avoid difficult issues. Our dealings with our stakeholders will be underscored by professionalism in service delivery to Military Veterans
- **Openness and Transparency.** We will communicate with clarity to ensure better understanding of our priorities. We will ensure that our messages are understood. We will listen to the concerns of clients and make sure we understand what they say to us. We will aim to create a climate of trust and transparency in our decision making. We will further display the telephone numbers of the senior managers of the regions on the website of the Department and communicate them to the general public and the top management of the Department.
- **Consultation Rooted in Effective and Efficient Partnerships and Collaboration.** We will encourage and improve links with other Government departments and other relevant organs of State. We will strengthen partnerships with industry, allies and the community at large. We will promote collaboration in the Department, harmonise activities and systems and, where sensible, share knowledge. We will regularly consult the national umbrella body for Military Veterans and other entities, as well as individual Military Veterans.
- **Encouragement of Innovation and Reward of Excellence.** We will create a learning organisation in which all employees seek and share knowledge and information while committing themselves to personal growth. We will set the example and lead the way. We will lead by example and influence others to follow these principles. We will be sensible of the demands we make on people, recognising the unique commitment they make.
- **Redress.** We will seek to address the wrongs of the past in relation to Military Veterans and we will strive for equity in this sector.
- **Value for Money.** We will seek to ensure maximum returns on investment in programme implementation and manage finances accordingly.

7. LEGISLATIVE AND OTHER MANDATES

Since the Presidential Proclamation in 2009 for the establishment of the Department and its launch on the 30 April 2010, a number of policies have been implemented and legislation promulgated to create a framework for transformation in DMV's mandate. A summary of key policies and legislation follows below:

7.1 Constitutional mandate

Table 4: Constitutional Mandate

Constitutional mandate	Responsibilities
The Constitution of South Africa , 1996	<ul style="list-style-type: none"> • According to Chapter 2: Bill of Rights Sec 7 (1) it enshrines the rights of all people in our country and affirms the democratic values of human dignity, quality and freedom. • The Constitution states categorically that everyone is equal before the law and must enjoy all rights in accordance with the values of human dignity, equality, human rights and freedom, non-racism and non-sexism, etc.

7.2 Legislative mandate

Table 5: Legislative Mandate

Act	Brief description
Public Finance Management Act 1 of 1999	The PFMA regulates financial management in the national and provincial governments and ensures that government resources are managed efficiently and effectively.
Public Service Act 103 of 1994, as amended	This act provides for the organisation and administration of the public service as well as the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service
Labour Relations Act, 66 of 1995 (LRA)	The Labour Relations Act (LRA), Act 66 of 1995 aims to promote economic development, social justice, labour peace and democracy in the workplace.
The Basic Conditions of Employment Act, 75 of 1997 (BCEA), as amended	The purpose of this Act is to advance economic development and social justice by fulfilling the primary objects of this Act which are: <ul style="list-style-type: none"> • To give effect to and regulate the right to fair labour practices conferred by section 23(1) of the Constitution by: • Establishing and enforcing basic conditions of employment. • Regulating the variation of basic conditions of employment. • To give effect to obligations incurred by the Republic as a member state of the International Labour Organisation
The Employment Equity Act, 55 of 1998 (EEA)	The purpose of the Act is to achieve equity in the workplace, by: <ul style="list-style-type: none"> • Promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination • Implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups, to ensure their equitable representation in all occupational categories and levels in the workforce

Act	Brief description
Promotion of Administrative Justice Act, 3 of 2000 (PAJA)	To give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution
Promotion of Access to Information Act, 2 of 2000 (PAIA)	To give effect to the Constitutional right of access to any information held by the state and that is required for the exercise or protection of any rights
Protection of Personal Information Act, 4 of 2013 (POPIA)	To promote the protection of personal information processed by public and private bodies
Public Service Act, 103 of 1994	Appointment of the Head of Department, Organisational Design and Performance as well Government Planning Trajectory
Broad-Based Black Economic Empowerment Act, 53 of 2003 (B-BBEE)	To advance economic transformation and enhance the economic participation of black people (African, Coloured and Indian people who are South African citizens) in the South African economy
Preferential Procurement Policy Framework Act, 5 of 2000 (PPPF)	To enhance the participation of Historically Disadvantaged Individuals (HDIs) and the small, medium and micro enterprises (SMMEs) in the public sector procurement system

The DMV derives its mandate from the following legislations:

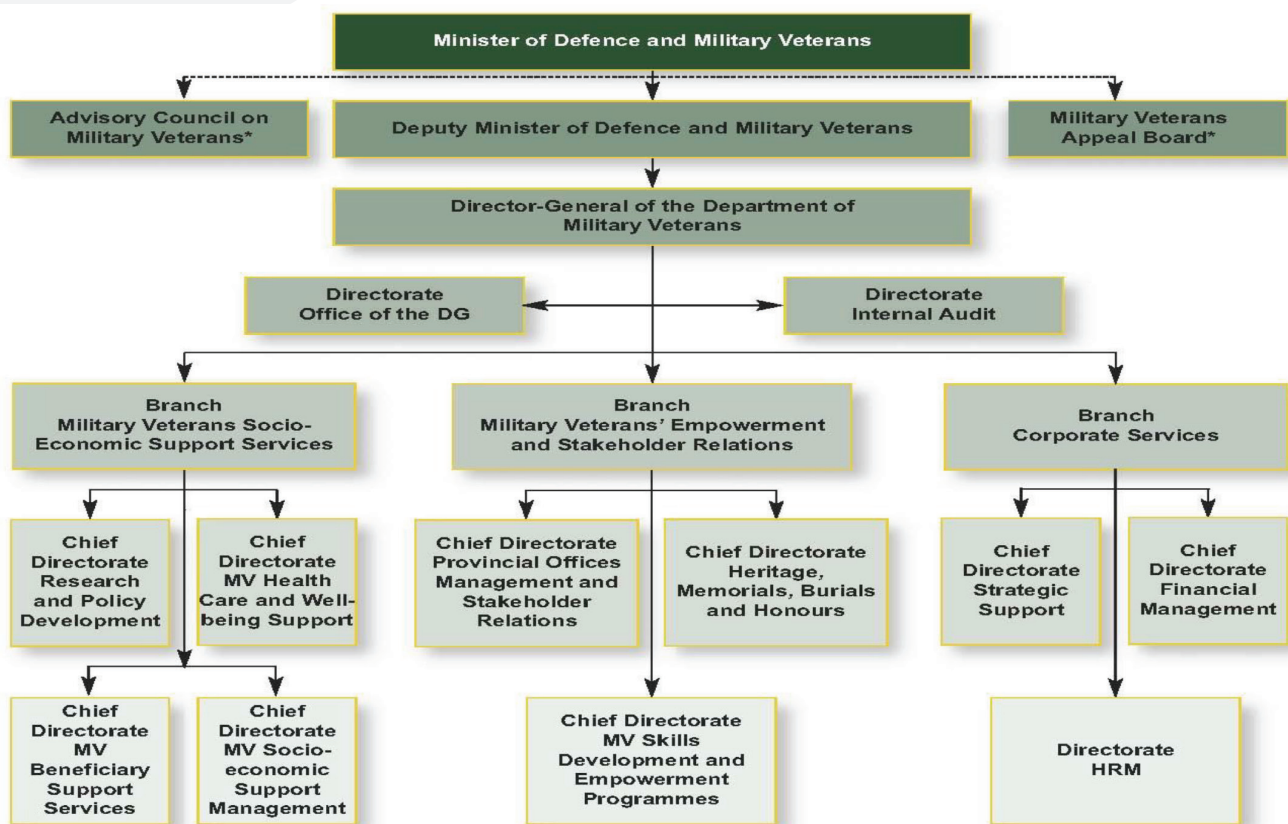
- The 1996 White Paper on Defence;
- Proclamation 92 of 28 December 2009; and
- Military Veterans Act 18 of 2011.

Other legislations impacting on the lives of the Military Veterans are:

- Military Pensions Act 84 of 1976, as amended;
- Special Pensions Act 69 of 1996, as amended;
- Transitional Executive Council Act 151 of 1993;
- Housing Act 107 of 1997;
- National Heritage Act 25 of 1999;
- National Health Act 61 of 2003; and
- Social Assistance Act 13 of 2004.

8. ORGANISATIONAL STRUCTURE

Figure 1: Approved Organisational structure since 2010



**The two statutory bodies provided for in the Military Veterans Act No. 18 Of 2011, have since been included in the functional structure.*

9. ENTITIES REPORTING TO THE MINISTER OF DEFENCE AND MILITARY VETERANS

There were no entities reporting to the Minister of Defence and Military Veterans during the 2019/20 financial year.



**PART B:
PERFORMANCE INFORMATION**

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management.

Refer to page 88 to 94 of the Report of the Auditor General, published as Part E: Financial Information.

2 OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The Military Veterans Act 18 of 2011 explicitly mandates the Department of Military Veterans (DMV) to facilitate benefits to improve the socio-economic standards of living of military veterans and their dependants and the honouring memorialisation of military veterans.

The DMV is intended to administer the affairs of Military Veterans with dignity and compassion and to ensure that the unique needs of all military veterans and their dependants are provided for. The Basic function of the Department is to accelerate a shared responsibility of benefits between the Military Veterans and other key Stakeholders.

The Department is providing benefits to Military Veterans and their dependants with skills, competencies, and knowledge for the changing world. Although these is a daunting task and responsibility, its implementation is realised in the livelihoods of Military Veterans.

The environment wherein the DMV operated included, the coordination and facilitation of the provision of socio-economic support services to Military Veterans, managing and coordinating Military Veterans' empowerment and stakeholder relations services as well as ensuring that the needs of Military Veterans and their dependants are addressed.

Reporting on both financial and non-financial performance is important in measuring the performance of government institutions. Non-financial information is essential for assessing progress towards predetermined service delivery or performance targets. Performance information allows for a results-based management approach, where results or performance can be measured in order to recognise success and failure, and to adjust strategy accordingly.

2.2 Service Delivery Improvement Plan (SDIP)

The Department has during 2019/20 financial year been implementing its service delivery improvement plan that was developed for the 2018/19 to 2020/21 Cycle. The service delivery area identified for improvement in the cycle was the Facilitation of Provision of houses to Military Veterans as one of the measures to restore their dignity.

2.3 Organisational environment

As at 31 March 2020, the department had filled a total of 137 (81% of total funded posts) permanent posts. The DMV staff establishment structure has 169 approved posts.

The department has 32 funded vacant posts to date, which translate to 19% of the total funded posts.

The 2019/20 financial year saw the re-prioritisation of the Department and the filling of key posts to strengthen human resources and improve efficient service delivery.

The following key posts: Director Legal Services, Director Information Communications Technology, Chief Director Military Veterans Skills Development and Empowerment, Chief Director Military Veterans Beneficiary Support, Chief Director Research and Policy Development and lastly Director Military Veterans Beneficiary Support were filled during the 2019/20 financial year.

As of February 2020, the Department had advertised 15 of the 32 vacant posts whose filling will result in a 91% staffing level thus reducing the vacancy rate to 9%. During the period under review the Department has managed to achieve fifty percent (50%) female representativity within the senior management service level, which is a government imperative. The Department continues to experience challenges in achieving the 2% of persons with disability as reflected by 1, 4% that has been reported. Efforts are however put to ensure the realisation of this important government imperative.

The DMV has also continuously heeded government's call for the development of young people in order to address the country's skills shortage, youth unemployment and unemployed graduates in particular. In this regard the Department has recruited 47 interns.

The Department is committed to providing financial aid, in the form of bursaries, to staff members who are interested in pursuing their studies. The main objective of the programme is to afford employees in the Department an opportunity to make use of formal study to equip themselves with knowledge and skills necessary for them to perform their present and future duties.

2.4 Key policy developments and legislative changes

During the 2019/20 financial year, there were no changes to Department Military Veterans legislation. The process of developing and finalising policy is still unfolding. However, there has been progress regarding the review, consultation and finalisation of some of the policies that govern the delivery of the benefits to the military veterans. The Compensation, Healthcare and dedicated counselling and treatment policies are due for approval, whereas other policies are in the final stages of review / development and consultation.

3. STRATEGIC OUTCOME-ORIENTED GOALS

The 2019/20 financial year Annual Report is herewith presented. The report detailed the ways in which the department achieved the strategic objectives as mandated to provide benefits to military veterans and their dependants through a sound administration and management approach.

In pursuance of its legislative mandate and utilising its inherent Department capabilities of dispensing the benefits to Military Veterans, the DMV continued to provide support to the Government's MTSF Outcomes relevant to the its mandate.

The efforts of the Department and all its officials are geared towards ensuring the following key strategic outcome oriented goals, articulated through the approved DMV programmes.

The key strategic outcome oriented goals that the department was mandated to advance for the 2019/20 financial are indicated below:

- Provide Efficient, Effective and Excellent Administrative Support
- Improved and Sustainable Socioeconomic status of Military Veterans
- Empowered and Self-sufficient Military Veterans

Table 6: Strategic Outcome-oriented goals and objectives

Programmes	Strategic Goal	Strategic Objective (s)
Administration	Provide Efficient, Effective and Excellent Administrative Support	Strategic objective 1.1 Provide strategic direction to the Department
Socio-economic Support (SES)	Improved and sustainable socioeconomic status of military veterans	Strategic objective 2.1: Ensure establishment of a secured National Military Veteran's Database and smooth transition of military service men/ women to civilian life.
		Strategic objective 2.2: Provide a comprehensive delivery system of benefits and services of military veterans.
Empowerment and Stakeholder Management (ESM)	Empowered and Self-sufficient military veterans	Strategic objective 3.1: Contribute toward reconciliation and nation building.
		Strategic objective 3.2: Improve the quality of life for military veterans and that of their dependants.
		Strategic objective 3.3: Recognise and honour military veterans in life and memorialise them in death for their sacrifices on behalf of the nation

The DMV's contributions to the Medium Term Strategic Framework (MTSF) outcomes as encapsulated in the Executive Authority's Priorities are as follows:

In support of MTSF Outcome 1: "Improved-quality basic education" The delivery on this priority saw the Department having an actual achievement of 4 449 (2 832 - Basic Education and 1 617 - Tertiary Education) Military Veterans and their dependants being educationally supported during the 2019/20 financial year. The benefit has a high demand which is resulting in cost pressures for the DMV. The achievement articulated above embraces NDP Chapter 9. In essence this is related to Executive Authority Priority package: Priority 3 – the comprehensive provision of benefits.

In support of MTSF Outcome 2: "A long and healthy life for all South Africans" The delivery on this priority saw the Department achieving a number of 18 390 military veterans authorised to access healthcare services.

- Furthermore the priority saw 148 military veterans being provided with a once-off compensation payment for their welfare.
- The delivery on this priority saw the Department providing 643 military veterans and their dependants with counselling and treatment. The achievement articulated above embraces NDP Chapter 10. The achievement of this outcome in essence relates to Executive Authority Priority package: Priority 3 – the comprehensive provision of benefits.

In support of MTSF Outcome 4: *“Decent employment through inclusive economic growth”* the delivery of the priority saw 163 military veterans being provided with businesses access to empowerment opportunities. The achievement articulated above embraces NDP Chapter 3. Furthermore the achievement is related to Executive Authority Priority package: Priority 5 – Promote Empowerment programmes for and of Military Veterans.

In support of MTSF Outcome 5: *“A skilled and capable workforce to support an inclusive growth path”* the delivery of the priority saw 900 Military Veterans were provided with approved funding for skills development programmes. The achievement articulated above embraces NDP Chapter 10. In essence this outcome is related to Executive Authority Priority package: Priority 5 - Promote Empowerment programmes for and of Military Veterans.

In support of MTSF Outcome 8: *“Sustainable human settlements and improved quality of household life”*. The delivery on this priority saw 477 military veterans provided with newly built houses during the 2019/20 financial year. This was attested by improved coordination between different role players. Furthermore 28 houses of military veterans in distress on bond were rescued to the delight of the beneficiaries. The achievement articulated above embraces NDP Chapter 8.

In essence the achievement of this outcome is related to Executive Authority Priority package: Priority 3 – the comprehensive provision of benefits.

In support of MTSF Outcome 12: *“An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship”*, the delivery on this priority saw the department being able to enter into 4 agreements between private sector companies and state of organs. The achievement articulated above embraces NDP Chapter 13.

From Administration Programme the period under review has revealed that as at 31 March 2020, the department had filled a total of 137 (81% of total funded posts) permanent posts. The DMV staff establishment structure has 169 approved posts. The department has 32 funded vacant posts to date, which translate to 19% of the total funded posts.

The 2019/20 financial year saw the re-prioritisation of the Department and the filling of key posts to strengthen human resources and improve efficient service delivery.

In support of MTSF Outcome 14: *“Nation building and social cohesion”*. The delivery on this priority saw 97% Percentage of approved burial claims paid within 30 days of receipt in support of bereaved families of Military Veterans.

Initial consultations with key stakeholders to begin the process of honouring and memorialising fallen cadres and acknowledging the SADC countries that supported and hosted South Africa's liberation struggle movements (during the liberation struggles South Africa) started in Botswana, Angola, Lesotho and Zambia. Also, the facilitation of the Presidential project for the exhumation, repatriation and reburial of Advocate D Nokwe, Mrs F Mophosho and Mr B February started in earnest with families and key stakeholders collaboration.

The achievement articulated above embraces NDP Chapter 15. In essence the achievement of this outcome is related to Executive Authority Priority package: Priority 6 - Promotion of Military Veterans' heritage as well as memorialisation and honouring.

DMVs' contribution towards the Outcome, Outputs, inputs and Activities

The Department in executing its mandate during 2019/20 financial year, focused on the implementation of the logical framework which clearly stipulates the outcome, outputs, inputs and activities and also investing for the future.

The achievement of the Department outcome and outputs was clearly linked with the contribution to the Government MTSF Outcomes and the National Development Plan 2030.

DMV Outcome

The outcome for Department is embedded in the vision "*A dignified, unified, empowered and self-sufficient military veterans 'community'*".

DMV Outputs

The outputs of Department (services which the DMV delivers to achieve the outcomes) being the key driver for emancipation of Military Veterans and their dependants are listed as follows:

- Ministerial and Strategic Direction.
- Socio-economic Support services.
- Empowerment and Stakeholder Relations.

DMV Activities

To achieve the above-mentioned outputs, the below listed activities are of vital importance:

- Provision of corporate support services for effective and efficiency and overall information management information.
- Provision of executive and administrative support services to the Executive Authority Priorities.
- Provision of risk governance, legal frameworks and management services.
- Accountable strategic budgeting systems, processes and services.
- DMV affairs are audited.

Building for the Future

The future of the department will be sustained if invested by:

- Promoting the Military Veterans Agenda.
- Ensuring appropriate research and policy frameworks.

4. PERFORMANCE INFORMATION BY PROGRAMME

The Department operates on three approved budgeted programme structures.

Overall Performance of the Department

During the 2019/20 financial year, the Department planned to achieve 20 performance targets/areas. Of the 20 targeted performance areas, nine (9) targets were achieved which constituted 45% overall achievement.

The performance of these programmes is depicted in the tables below.

4.1 Programme 1: Administration

Purpose of the Programme

The main purpose of the programme is to provide management and strategic administrative support to the Ministry, and overall management of the Department.

List of sub-programmes that fall under this programme:

Table 7: List of sub-programme under Administration

Sub-programmes	Sub-programme purposes	Strategic objectives
Management	Provide departmental direction to ensure effective management of the Department.	Provide strategic direction to the department
Corporate Services	Render corporate support services in the Department.	
Financial Administration	Provide a cost-effective financial management services to the DMV within the evolving regulatory frameworks by means of a professional and representative financial management system.	
Internal Audit	Provides internal audit and risk management services to the Department by managing and conducting compliance audit services.	
Strategic Planning, Policy Development, Monitoring and Evaluation	Develop an equitable and sound environment for promoting Military veterans' interests through continuous research processes, Strategy development, Strategic forecast, Strategic Planning instruments, effective Monitoring and Evaluation, and the provision of information on managing Military veterans based on international standards.	
Office Accommodation	Manages the payment of accommodated charges, leases and municipal services as a direct result of the devolution of a portion of the national Department of Public Works' budget to national departments.	

Strategic objective for the 2019/20 financial year is embedded below:

- Strengthen structures, systems, policies, processes and procedures.

Strategic objectives, performance indicators, planned targets and actual achievements

During 2019/20 financial year, the department targeted seven (7) performance indicators to achieve an efficient and effective administration capabilities. Of the seven targeted indicators, two (2) or 29% performance indicators were achieved.

Table 8: Overall Performance under Administration

Programme Name: Administration							
Performance Indicator	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/2020	Comment on deviations
PPI 101: Percentage representation of women at SMS level.	New target	48%	50%	50%	50%	Target achieved as planned	There were no deviations
PPI 102: Percentage of approved Communication Strategy activities implemented.	50%	60%	75%	100%	70%	-30%	Limited resources
PPI 103: Percentage of cases from the Presidential Hotline resolved.	100%	90%	96%	100%	97%	-3%	11 cases were not resolved during the 2019/20 financial year
PPI 104: Develop a fully Integrated Database Management System (IDBMS)	New target	The user requirements and application service specifications were developed	The following systems phases were achieved: • Planning, • System Analysis and Requirements • System Design.	Integration of benefits and external entities	The system was not delivered, although user requirements specification were developed. The registration module also developed, however it did not pass the test. Overall, SITA has not been able to deliver the project.	Integration of benefits and external entities	The Department has contracted SITA to develop and implement the IDBMS, however SITA has not been able to deliver the project.

PPI 105: Percentage of legitimate invoices paid within 30 days of receipt.	67%	76%	79.5%	90%	73%	-17%	The variance of was mainly due to payments related to Travel with Flair where there was a catch up on long outstanding invoices.
PPI 106: Number of liberation struggle history research outputs.	New target	5	9	5	5	Target was achieved as planned	There were no deviations
PPI 107: Percentage representation of Persons with Disability	New target	2%	2%	2%	1.4%	-0.6	There were no applications received from prospective persons living with disabilities and no targeted recruitment was done.

Strategy to overcome areas of under performance

Table 9: Administration mitigation strategies to address under performance

Performance Targets	Mitigation strategies
PPI 102: Percentage of approved Communication Strategy activities implemented.	The Department has set up an Annual Publication Plan communicated to Supply Chain Management with timelines of deliverables. Plan for electronic newsletter as part of mitigation is also envisaged.
PPI 104: Develop a fully Integrated Database Management System (DBMS)	The DTPS advised the Department to ensure adherence to the SITA Act in implementing the IDBMS. Over and above the relationship with SITA, the Department is engaging CSIR to assist with the development and implementation of the database
PPI 105: Percentage of legitimate invoices paid within 30 days of receipt.	An invoice tracking system was introduced however, capacity or volume of transactions causes delays.

Changes to planned targets

No changes were made to planned targets as per section 4.2 of “*The Framework for Strategic Plans and Annual Performance Plans*” which stipulates that, “to simplify performance tracking in-year changes to the plan should not be made, where an institution’s performance exceeds or misses targets due to in-year budget changes or for another reason, this should be noted in its annual report”.

Linking performance with budgets

Sub-programme expenditure

Table 10: Sub-programme expenditure: Administration

Sub- Programme Name	2018/2019			2019/2020		
	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
Management	12 469	12 469	-	12 106	12 517	(411)
Corporate Services	72 027	71 419	608	66 212	68 676	(2 464)
Financial Administration	22 211	22 211	-	14 542	20 977	(6 435)
Internal Audit	8 655	8 061	594	10 864	10 640	224
Strategic Planning, Policy Development and Monitoring and Evaluation	11 660	10 349	1 311	19 910	13 876	6 034
Office Accommodation	13 563	13 562 1	1	17 420	12 928	4 492
Total	140 585	138 071	2 514	141 054	139 614	1 440

4.2 Programme 2: Socio-economic Support (SES)

Purpose of the programme

To develop and monitor the implementation of legislation, policy frameworks and service delivery cooperation agreements on compensation for injury in military service, counselling, education, healthcare, public transport, pension and housing benefits to military veterans eligible for such support.

List of sub-programmes that fall under the SES programme:

Table 11: List of sub-programmes under SES

Sub-programmes	Sub-programme purposes	Strategic objectives
Database and Benefits Management	Manage the national Military Veteran database and establish systems for smooth and seamless transition of service men and women from active military service to civilian life, ensure the integrity and security of updated information on the National Military Veterans Database	Provide a comprehensive delivery system of benefits and services of Military veterans.
Healthcare and Well-being Support	Develop and implement healthcare and well-being frameworks for Military Veterans and establish healthcare and well-being partnerships	
Socio-Economic Support Management	Develop and implement legislative and policy frameworks, protocols and systems, and establish partnerships to advance access by eligible Military Veterans and dependants to legislated benefits pertaining to social development services.	

Strategic objectives for the 2019/20 financial year is embedded below:

- Ensure establishment of a secured National Military Veterans Database and smooth transition of military service men/ women to civilian life.
- Provide a comprehensive delivery system of benefits and services of military veterans

Strategic objectives, performance indicators, planned targets and actual achievements

During 2019/20 financial year, the department targeted eight (8) performance indicators to deliver the socio-economic benefits to Military Veterans and their dependants. Of the eight targeted indicators, only three (3) or 38% performance indicators were achieved.

Table 12: Overall Performance under SES

Programme Name: Socio-economic Support							
Programme Performance Indicator	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/2020	Comment on deviations
PPI 201: Total number of military veterans with access to healthcare services.	15 740 (1 074)	16 673 (933)	17 197 (1 031)	18 000 (1 000)	18 390 (1 320)	<ul style="list-style-type: none"> • 390 deviations from the cumulative 17 197 authorisations from 2018/19FY minus 131 deceased Military Veterans in 2019/20FY. • Deviation from the 2019/20FY planned annual target is (320) as 1 320 authorisations were done in 2019/20FY. 	<ul style="list-style-type: none"> • Healthcare is in high demand and access cannot be denied to eligible Military Veterans who apply for the benefit, as this will be a contravention of section 27 (2) of the constitution and the Military Veterans benefits regulations

PPI 202: Number of Military Veterans provided with newly built houses per year	168	270	418	300 houses	477	177	Overachieved due to the improved coordination between different role players.
	104	104	0	100 Bond rescue	28	-72	The benefit is demand driven and as such fewer applications than those that were planned for were received. Some were rejected in accordance with the set Regulation.
PPI 203: Number of Military Veterans who are verified and captured on the National Military Veterans' Database.	New target	30275	34 320	30 000	40 892	10 892	The data cleansing project in collaboration with DoD made difference with steady walk-ins that resulted in over-achievement.
PPI 204: Number of bursaries provided to Military Veterans and their dependants per year.	7146	7712	8 089	7 466	4 449 (2 832 Basic Education and 1 617 Tertiary Education)	-3 017	<ul style="list-style-type: none"> • Students previously funded by DMV were referred to NSFAS. • There was a moratorium on the intake for new education support applicants during the 2019 and 2020 Academic years. • There are still a number of outstanding documents which have delayed the finalisation of the applications.

PPI 205: Number of military veterans provided with compensation payment.	New target	New target	New target	300	148	-152	<ul style="list-style-type: none"> • Payment of compensation to eligible applicants depends on the availability of the SAMHS medical team for assessments and adjudication of the applicants, but due to competing priorities, their availability is a challenge. • 25 assessments done in February 2020, but were only paid in during Quarter 1 of 2020/21FY. • Not all applicants assessed qualify for compensation due to various reasons.
PPI 206: Number of military veterans and their dependants provided with counselling and treatment.	1 593	New target	New target	1 000	643	-357	Challenge with receipt of reports from SAMHS, reports always received retrospectively therefore, distorts quarterly reporting.
PPI 207: Approved policy on military veteran's pension benefit.	New target	New target	New target	Policy on Military Veteran's pension benefit approved	Draft Policy on pension benefit was developed	Policy on Military Veteran's pension benefit was not approved	Intense consultations with internal and external stakeholders required before sign off.
PPI 208: Approved policy on military veteran's transport benefit	New target	New target	New target	Policy on Military Veteran's transport benefit approved	Policy Process initiated	Policy on Military Veteran's transport benefit was not finalised and approved	Intense consultations with internal and external stakeholders required before finalising the draft policy.

Strategy to overcome areas of under performance

Table 13: SES mitigation strategies to address under performance

Performance Targets	Mitigation strategies
PPI 202: Number of military veterans provided with newly built houses per year (Bond rescue)	The benefit is demand driven and as such fewer applications were received. Accordingly new target setting is being undertaken to factor in historical demand trends. Leveraging of the resources from other stakeholders including the private sector and financial institutions to be explored.
PPI 204: Number of bursaries provided to military veterans and their dependants per year.	Review future target in education support.
PPI 205: Number of military veterans provided with compensation payment.	Reduce future targets as not all applicants qualify for assessment and payments (e.g. 683 applications were received, 440 had already accessed the benefit through GPAA, 243 qualified for assessment however only 148 qualified for compensation payment)
PPI 206: Number of military veterans and their dependants provided with counselling and treatment.	Continuous engagement with South African Medical Health Services (SAMHS) on submission of reports on time, as well as revising the target downwards for the future.
PPI 207: Approved policy on military veteran's pension benefit.	Lack of capacity being addressed through the new proposed structure.
PPI 208: Approved policy on military veteran's transport benefit	Lack of capacity being addressed through the new proposed structure.

Changes to planned targets

According to section 4.2 of “*The Framework for Strategic Plans and Annual Performance Plans*” which stipulates that, “to simplify performance tracking in-year changes to the plan should not be made, where an institution’s performance exceeds or misses targets due to in-year budget changes or for another reason, this should be noted in its annual report”, no changes were made to planned targets.

Sub-programme expenditure

Table 14: Sub-programme expenditure: SES

Sub- Programme Name	2018/2019			2019/2020		
	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
Database and Benefits Management	8 678	6 361	2 317	14 685	7 620	7 064
Healthcare and Well-being Support	124 705	124 702	3	147 774	144 834	2 940
Socio-Economic Support Management	203 389	203 597	(208)	202 892	102 388	100 504
Total	336 772	334 660	2 112	365 351	254 843	110 508

4.3 Programme 3: Empowerment and Stakeholder Management (ESM)

Purpose of the programme

To manage and facilitate the implementation of Military Veterans' empowerment and stakeholder management programmes.

List of the sub-programmes that fall under the ESM programme

Table 15: List of sub-programmes under ESM programme

Sub-programmes	Sub-programme purposes	Strategic objectives
Provincial Offices and Stakeholder Relations	Facilitate and coordinate military veteran stakeholder Institutions and provide administrative support to secure stakeholders from both public and private institutions willing to contribute towards the well-being of Military Veterans.	<ul style="list-style-type: none"> • Contribute towards reconciliation and nation building. • Improve the quality of life for Military Veterans and that of their dependants. • Recognise and honour Military Veterans in life and memorialise them in death for their sacrifices on behalf of the nation.
Empowerment and Skills Development	Provide reskilling programmes and related activities to ensure that Military Veterans contribute positively to mainstream economic activities.	
Heritage, Memorials, Burials and Honours	Provide services to honour the contributions made by Military Veterans and ensure that their memoirs are adequately secured, articulated in a dignified manner and captured in historical texts.	

Strategic objective for the 2019/20 financial year is embedded below:

Ensure that Military Veterans as a resource, enhance the national workforce and contribute to the prosperity and development of the country.

Strategic objectives, performance indicators, planned targets and actual achievements

During 2019/20 financial year, the department targeted five (5) performance indicators in order to assist Military Veterans to benefit from skills development programmes and business opportunities. Of the five targeted indicators, two (2) or 40% performance indicators were achieved.

Table 16: Overall Performance under ESM

Programme Name: Empowerment and Stakeholder Management							
Programme Performance Indicator	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement 2019/2020	Comment on deviations
PPI 301: Number of private sector companies and organs of state in agreements with the Department of Military Veterans	0	0	0	4	4	Target was achieved as planned	There were no deviations
PPI 302: Number of Military Veterans and their dependants provided with approved funding for skills development programmes	1 908	952	197	5 500	900	-4 600	Demand far below the set target.
PPI 303: Number of Military Veterans' businesses provided with access to empowerment opportunities	179	154	308	110	163	53	Proactive approach and initiatives by the Directorate resulted in the achievement.
PPI 304: Percentage of approved burial claims paid within 30 days of receipt	460	64%	100%	100%	97%	-3%	All the claims were paid within 30 days of the receipt of the claim, however 3 files were not available at the time of verification of the claims processed.
PPI 305: Number of Military Veteran's memorial sites erected per year.	2	0	0	3	0	-3	This is work in progress - Intergovernmental legacy liberation heritage projects

Strategy to overcome areas of under performance

Table 17: ESM mitigation strategies to address under performance

Performance Targets	Mitigation strategies
PPI 302: Number of Military Veterans and their dependants provided with approved funding for skills development programmes.	The department will review the target in the next planning cycle and employ a more proactive approach towards dispensing the benefits.
PPI 305: Number of military veteran's memorial sites erected per year.	<ul style="list-style-type: none"> A successful buy-in of external role players such as DSAC and DPWI will assist in the achievement of the target. Memorandum of Understanding (MOU) with key stakeholders in process. The MoU with Department of Sport, Arts and Culture (DSAC) and South Africa Heritage Resources Agency (SAHRA) is partially completed. The MoU with National Heritage Council (NHC) and Freedom Park is completed.

Changes to planned targets

According to section 4.2 of “*The Framework for Strategic Plans and Annual Performance Plans*” which stipulates that, “to simplify performance tracking in-year changes to the plan should not be made, where an institution’s performance exceeds or misses targets due to in-year budget changes or for another reason, this should be noted in its annual report”, no changes were made to planned targets.

Linking performance with budgets

Sub-programme expenditure

Table 18: Sub-programme expenditure: ESM

Sub- Programme Name	2018/2019			2019/2020		
	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
Provincial Offices and Stakeholder Relations	55 968	36 002	19 966	63 376	37 024	26 352
Empowerment and Skills Development	73 206	18 659	54 547	49 040	27 807	21 233
Heritage, Memorials, Burials and Honours	20 556	14 585	5 971	33 732	17 917	15 815
Total	149 730	69 246	80 484	146 148	82 748	63 400

5. CAPITAL INVESTMENT

5.1 Capital investment, maintenance and asset management plan

Table 19: Capital Investment

Infrastructure Projects	2018/2019			2019/2020		
	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
Existing infrastructure assets	-	-	-	-	-	-
– Upgrades and additions	-	-	-	-	-	-
– Rehabilitation, renovations and refurbishments	-	-	-	-	-	-
– Maintenance and repairs	-	-	-	-	-	-
Infrastructure transfer	-	-	-	-	-	-
– Current	-	-	-	-	-	-
– Capital	-	-	-	-	-	-
Total	-	-	-	-	-	-



**PART C:
GOVERNANCE**

1. Introduction

The Department of Military Veterans is committed to maintain the highest standards of governance in its management of public finances and resources. The Department has formalised risk management structures and processes in place as well as a functioning internal audit unit to ensure good governance is in place to effectively, efficiently and economically utilise the state resources.

2. Risk Management

2.1 Risk Management

The overall risk management philosophy of the DMV is to identify potential and emerging risks and implement risk management strategies that seek to reduce the impact of the identified risks on the achievement of DMV's strategic objectives.

The department established its Risk Management Committee as chaired by an independent member. The Committee has been functional throughout the financial year. The Committee has complied with its responsibilities arising from National Treasury Enterprise Risk Management Framework. The Risk Management Committee also has adopted appropriate formal terms of reference as its Risk Management Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein and has discharged all its responsibilities.

The audit committee also provides advice and oversight regarding the implementation of risk management activities throughout the organisation. Risk registers are compiled, updated with emerging risks and progress of mitigating actions are monitored by the Chief Risk Officer.

The Department is committed to implementing and maintaining an effective, efficient and transparent system of risk management and as outlined in the department's Risk management Policy and Risk Management Strategy. The Department continues to implement the risk management strategy and policy by identifying emerging risks and conducting both strategic and operational risk assessments.

The Risk Management in public sector institutions is part of the governments' macro strategy towards ensuring the achievement of national goals and objectives. The strategic and operational risk registers were developed.

Strategic and operational risk assessments are conducted quarterly with a view to reviewing and updating existing risks and identifying new and emerging risks

2.2 Risk Management Strategies to identify risks and manage the risks

The Department has adopted a formal approach of identifying and managing risks. Risks are identified both at strategic and operational levels. To this end, risks at the strategic

level are linked to goals, objectives and programmes, while the operational risks are linked to the operational objectives of the branches and respective directorates.

The Department annually conducts a comprehensive risk assessment to review/update the departmental risk register as per the approved Risk Management Strategy and as required by the National Treasury Public Sector Risk Management Framework and quarterly reviews emerging risks and status in the implementation of mitigation strategies. During the risk assessment process the responsibility for designing and implementing risk action plans for the key risks identified is delegated to the specific risk owners.

The Departmental risk register was presented to Executive Management during the 2019/20 financial year. Measures are underway in the management and mitigation of risks. Risk awareness workshops will be conducted, risk champions appointed, risk maturing gap analysis, marketing of the risk management function, clarification of roles and responsibilities and ongoing regular risk assessments conducted accordingly.

3. Fraud and Corruption

The Department has a Fraud Prevention Plan and Fraud Policy in place and this takes into account the risks of fraud and corruption that are normally identified during business risk assessment.

The Department supports the National Anti-Corruption Hotline ((NACH) and, in addition to reporting suspected fraud and corruption, employees are encouraged to make confidential disclosure about suspected activities of fraud and corruption through established internal reporting mechanisms such as Internal Audit, Legal Services and Security Management Units.

The Department is committed to investigating and reporting on all reported cases to the relevant institutions, depending on the outcome of the investigation. The Department conducted a formal awareness workshop during the financial year under review despite the capacity constraints. In the interim, engagements were made with Office of the Public Service Commission (OPSC) to assist with investigations on reported cases received from the National Anti-Corruption Hotline.

3.1 Fraud and corruption mechanisms

The Department has a Fraud Prevention Plan that outlines Whistle Blowing procedures to be followed when reporting suspected fraud and corruption. The departmental fraud prevention plan is designed to comply with the provisions of the Protected Disclosure Act No. 26 of 2000 (as amended).

Significant strides will be made to roll out the fraud prevention plan through posters at strategic areas within the Department-Intranet and maintenance of the fraud and corruption risk registers.

The reported matter/case may be investigated internally; referred to the South African Police Service (SAPS) or the National Prosecuting Authority (NPA); or to a Disciplinary Committee. The Department will strive to promote a culture of zero tolerance towards fraud and corruption.

4. Minimising Conflict of Interest

Department uses the following procedures for handling conflict of interest:

- Financial disclosure procedures are used to encourage employees to disclose any registrable interests they might have or any remunerative work that is conducted outside of the department.
- Where conflict of interests has been identified employees are engaged and, where appropriate, standard disciplinary steps are taken against them in terms of the disciplinary code and procedure of the Public Service.

The Department participate in the E-Financial Disclosure (EFD) and timeously submit all required information about their business interest electronically to the DPISA i.e. by 30 April of each financial year as legislated.

- Senior Management Service (SMS) are annually required to complete and submit the E-Financial Disclosure. SMS members in the Department who do not comply with the EFD may be charged with misconduct according to regulations.
- All SCM members involved in the procurement process in the Department must be vetted and undergo security vetting process.
- All Bid Committee members are obliged to sign conflict of interest forms to avoid any potential conflicts that might arise.
- All SMS members are currently disclosing any conflict of interest electronically on annual basis to DPISA.
- This process is effectively managed by the departmental Human Resources Management. For Level 12 and downwards, the department had developed a disclosure form where all employees are requested to disclose any conflict of interest on annual basis, when appointed by the department as a new employee you are given a form for disclosure. This forms are kept in an employee personal file.

5. Code of Conduct

With reference to Chapter 2 of the new Public Service Regulations, dated July 01 1999, to give practical effect to the relevant constitutional provisions relating to the Public Service, all employees are expected to comply with the Code of Conduct ('the Code') provided for in this Chapter.

The Code act as a guideline to employees as to what is expected of them from an ethical point of view, both in their individual conduct and in their relationship with others. Compliance with the Code can be expected to enhance professionalism and help to ensure confidence in the Public Service.

The Head of Department is in terms of Section 7(3) (b) of the Act, inter alia responsible for the efficient management and administration of the department and the maintenance of discipline. He therefore, after the matter has been consulted in the appropriate Chamber of the Public Service Bargaining Council, and without derogating from it, supplement the Code of Conduct provided for in this Chapter in order to provide for unique circumstances. Our Head of Department also ensure that the staff members are acquainted with these measures, and that they accept and abide by them.

The primary purpose of the Code is a positive one, viz. to promote exemplary conduct. Notwithstanding this, an employee shall be guilty of misconduct in terms of Section 20 (t) of the Public Service Act 103 of 1994, and may be dealt with in accordance with the relevant sections of the Act if he or she contravenes any provision of the Code of Conduct or fails to comply with any provision thereof.

The department does ensure that all new employees before they enter into employment agreement they sign the code of conduct.

6. Health Safety and Environmental Issues

The Department puts prime on health, safety and environmental issues that affect its employees and clients. A critical challenge facing the Department has been its building facilities that house the headquarters. The building was procured during the early days of the Department and is proving to be taking strain as the number of employees increase and more clients using the walk-in services of the Department. As a result, the building consistently presents with problems like poor drainage system which often results in ablution facilities within the department, blocking and not working

7. Portfolio Committee

Table 20: Main activities of the Portfolio Committee

Date of the meeting	Main activities undertaken between the Department and the Portfolio Committee on Defence and Military Veterans (PCD&MV)
03 July 2019	Presentation to the Portfolio Committee on Defence and Military Veterans: Main emphasis on Department of Military Veterans 2019/20FY Annual Performance Plan (APP) and Budgetary Allocation
11 September 2019	Briefing by the Department on Military Veterans' Housing benefit with Department of Human Settlement (DHS).
18 September 2019	Presentation to PCD&MV on Preliminary: 1 st Quarter Performance Information Report (Financial and Non-Financial) (April – June 2019)
09 October 2019	Presentation of the Departmental 2018/19 Annual Performance Report (APR).
23 October 2019	Briefing by the Department of Military Veterans on an update on Military Veterans Healthcare Access to Services benefit

8. SCOPA Resolutions

There were no SCOPA resolutions during 2019/20 financial year to be administered by the Department.

9. Internal Audit and Audit Committee

9.1 Internal Audit

The department's internal audit function is performed by the in-house Internal Audit Unit which fulfils an independent assurance function. The internal audit unit follows a risk-based audit approach in providing management and the audit committee with assurance on the adequacy and effectiveness of governance, risk management and internal control processes. The internal audit unit is guided by an Internal Audit Charter approved by the Audit Committee and performs its functions as provided in the Public Finance Management Act (PFMA) and the internal audit charter.

The internal audit unit compiles a rolling three year risk-based plan and prepares an annual plan after taking into consideration the risks facing the entity, strategic objectives, the entity's mandate, audit issues and inputs by management. The audit committee approves the Internal Audit Plan for implementation.

The internal audit reviews performed for the financial year under review, were all in line with the approved annual audit plan and are detailed in the Audit Committee annual report.

Internal audit findings were communicated timely and management implemented measures to mitigate the risks. Significant matters identified during the audit were reported to the Audit Committee

9.2 Audit Committee

Throughout the year under review, the Audit Committee operated in terms of an approved Audit Committee Charter, which also served as the committee's approved terms of reference. The committee comprise of five members of which they are all external members and or independent.

The Audit Committee has, as part of its oversight responsibility on a quarterly basis, followed up on audit findings to ensure that issues raised were addressed timely.

Further information relating to the Audit Committee, as required by the PFMA and Treasury Regulations is included in the Audit Committee's Report, which is incorporated in the annual report of the department

9.2.1 Audit Committee Members Qualifications and Attendance

In terms of PFMA, section 77(b), an audit committee must meet at least twice a year. In addition, Treasury Regulations, section 3.1.16, provides that an audit committee must meet at least annually with the Auditor-General. The Audit Committee met six times during the 2019/20 financial year in compliance with the PFMA and also met with the Auditor General.

The names of the members of the audit committee as well as the number of meetings attended by the members are tabulated below:

Table 21: Audit Committee Members

Serial No.	Name	Qualifications	Internal or external	Date appointed	No. of Meetings attended
1	Mr. Ameen Amod CD (SA)	B Com, MA, MBA, CIA, CGAP, CRMA.	Chairperson - External member	01 April 2018 to 31 March 2021	6/6
2	Adv. WE Huma	B.Proc; <ul style="list-style-type: none"> • LLB (Bachelor of Laws) • LLM (Master of laws) • LLD (Doctors of Law) • Graduate Diploma in Company Direction and • Financial Management. 	External member	01 April 2018 to 31 March 2021	3/6
3	Ms. F. Mushohwe	Chartered Accountant (CA)	External member	01 May 2019 to 30 April 2022	6/6
4	Mr. Bongani Dlamini	<ul style="list-style-type: none"> • National Diploma Accountancy • Certified Fraud Examiner • Professional Accountant 	External member	01 May 2019 to 30 April 2022	3/6
5	Mr. Mazwi Shongwe	<ul style="list-style-type: none"> • BTECH Information Technology • CISA (Certified Information Security Manager) • CGEIT (Certified Government of Enterprise IT) 	External member	01 May 2019 to 30 April 2022	5/6

10. Audit Committee Report

1. Report of the Audit Committee for the year ended 31 March 2020

We are pleased to present our final report for the financial year ended 31 March, 2020.

2. Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38(1) (a) (ii) of the Public Finance Management Act 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.

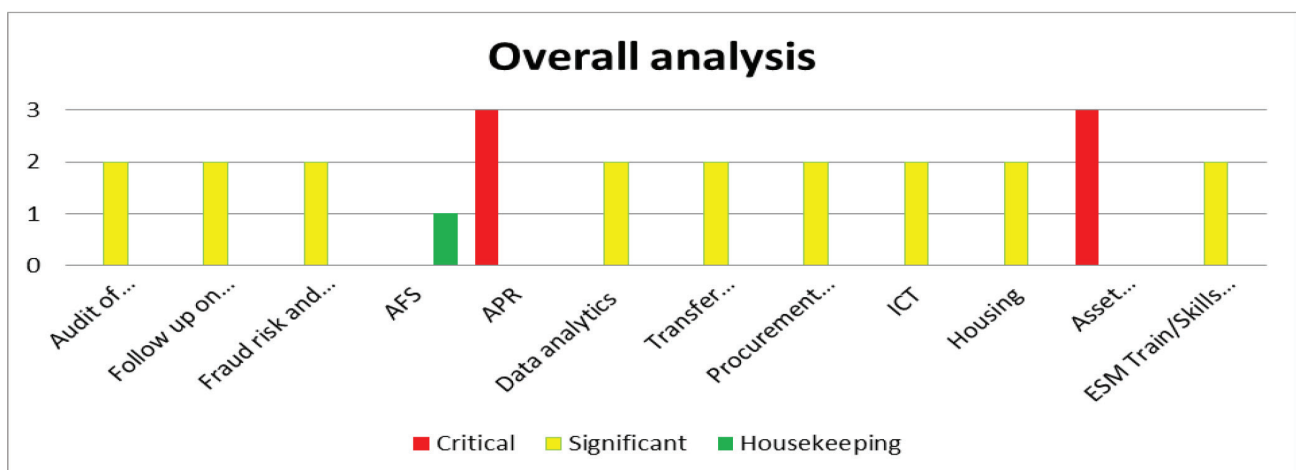
3. The Effectiveness of Internal Control

The system of internal control is designed to provide cost-effective assurance in achieving the department's objectives through ensuring that assets are safeguarded, operations are effective and efficient, financial and performance information is reliable and there is compliance with the laws and regulations.

The Audit Committee provided oversight on the operations and business activities within the department through the quarterly reporting processes by Management as well as the internal audit reviews prioritised in the approved risk based annual internal audit plan.

Our review of the findings of the internal audit work, which was based on the risk assessments conducted in the department revealed certain weaknesses, which were then raised with the department. The following internal audit work was completed during the year under review, based on the 2019/2020 internal audit plan:

Table 22: Internal Audit work



A lot more still needs to be done to stabilise the control environment in the department. There were instances of non-compliance and internal control deficiencies, such as the following:

- i. Underperformance on the delivery of benefits to Military Veterans as well as lack of automated system to improve the accuracy and completeness of the reported performance information.
- ii. Non implementation of LOGIS resulting to internal control deficiencies in the area of recording of assets in the Asset Register and untimely disposal thereof.
- iii. Inadequacies in ICT governance, security and user access management as well as ICT operational inefficiencies.

Management has committed to strategies and processes to address the above control deficiencies. The Committee will be monitoring progress made by Management to strengthen the internal control environment. As part of continuous improvement, we wish to highlight that the Department needs to build a strong control environment by addressing all the control deficiencies, some gaps in financial and performance reporting as well as capacity issues. We therefore support Management initiatives to address the control deficiencies, service delivery and resource challenges.

The Internal Audit activity also maintains a combined assurance framework and implementation plan which were developed in collaboration with the departmental Risk Management unit and the Auditor General. The plan has been useful in ensuring that assurance is placed at all high risks by various assurance providers, namely, 1st, 2nd and 3rd line of defence.

4. In-Year Management and Monthly/Quarterly Report

The Department has reported monthly and quarterly to National Treasury as required by the PFMA. Although we have noted some improvement in the content and quality of these reports, greater improvement of performance reports is still required especially in the service delivery branches.

5. Evaluation of Financial Statements

The Committee has:

- reviewed the annual financial statements prepared by the department;
- reviewed and discussed the audited annual financial statements included in the annual report, with the AGSA and Management;
- reviewed the Department's performance information;
- reviewed AGSA's audit report, Management letter and Management's responses thereto;
- reviewed the Department's compliance with legal and regulatory provisions;
- reviewed the adjustments resulting from the audit.

The Committee wishes to congratulate the Department on achieving an unqualified audit outcome.

6. Auditor General's Report

We have reviewed the department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been adequately resolved except for the areas highlighted below:

- i. Completeness of performance information as reported by the service delivery branches;
- ii. Increase in irregular expenditure, fruitless and wasteful expenditure as well as lack and / or absence of consequence management;
- iii. Inadequate sourcing of the internal audit function;
- iv. Control weaknesses within the IT environment; and
- v. Delays in filling the position of the Director General of the department.

The Audit Committee will continue to monitor and to evaluate the progress made in addressing long standing issues that were previously reported by the Auditor General, including those that are in the 2019/20 Management Report.

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

7. Appreciation

We wish to express our appreciation to the Minister and Deputy Minister for their leadership and guidance, the Acting Director-General, Management and staff for their commitment, as well as Internal Audit and AGSA for their contribution and dedication.



Ameen Amod
Chairperson of the Audit Committee
5 October 2020

11. **Broad-Based Black Economic Empowerment (B-BBEE) Compliance Performance Information**

As at the date of preparing the Annual Report of the Department of Military Veterans, the Department had finished the BBEE verification process. However, the Department had not managed to conclude its report to the BBEE Commission as required by section 13G(1) of the B-BBEE Act.



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**PART D:
HUMAN RESOURCE
MANAGEMENT**

1. Introduction

The information contained in this Part D: Human Resource Management of the Annual Report 2019/20 financial year, has been prescribed by the Minister for the Public Service and Administration for all Departments in the public service.

The success of any organisation is dependent on the availability of employees who have appropriate education, training and skills ultimately ensuring that correct people, are correctly placed, focused on the correct priorities at all times. The Human Resources Management component of the Department approaches on an outward-in basis by consistent endeavors within available resources, to contribute towards a reduction in youth unemployment and inequality, and the elimination of poverty and putting an emphasis in the employment of women.

In line with the priorities of the National Development Plan (NDP), the Department ensures that people with disabilities who are in its employment have enhanced access to quality education and employment. The Department ensures that relevant and accessible skills development programmes for people with disabilities, coupled with equal opportunities for their productive and gainful employment, are prioritised.

With technical and managerial skills shortages that it encounters, the department takes a long-term perspective on developing the skills it needs through career pathing, mentoring, and closer partnerships with universities and schools of management.

To give developmental opportunities to unemployed youth, the Department has expanded its Internship Programmes (Graduate Interns) by employing graduate interns in line with Public Service Regulations.

2. Overview of Human Resources

The Department of Military Veterans like most other institutions in our country still has more presence of males than females in the workplace. The total number of males in the Department accounted for 55% whilst females accounted for 45% of the total employees.

Females in Senior Management positions however accounted for 50%, an achievement the Department hopes to maintain and where possible replicate across all occupational classes in line with the country's demographics. Of the 19% of vacancy rate in the Department, 4% is in senior management and most notably three of the four most senior positions in the Department are also vacant.

Efforts to fill these top management positions are continuing through bilateral between the office of the Accounting Officer and that of the Executive Authority. The Departments notes that the prolonged vacancies at the very top echelons of the Department does not augur well for leadership stability, coherence and uninterrupted flow of Departmental operations thus it seeks to address the matter expeditiously.

During 2019/20 financial year, the Department put emphasis on achieving female representation at Senior Management level and has achieved that feat. The Department has also in line with government prescripts endeavored to achieve the prescribed representation of persons with disabilities and still did not achieve the required 2% which has precipitated a change in the Department's human resources acquisition approach and put emphasis on targeted recruitment.

Efforts are made to ensure that not only does the Department fill all its vacant posts but does so by attracting skilled employees whose inclusion in the Department's workforce will increase its efficacy especially in relation to effecting our mandate.

3. Human Resources Oversight Statistics

3.1 Personnel related expenditure

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2019 and 31 March 2020

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	141 247	75 659	850	1 379	53.57	497
Socio-economic Support	253 449	22 441	-	-	8.85	522
Empowerment and Stakeholder Management	82 557	31 973	-	-	38.73	820
Total	477 253	130 073	850	1 379	27.25	556

Table 3.1.2 Personnel costs by salary band for the period 1 April 2019 and 31 March 2020

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (levels 1-2)	1 893	1.46	29	65
Skilled (level 3-5)	3 257	2.50	15	217
Highly skilled production (levels 6-8)	26 501	20.37	75	353
Highly skilled supervision (levels 9-12)	65 187	50.12	84	776
Senior and Top management (levels 13-16)	31 473	24.20	27	1166
Periodic Payments	1 762	1.35	4	441
Total	130 073	100	234	556

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2019 and 31 March 2020

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	67 385	89.06	787	1.04	883	1.16	1 164	1.53
Socio-economic Support	20 607	91.83	250	1.11	101	0.45	170	0.76
Empowerment and Stakeholder Management	28 010	87.61	861	2.69	377	1.18	187	0.58
Total	116 002	89.18	1 898	1.46	1 360	1.05	1 522	1.17

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2019 and 31 March 2020

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	1 882	99.42	11	0.58	-	-	-	-
Skilled (level 3-5)	2 275	69.84	42	1.29	83	2.55	62	1.90
Highly skilled production (levels 6-8)	24 114	90.99	1 047	3.95	539	2.03	636	2.40
Highly skilled supervision (levels 9-12)	57 695	88.51	798	1.22	654	1.00	738	1.13
Senior management (level 13-16)	28 274	89.84	-	-	84	0.27	86	0.27
Periodicals Remuneration	1 762	100	-	-	-	-	-	-
Total	116 002	89.18	1 898	1.46	1 360	1.05	1 522	1.17

3.2 Employment and Vacancies

Table 3.2.1 Employment and vacancies by programme as on 31 March 2020

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	102	86	16	34
Socio-economic Support	21	19	2	22
Empowerment and Stakeholder Management	46	32	14	7
Total	169	137	32	63

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2020

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (level 1-2)	-	-	-	-
Skilled (level 3-5)	10	5	50%	10
Highly skilled production (level 6-8)	55	41	29%	40
Highly skilled supervision (level 9-12)	73	65	11%	12
Senior management (level 13-16)	31	26	13%	1
Total	169	137	19%	63

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2020

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Elementary occupation (levels 1-5)	10	5	50%	10
Administrative office workers (levels 6-9)	80	64	21%	44
Professionals and managers (levels 10-16)	79	68	13%	9
Total	169	137	19%	63

3.3 Filling of SMS Posts

Table 3.3.1 SMS post information as on 31 March 2020

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	-	0%	1	100%
Salary Level 15	3	1	33%	2	67%
Salary Level 14	9	8	89%	1	11%
Salary Level 13	18	17	94%	1	6%
Total	31	26	84%	5	16%

Table 3.3.2 SMS post information as on 30 September 2019

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	-	-	1	100%
Salary Level 16	-	-	-	-	-
Salary Level 15	3	1	33%	2	67%
Salary Level 14	9	7	78%	2	22%
Salary Level 13	18	15	83%	3	17%
Total	31	23	74%	8	26%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2019 and 31 March 2020

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	-	-	-
Salary Level 16	-	-	-
Salary Level 15	-	-	-
Salary Level 14	2	2	-
Salary Level 13	4	4	-
Total	6	6	-

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2019 and 31 March 2020

Reasons for vacancies not advertised within six months
<ul style="list-style-type: none"> The DG Post was advertised, but from Ministry there were some discrepancies noted and the post is to be re-advertised in July 2020. The DDG: SES Post was advertised and interviews conducted. A Cabinet memorandum lined out some challenges which lead to the Department deciding to re-advertise and start the process from scratch to eliminate any discrepancies. The DDG: Corporate Services became vacant on the 1 September 2019. The Department is in the process of appointing a Director-General as it was of the view for the DG to appoint the incumbent.

Reasons for vacancies not filled within twelve months
<ul style="list-style-type: none"> The DG Post was advertised, but from Ministry there were some discrepancies noted and the post is to be re-advertised in July 2020. The DDG: SES Post was advertised and interviews took place. A Cabinet memorandum lined out some challenges which lead to the Department deciding to re-advertise and start the process from scratch to eliminate any discrepancies. The DDG: Corporate Services became vacant on the 1 September 2019. The Department is in the process of appointing a Director-General as it was of the view for the DG to appoint the incumbent.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2019 and 31 March 2020

Reasons for vacancies not advertised within six months
No disciplinary steps taken

Reasons for vacancies not filled within six months
No disciplinary steps taken

3.4 Job Evaluation

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2019 and 31 March 2020

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (levels 1-2)	-	-	0%	-	0%	-	0%
Skilled (levels 3-5)	9	-	0%	-	0%	-	0%
Highly skilled production (levels 6-8)	52	-	0%	-	0%	-	0%
Highly skilled supervision (levels 9-12)	76	-	0%	-	0%	-	0%
Senior Management Service Band A	18	-	0%	-	0%	-	0%
Senior Management Service Band B	10	-	0%	-	0%	-	0%
Senior Management Service Band C	3	-	0%	-	0%	-	0%
Senior Management Service Band D	1	-	0%	-	0%	-	0%
Total	169	-	0%	-	0%	-	0%

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2019 and 31 March 2020

Gender	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-
Employees with disabilities					-

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2019 and 31 March 2020

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Lower skilled (levels 1-2)	-	-	-	-
Skilled (levels 3-5)	-	-	-	-
Highly skilled production (levels 6-8)	-	-	-	-
Highly skilled supervision (levels 9-12)	-	-	-	-
Total number of employees whose salaries exceeded the level determined by job evaluation				-
Percentage of total employed				-

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2019 and 31 March 2020

Gender	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-
Employees with disabilities	-	-	-	-	-
Total number of Employees whose salaries exceeded the grades determine by job evaluation					None

3.5 Employment Changes

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2019 and 31 March 2020

Salary band	Number of employees at beginning of period- 1 April 2019	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (levels 1-2)	-	-	-	-
Skilled (levels 3-5)	5	-	-	-
Highly skilled production (levels 6-8)	36	1	1	2
Highly skilled supervision (levels 9-12)	73	1	3	4
Senior Management Service Bands A	14	4	1	7
Senior Management Service Bands B	8	2	2	25
Senior Management Service Bands C	2	0	1	50
Senior Management Service Bands D	19	-	-	-
Contracts	70	19	16	22
Total	227	27	24	10,60

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2019 and 31 March 2020

Salary band	Number of employees at beginning of period- April 2019	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Elementary occupation (levels 1-5)	6	-	-	-
Administrative office workers (levels 6-9)	41	-	1	2%
Professionals and managers (levels 10-16)	91	7	7	7,7%
Total	138	7	8	5,8%

Table 3.5.3 Reasons why staff left the department for the period 1 April 2019 and 31 March 2020

Termination Type	Number	% of Total Resignations
Death	1	4.2%
Resignation	13	54.2%
Expiry of contract	8	33.3%
Dismissal – operational changes	-	-
Dismissal – misconduct	1	4.2%
Dismissal – inefficiency	-	-
Discharged due to ill-health	1	4.2%
Retirement	-	-
Transfer to other Public Service Departments	-	-
Other	-	-
Total	24	100
Total number of employees who left as a % of total employment		10.60

Table 3.5.4 Promotions by critical occupation for the period 1 April 2019 and 31 March 2020

Occupation	Employees 1 April 2019	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Elementary occupation (levels 1-5)	-	-	-	-	-
Administrative office workers (levels 6-9)	-	-	-	-	-
Professionals and managers (levels 10-16)	-	1	-	-	-
Total	-	1	-	-	-

Table 3.5.5 Promotions by salary band for the period 1 April 2019 and 31 March 2020

Salary Band	Employees 1 April 2019	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (levels 1-2)	-	-	-	-	-
Skilled (levels 3-5)	-	-	-	-	-
Highly skilled production (levels 6-8)	-	-	-	-	-
Highly skilled supervision (levels 9-12)	-	-	-	-	-
Senior Management (level 13-16)	-	1	100	-	-
Total	-	1	100	-	-

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2020

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	11	-	-	-	15	-	-	-	26
Professionals	34	2	-	2	31	-	-	2	71
Technicians and associate professionals	-	-	-	-	-	-	-	-	-
Clerks	25	-	-	1	13	-	1	-	40
Service and sales workers	-	-	-	-	-	-	-	-	-
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Elementary occupations	-	-	-	-	-	-	-	-	-
Total	70	2	-	3	59	-	1	2	137
Employees with disabilities	1	-	-	1	-	-	-	-	2

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	1	-	-	-	1
Senior Management	11	-	-	-	14	-	-	-	25
Professionally qualified and experienced specialists and mid-management	21	1	-	2	16	-	-	2	42
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	38	1	-	1	28	-	1	-	69
Semi-skilled and discretionary decision making	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	70	2	-	3	59	-	1	2	137

Table 3.6.3 Recruitment for the period 1 April 2019 to 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	0
Senior Management	4	-	-	-	2	-	-	-	6
Professionally qualified and experienced specialists and mid-management	1	-	-	-	1	-	-	-	2
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	9	-	-	-	10	-	-	-	19
Semi-skilled and discretionary decision making	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	14	-	-	-	13	-	-	-	27
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.4 Promotions for the period 1 April 2019 to 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	-	-	-	-	-	-	-	1
Senior Management	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management	-	-	-	-	-	-	-	-	-
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	-	-	-	-	-	-	-	-	-
Semi-skilled and discretionary decision making	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	1	-	-	-	-	-	-	-	1
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.5 Terminations for the period 1 April 2019 to 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	-	-	-	-	-	-	-	1
Senior Management	3	-	-	-	-	-	-	-	3
Professionally qualified and experienced specialists and mid-management	3	-	-	1	3	-	-	-	7
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	4	-	-	-	5	-	-	-	9
Semi-skilled and discretionary decision making	3	-	-	-	1	-	-	-	4
Unskilled and defined decision making	-	-	-	-	-	-	-	-	0
Total	14	0	0	1	9	0	0	0	24
<i>Employees with Disabilities</i>	-	-	-	-	-	-	-	-	-

Table 3.6.6 Disciplinary action for the period 1 April 2019 to 31 March 2020

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Written warning	-	-	-	-	-	-	-	-	-
Dismissal	1	-	-	-	-	-	-	-	1
Case withdrawn	-	-	-	-	-	-	-	-	-
Total	1	-	-	-	-	-	-	-	1

Table 3.6.7 Skills development for the period 1 April 2019 to 31 March 2020

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	3	-	-	-	4	-	-	-	7
Professionals	9	-	-	-	16	-	-	-	25
Technicians and associate professionals	51	2	-	-	45	-	-	2	100
Clerks	6	-	-	-	9	-	-	-	15
Service and sales workers	1	-	-	-	2	-	-	-	3
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Elementary occupations	1	-	-	-	6	-	-	-	7
Total	71	2	-	-	82	-	-	2	157
Employees with disabilities	-	-	-	-	-	-	-	-	-

3.7 Signing of Performance Agreements by SMS Members

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2019

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	-	-	0%
Salary Level 16	-	-	-	0%
Salary Level 15	3	2	-	0%
Salary Level 14	9	8	7	88%
Salary Level 13	18	17	14	82%
Total	31	27	21	78%

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2020

Reasons
Out of the six senior managers who did not sign, two senior managers were exiting the system, one was due to ill-health and three SMS members did not sign.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2020

Reasons
None

3.8 Performance Rewards

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2019 to 31 March 2020

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	26	106	25%	682	26
Female	29	113	26%	848	29
Asian					
Male	-	-	-	-	-
Female	-	1	-	-	-
Coloured					
Male	-	2	-	-	-
Female	-	-	-	-	-
White					
Male	1	3	33%	33	33
Female	1	2	50%	39	39
Total	57	227	25%	1 602	28

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2019 to 31 March 2020

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (levels 1-2)	-	-	-	-	-	-
Skilled (levels 3-5)	3	15	60%	26	8 611	0.79%
Highly skilled production (levels 6-8)	20	102	56%	298	14 922	1.08%
Highly skilled supervision (levels 9-12)	33	83	45%	1 222	37 044	1.83%
Total	56	200	49%	1 546	27 620	1.58%

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2019 to 31 March 2020

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Elementary occupation (levels 1-5)	3	5	60%	25 833	86
Administrative Office Workers (levels 6-9)	22	42	52%	338 223	15
Professionals and managers (levels 10-16)	32	94	34%	1 238 135	13
Total	57	141	40%	1 602 191	28

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2019 to 31 March 2020

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	-	18	0%	-	-	-
Band B	1	8	12,5%	55,47	55,47	0,50
Band C	-	1	0%	-	-	-
Band D	-	-	0%	-	-	-
Total	1	27	3,7%	55,47	55,47	0,20

3.9 Foreign Workers

Table 3.9.1 Foreign workers by salary band for the period 1 April 2019 and 31 March 2020

Salary band	01 April 2019		31 March 2020		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	-	-	-	-	-	-
Highly skilled production (levels 6-8)	-	-	-	-	-	-
Highly skilled supervision (levels 9-12)	-	-	-	-	-	-
Contract (levels 9-12)	-	-	-	-	-	-
Contract (levels 13-16)	-	-	-	-	-	-
Total	-	-	-	-	-	-

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2019 and 31 March 2020

Major occupation	01 April 2019		31 March 2020		Change	
	Number	% of total	Number	% of total	Number	% Change
Elementary occupation (levels 1-5)	-	-	-	-	-	-
Administrative Office Workers (levels 6-9)	-	-	-	-	-	-
Professionals and managers (levels 10-16)	-	-	-	-	-	-
Total	-	-	-	-	-	-

3.10 Leave utilisation

Table 3.10.1 Sick leave for the period 1 January 2019 to 31 December 2019

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 Skills (levels 1-2)	35	80	11	38	3	11
Skilled (levels 3-5)	139	79	16	100	9	113
Highly skilled production (levels 6-8)	520	75	76	90	7	656
Highly skilled supervision (levels 9 -12)	453	80	52	60	9	1 313
Top and Senior management (levels 13-16)	204	89	21	68	10	895
Total	1 351	81	176	72	8	2 988

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2019 to 31 December 2019

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (levels 1-2)	-	-	-	-	-	-
Skilled (levels 3-5)	-	-	-	-	-	-
Highly skilled production (levels 6-8)	-	-	-	-	-	-
Highly skilled supervision (levels 9-12)	23	100	1	1	23	83
Senior management (levels 13-16)	98	100	2	6	49	448
Total	121	100	3	7	40	531

Table 3.10.3 Annual Leave for the period 1 January 2019 to 31 December 2019

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (levels 1-2)	100	6	16
Skilled (levels 3-5)	354	18	20
Highly skilled production (levels 6-8)	1 711	104	16
Highly skilled supervision (levels 9-12)	1 754	88	20
Senior management (levels 13-16)	505	27	19
Total	4 424	243	18

Table 3.10.4 Capped leave for the period 1 January 2019 to 31 December 2019

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2020
Lower skilled (levels 1-2)	-	-	-	-
Skilled (levels 3-5)	-	-	-	-
Highly skilled production (levels 6-8)	2	1	2	19
Highly skilled supervision (levels 9-12)	1	1	32	32
Senior management (levels 13-16)	-	-	-	-
Total	3	2	24	51

Table 3.10.5 Leave pay outs for the period 1 April 2019 and 31 March 2020

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave pay outs for 2019/20 financial year due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave pay out on termination of service for 2019/20 financial year	-	-	-
Current leave pay out on termination of service for 2019/20 financial year	1	15	40
Total	1	15	40

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Sexually active men and women of reproductive age	Distribution of male and female condoms in toilet facilities within the workplace

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Mr Lethola Mofokeng Director: HRM
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		Assistant Director: Employee Health and Wellness
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	A health and wellness service provider has not been appointed, as a result employee assistance services like 24 hour counselling and intensive health promotion programs have not been established. Education, Awareness and Prevention programs in alignment with the National Health Calendar are done to some extent.

<p>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.</p>	<p>X</p>		<p>The newly appointed health and safety committee is comprised of:</p> <ul style="list-style-type: none"> • Mr. L Mofokeng: Director: HRM (Section 16.1 Appointee). • Mr. S Rakomane: Deputy Director: Corporate Services. • Mr. M Kondilati: Deputy Director: Safety and Security • Mr. J Moche: Labour Representative • Ms. NJ Ntshani: Deputy Director: Auxiliary and Registry • Ms. N Mqadi: Deputy Director: SCM • Ms. C Tun Fong: Assistant Director: EHW
<p>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.</p>		<p>X</p>	<p>No review of policies has taken place during 2019/20 financial year</p>
<p>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.</p>		<p>X</p>	<p>Not yet</p>
<p>7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.</p>	<p>X</p>		<p>Wellness Screening tests have been arranged in partnership with GEMS. These include Voluntary Counselling and Testing.</p>
<p>8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.</p>		<p>X</p>	<p>Not yet. The appointment of a health and wellness service provider would assist us in this regard</p>

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2019 and 31 March 2020

Subject matter	Date
Total number of Collective agreements	None

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2019 and 31 March 2020

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	-	-
Verbal warning	-	-
Written warning	-	-
Final written warning	2	50%
Suspended without pay	-	-
Fine	-	-
Demotion	-	-
Dismissal	1	25%
Not guilty	1	25%
Case withdrawn	-	-
Total	4	100%

Total number of Disciplinary hearings finalised	None
--	------

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2019 and 31 March 2020

Type of misconduct	Number	% of total
Assault	1	25%
Gross dishonesty	2	50%
Sexual harassment	1	25%
Total	4	100%

Table 3.12.4 Grievances logged for the period 1 April 2019 and 31 March 2020

Grievances	Number	% of Total
Number of grievances resolved	11	33%
Number of grievances not resolved	22	67%
Total number of grievances lodged	33	100%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2019 and 31 March 2020

Disputes	Number	% of Total
Number of disputes upheld	12	100%
Number of disputes dismissed	-	-
Total number of disputes lodged	12	100%

Table 3.12.6 Strike actions for the period 1 April 2019 and 31 March 2020

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

Table 3.12.7 Precautionary suspensions for the period 1 April 2019 and 31 March 2020

Number of people suspended	3
Number of people whose suspension exceeded 30 days	3
Average number of days suspended	327
Cost of suspension(R'000)	R1 293 088.36

1.13 Skills development

Table 3.13.1 Training needs identified for the period 1 April 2019 and 31 March 2020

Occupational category	Gender	Number of employees as at 1 April 2019	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	13	-	3	-	3
	Male	13	-	-	-	-
Professionals	Female	23	-	9	18	27
	Male	27	-	8	17	25
Technicians and associate professionals	Female	15	-	94	7	101
	Male	13	-	46	7	53
Clerks	Female	47	-	7	1	8
	Male	50	-	6	-	6
Service and sales workers	Female	3	-	3	-	3
	Male	1	-	1	-	1
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	-	-	2	-	2
	Male	-	-	-	-	-
Sub Total	Female	101	-	118	26	144
	Male	104	-	61	24	85
Total		205	-	179	50	229

Table 3.13.2 Training provided for the period 1 April 2019 and 31 March 2020

Occupational category	Gender	Number of employees as at 1 April 2019	Training provided within the reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of training	
Legislators, senior officials and managers	Female	13	-	8	-	8
	Male	13	-	5	-	5
Professionals	Female	23	-	16	11	27
	Male	27	-	15	6	21
Technicians and associate professionals	Female	15	-	81	9	90
	Male	13	-	89	9	98
Clerks	Female	47	-	4	5	9
	Male	50	-	2	4	6
Service and sales workers	Female	3	-	3	-	3
	Male	1	-	2	-	2
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	-	-	10	-	10
	Male	-	-	2	-	2
Sub Total	Female	101	-	122	25	147
	Male	104	-	115	19	134
Total		205	-	237	44	281

3.14 Injury on duty

Table 3.14.1 Injury on duty for the period 1 April 2019 and 31 March 2020

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

3.15 Utilisation of Consultants

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2019 and 31 March 2020

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
None	-	-	-

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2019 and 31 March 2020

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None	-	-	-

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2019 and 31 March 2020

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
None	-	-	-

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2019 and 31 March 2020

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None	-	-	-

3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2019 and 31 March 2020

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



10.6	18.4	29.1	6.394	1.713	2.6
2	9.6	12.1	6.804		
8.2	12.3	10.3			
20.6	22.6	21.2			
4.6	28.7	22.2			

relating

PART E: FINANCIAL INFORMATION

REPORT OF THE AUDITOR GENERAL

Report of the Auditor-General to Parliament on Vote no. 19: Department of Military Veterans

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Military Veterans set out on pages 97 to 183, which comprise the appropriation statement, statement of financial position as at 31 March 2020, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Military Veterans as at 31 March 2020, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the department in accordance with sections 290 and 291 of the *Code of ethics for professional accountants* and parts 1 and 3 of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* of the International Ethics Standards Board for Accountants (IESBA codes) as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Uncertainty relating to the future outcome of litigation

7. With reference to note 17 to the financial statements, the department is the defendant in contract cancellation lawsuits. The ultimate outcome of these matters cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

Other matter

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

Unaudited supplementary schedules

9. The supplementary information set out on pages 184 to 194 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the 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.
11. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

12. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the performance report

Introduction and scope

14. 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 on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

15. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators / measures included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the annual performance report of the department for the year ended 31 March 2020:

Programme	Pages in the annual performance report
Programme 2 – Socio-Economic Support (SES)	41 – 46

17. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

18. The material findings in respect of the usefulness and reliability of the selected programmes are as follows:

Programme 2 – Socio-economic Support

19. The achievements reported in the annual performance report materially differed from the supporting evidence provided for the indicators listed below:

Indicator description	Reported achievement
PPI 201: Total number of military veterans with access to healthcare services.	1 320
PPI 204: Number of bursaries provided to military veterans and their dependants per year.	4 449

Other matter

20. I draw attention to the matter below.

Achievement of planned targets

21. Refer to the annual performance report on pages 38 to 49 for information on the achievement of planned targets for the year and explanations provided for the under-/overachievement of a significant number of targets. This information should be considered in the context of the

material findings on the usefulness and reliability of the reported performance information in paragraph 19 of this report.

Report on the audit of compliance with legislation

Introduction and scope

22. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

23. The material findings on compliance with specific matters in key legislation are as follows:

Expenditure management

24. Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R148 000, as disclosed in note 23 to the financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the fruitless and wasteful expenditure resulted from payments for services not utilised.

25. Some payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3.

Strategic planning and performance management

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

Consequence management

27. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular and fruitless and wasteful expenditure as required by section 38(1)(h)(iii) of the PFMA. This was as a result of significant delays in performing investigations relating to these matters.

Other information

28. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report which includes the audit committee's report and the accounting officer's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.

29. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

30. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
31. If, based on the work I have performed, I conclude that there is a material misstatement in this other information; I am required to report that fact. I have nothing to report in this regard.

Internal Control Deficiencies

32. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.
33. Leadership did not exercise adequate oversight over performance reporting, compliance with applicable legislation and related internal controls. Action plans to address audit matters were not effective in addressing prior year findings.
34. Management did not implement effective controls to ensure that information contained in performance reports was reliable before submission for audit. This was mainly a result of inadequate reviews and a lack of proper performance and record management systems. Furthermore, management did not review and monitor compliance with legislation.

Auditor - General

Pretoria

30 September 2020



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the department’s compliance with respect to the selected subject matters.

Financial statements

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

Communication with those charged with governance

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

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



DEPARTMENT OF MILITARY VETERANS ANNUAL FINANCIAL STATEMENTS

**For the year ended
31 March 2020**

**DEPARTMENT OF MILITARY VETERANS
VOTE NO.19**

**ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020**

Table of Contents

Appropriation Statement.....	97
Notes to the Appropriation Statement.....	130
Statement of Financial Performance	132
Statement of Financial Position	134
Statement of Changes in Net Assets.....	136
Cash Flow Statement	137
Notes to the Annual Financial Statements (including Accounting policies)	147
Annexures	184

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Appropriation per programme									
Programme	2019/20					2018/19			
	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	141 054	-	-	141 054	139 614	1 440	99,0%	140 585	138 071
2. Socioeconomic Support	365 351	-	-	365 351	254 843	110 508	69,8%	336 772	334 660
3. Empowerment and Stakeholder Management	146 148	-	-	146 148	82 748	63 400	56,6%	149 730	69 246
Subtotal	652 553	-	-	652 553	477 205	175 348	73,1%	627 087	541 977
Statutory Appropriation									
President and Deputy President salary									
Members' remuneration									
Debt service costs									
Provincial equitable share									
General fuel levy sharing with metropolitan municipalities									
National Revenue Fund payments									
Skills levy and sector education and training authorities									
Judges' and magistrates' salaries									
TOTAL									

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

	2019/20		2018/19	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)				
Reconciliation with statement of financial performance				
ADD			53	
Departmental receipts	1 083			
NRF Receipts				
Aid assistance				
Actual amounts per statement of financial performance (total revenue)	653 636		627 140	
ADD				
Aid assistance				
Prior year unauthorised expenditure approved without funding				
Actual amounts per statement of financial performance (total expenditure)		477 205		541 977

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Appropriation per economic classification									
Economic classification	2019/20					2018/19			
	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
Current payments	391 467	48 267	-	439 734	365 463	74 271	83,1%	438 232	336 352
Compensation of employees	131 549	-	-	131 549	130 073	1 476	98,9%	122 257	123 788
Salaries and wages	111 057	-	-	111 057	119 260	(8 203)	107,4%	103 036	113 968
Social contributions	20 492	-	-	20 492	10 813	9 679	52,8%	19 221	9 820
Goods and services	259 918	48 254	-	308 172	235 377	72 795	76,4%	315 974	212 564
Administrative fees	2 009	860	-	2 869	2 046	820	71,4%	3 592	3 008
Advertising	4 880	(1 241)	-	3 639	2 239	1 400	61,5%	2 097	2 097
Minor assets	3 345	(543)	-	2 802	154	2 648	5,5%	4 757	198
Audit costs: External	6 632	247	-	6 879	6 877	2	100%	6 371	5 777
Bursaries: Employees	395	-	-	395	293	102	74,2%	924	854
Catering: Departmental activities	3 206	(25)	-	3 181	372	2 809	11,7%	1 421	593
Communication	3 255	633	-	3 888	3 712	176	95,5%	11 481	5 358
Computer services	14 363	(765)	-	13 598	13 595	3	100%	14 580	14 530
Consultants: Business and advisory services	5 193	(183)	-	5 010	1 379	3 631	27,5%	9 662	1 218
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 602	(181)	-	1 421	1 411	10	99,3%	983	983
Contractors	78 121	52 299	-	130 420	127 399	3 021	97,7%	108 969	107 648
Agency and support / outsourced services	5 308	(471)	-	4 837	2 874	1 963	59,4%	2 219	2 219
Entertainment	63	(6)	-	57	-	57	-	-	-
Fleet services	2 388	-	-	2 388	1 461	927	61,2%	1 926	1 876

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Appropriation per economic classification									
	2019/20					2018/19			
	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
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-
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	2 784	(477)	-	2 307	303	2 004	13,1%	13 091	187
Consumable: Stationery, printing and office supplies	7 963	2 032	-	9 995	1 907	8 088	19,1%	6 579	3 192
Operating leases	19 710	1 165	-	20 875	19 683	1 192	94,3%	16 836	16 771
Property payments	3 710	(60)	-	3 650	1 955	1 695	53,6%	2 979	2 978
Transport provided:	-	-	-	-	-	-	-	-	-
Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	56 723	(1 962)	-	54 761	28 397	26 364	51,9%	55 284	34 336
Training and development	30 019	(36)	-	29 983	17 465	12 518	58,2%	46 738	6 833
Operating payments	460	(86)	-	374	71	303	19,0%	234	234
Venues and facilities	7 439	(2 946)	-	4 493	1 540	2 953	34,3%	5 251	1 674
Rental and hiring	350	-	-	350	244	106	69,7%	-	-
Interest and rent on land	-	13	-	13	13	-	100%	1	-

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Appropriation per economic classification									
2019/20					2018/19				
	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
Interest	-	13	-	13	13	-	100%	1	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	240 736	(48 339)	-	192 397	110 236	82 161	57,3%	185 874	202 868
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	198	198
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Appropriation per economic classification										
	2019/20					2018/19				
	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	
Private enterprises	-	-	-	-	-	-	-	-	-	
Subsidies on products and production	-	-	-	-	-	-	-	-	-	
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-	
Non-profit institutions	-	-	-	-	-	-	-	-	-	
Households	240 736	(48 339)	-	192 397	110 236	82 161	57,3%	185 676	203 066	
Social benefits	48 765	(32 451)	-	16 314	16 234	80	99,5%	13 335	13 335	
Other transfers to households	191 971	(15 888)	-	176 083	94 002	82 081	53,4%	172 341	189 533	
Payments for capital assets	20 350	72	-	20 422	1 506	18 916	7,4%	2 961	2 539	
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	
Buildings	-	-	-	-	-	-	-	-	-	
Other fixed structures	-	-	-	-	-	-	-	-	-	
Machinery and equipment	14 230	92	-	14 322	1 408	12 914	9,8%	2 961	2 539	
Transport equipment	-	-	-	-	-	-	-	26	6	
Other machinery and equipment	14 230	92	-	14 322	1 408	12 914	9,8%	2 935	2 533	
Heritage assets	5 000	-	-	5 000	98	4 902	2,0%	-	-	
Specialised military assets	-	-	-	-	-	-	-	-	-	
Biological assets	-	-	-	-	-	-	-	-	-	
Land and subsoil assets	-	-	-	-	-	-	-	-	-	
Intangible assets	1 120	(20)	-	1 100	-	1 100	-	-	-	
Payments for financial assets	-	-	-	652 553	477 205	175 348	73,1%	627 087	541 977	
TOTAL	652 553	-	-	652 553	477 205	175 348	73,1%	627 087	541 977	

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 1: Administration										
2019/20						2018/19				
Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	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. Management	-	-	12 106	12 517	(411)	103,4%	12 470	12 469	12 470	12 469
2. Corporate Service	-	-	66 212	68 676	(2 464)	103,7%	72 027	71 419	72 027	71 419
3. Financial Administration	-	-	14 542	20 977	(6 435)	144,3%	22 211	22 211	22 211	22 211
4. Internal Audit	-	-	10 864	10 640	224	97,9%	8 655	8 061	8 655	8 061
5. Strategic Planning, Policy Development and Monitoring and Evaluation	-	-	19 910	13 876	6 034	69,7%	11 659	10 349	11 659	10 349
6. Office Accommodation	-	-	17 420	12 928	4 492	74,2%	13 563	13 562	13 563	13 562
Total for sub programmes			141 054	139 614	1 440	99,0%	140 585	138 071	140 585	138 071
Economic classification										
Current payments	(2 911)		133 178	135 238	(4 971)	103,8%	130 267	135 440	137 954	135 440
Compensation of employees	-	-	47 043	74 163	(27 120)	157,6%	47 043	72 261	43 693	72 261
Salaries and wages	-	-	37 571	67 676	(30 105)	180,1%	37 571	66 265	34 688	66 265
Social contributions	-	-	9 472	6 487	2 985	68,5%	9 472	5 996	9 005	5 996
Goods and services	(2 911)	-	86 135	61 075	22 149	73,4%	83 224	63 179	94 261	63 179
Administrative fees	147	-	428	371	204	64,5%	575	724	1 303	724
Advertising	(2 019)	-	3 278	920	339	73,1%	1 259	1 904	1 904	1 904
Minor assets	(728)	-	1 549	120	701	14,6%	821	8	1 702	8
Audit costs: External	247	-	6 632	6 877	2	100,0%	6 879	5 777	6 371	5 777
Bursaries: Employees	-	-	395	293	102	74,2%	395	854	854	854
Catering: Departmental activities	(25)	-	894	230	639	26,5%	869	129	130	129
Communication	633	-	3 219	3 712	140	96,4%	3 852	5 358	11 371	5 358
Computer services	(765)	-	14 363	13 595	3	100,0%	13 598	14 530	14 530	14 530

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 1: Administration									
2019/20					2018/19				
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
4 115	152	-	4 267	1 379	2 888	32,3%	9 662	1 218	
Consultants: Business and advisory services									
Infrastructure and planning services									
Laboratory services									
Scientific and technological services									
Legal services	(181)		1 421	1 411	10	99,3%	983	983	
Contractors	(70)		2 922	30	2 892	1,0%	1 339	30	
Agency and support / outsourced services									
Entertainment	(6)		33		33				
Fleet services			2 000	1 461	539	73,1%	1 876	1 876	
Housing									
Inventory: Clothing material and supplies									
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									

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
 for the year ended 31 March 2020

Programme 1: Administration									
2019/20					2018/19				
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
2 079	(462)	-	1 617	292	1 325	18,1%	11 309	179	
4 022	2 119	-	6 141	1 168	4 973	19,0%	3 261	2 323	
19 575	1 165	-	20 740	19 683	1 057	94,9%	16 778	16 771	
3 710	(60)	-	3 650	1 955	1 695	53,6%	2 979	2 978	
-	-	-	-	-	-	-	-	-	
11 789	(1 836)	-	9 953	6 256	3 697	62,9%	7 125	6 754	
981	(36)	-	945	850	95	89,9%	585	584	
247	(86)	-	161	71	90	44,1%	95	95	
1 876	(1 100)	-	776	157	619	20,2%	104	104	
350	-	-	350	244	106	69,7%	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
Transfers and subsidies	3 219	-	3 219	3 211	8	99,8%	276	276	
Provinces and municipalities	-	-	-	-	-	-	-	-	
Provinces	-	-	-	-	-	-	-	-	
Provincial Revenue Funds	-	-	-	-	-	-	-	-	
Provincial agencies and funds	-	-	-	-	-	-	-	-	
Municipalities	-	-	-	-	-	-	-	-	
Municipal bank accounts	-	-	-	-	-	-	-	-	
Municipal agencies and funds	-	-	-	-	-	-	-	-	

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
 for the year ended 31 March 2020

Programme 1: Administration									
2019/20						2018/19			
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
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	3 219	-	3 219	3 211	8	99,8%	276	276	276
-	601	-	601	593	8	98,7%	276	276	276
-	2 618	-	2 618	2 618	-	100,0%	-	-	-
7 876	(308)	-	7 568	1 165	6 403	15,4%	2 355	2 355	2 355
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 1: Administration									
2019/20					2018/19				
	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
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	7 376	(288)	-	7 088	1 165	5 923	16,4%	2 355	2 355
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	7 376	(288)	-	7 088	1 165	5 923	16,4%	2 355	2 355
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	500	(20)	-	480	-	480	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	141 054	-	-	141 054	139 614	1 440	99,0%	140 585	138 071

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

1.1 Management									
Economic classification	2019/20					2018/19			
	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
Current payments	11 726	(327)	-	11 399	12 183	(784)	106,9%	12 422	12 421
Compensation of employees	4 586	-	-	4 586	8 442	(3 856)	184,1%	4 465	8 585
Goods and services	7 140	(327)	-	6 813	3 741	3 072	54,9%	7 957	3 836
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	327	-	327	326	1	99,7%	16	16
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	327	-	327	326	1	99,7%	16	16
Payments for capital assets	380	-	-	380	8	372	2,1%	32	32
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	380	-	-	380	8	372	2,1%	32	32
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	12 106	-	-	12 106	12 517	(411)	103,4%	12 470	12 469

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

1.2 Corporate Services									
2019/20					2018/19				
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	61 082	(2 126)	-	58 956	65 060	(6 104)	110,4%	69 591	68 983
Compensation of employees	21 520	-	-	21 520	30 503	(8 983)	141,7%	18 845	31 999
Goods and services	39 562	(2 126)	-	37 436	34 557	2 879	92,3%	50 746	36 984
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	2 634	-	2 634	2 632	2	99,9%	147	147
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	2 634	-	2 634	2 632	2	99,9%	147	147
Payments for capital assets	5 130	(508)	-	4 622	984	3 638	21,3%	2 289	2 289
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 630	(488)	-	4 142	984	3 158	23,8%	2 289	2 289
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	500	(20)	-	480	-	480	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	66 212	-	-	66 212	68 676	(2 464)	103,7%	72 027	71 419

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

1.3 Financial Administration									
2019/20					2018/19				
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	14 076	(383)	-	13 693	20 726	(7 033)	151,4%	22 085	22 085
Compensation of employees	10 381	-	-	10 381	20 142	(9 761)	194,0%	10 260	21 158
Goods and services	3 695	(383)	-	3 312	584	2 728	17,6%	11 825	927
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	183	-	183	181	2	98,9%	100	100
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	183	-	183	181	2	98,9%	100	100
Payments for capital assets	466	200	-	666	70	596	10,5%	26	26
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	466	200	-	666	70	596	10,5%	26	26
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	14 542	-	-	14 542	20 977	(6 435)	144,3%	22 211	22 211

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

1.4 Internal Audit									
2019/20									
	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	10 364	(38)	-	10 326	10 602	(276)	102,7%	8 655	8 061
Compensation of employees	1 998	-	-	1 998	2 917	(919)	146,0%	1 644	2 222
Goods and services	8 366	(38)	-	8 328	7 685	643	92,3%	7 011	5 839
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	38	-	38	38	-	100,0%	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	38	-	38	38	-	100,0%	-	-
Payments for capital assets	500	-	-	500	-	500	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	500	-	-	500	-	500	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	10 864	-	-	10 864	10 640	224	97,9%	8 655	8 061

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

1.5 Strategic Planning, Policy Development and Monitoring and Evaluation									
2019/20					2018/19				
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	18 510	(37)	-	18 473	13 739	4 734	74,4%	11 638	10 328
Compensation of employees	8 558	-	-	8 558	12 159	(3 601)	142,1%	8 479	8 297
Goods and services	9 952	(37)	-	9 915	1 580	8 335	15,9%	3 159	2 031
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	37	-	37	34	3	91,9%	13	13
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	37	-	37	34	3	91,9%	13	13
Payments for capital assets	1 400	-	-	1 400	103	1 297	7,4%	8	8
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 400	-	-	1 400	103	1 297	7,4%	8	8
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	19 910	13 876	6 034	69,7%	11 659	10 349
TOTAL	19 910	-	-	19 910	13 876	6 034	69,7%	11 659	10 349

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

1.6 Office Accommodation									
2019/20					2018/19				
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
Current payments	17 420	-	-	17 420	12 928	4 492	74,2%	13 563	13 562
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	17 420	-	-	17 420	12 928	4 492	74,2%	13 563	13 562
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	17 420	-	-	17 420	12 928	4 492	74,2%	13 563	13 562

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 2: Socio Economic Support									
2019/20					2018/19				
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
Sub programme									
1. Database and Benefits Management	14 685	-	-	14 685	7 621	7 064	51,9%	8 678	6 361
2. Health Care and Well Support	96 095	51 679	-	147 774	144 834	2 940	98,0%	124 705	124 702
3. Socio Economic Support Management	254 571	(51 679)	-	202 892	102 388	100 504	50,5%	203 389	203 597
Total for sub programmes	365 351	-	-	365 351	254 843	110 508	69,8%	336 772	334 660
Economic classification									
Current payments	129 872	52 269	-	182 141	156 470	25 671	85,9%	157 563	138 260
Compensation of employees	43 686	-	-	43 686	23 938	19 748	54,8%	40 581	21 834
Salaries and wages	38 947	-	-	38 947	22 337	16 610	57,4%	36 232	20 515
Social contributions	4 739	-	-	4 739	1 601	3 138	33,8%	4 349	1 319
Goods and services	86 186	52 269	-	138 455	132 532	5 923	95,7%	116 982	116 426
Administrative fees	254	(58)	-	196	149	47	76,0%	691	690
Advertising	1 180	829	-	2 009	1 319	690	65,7%	193	193
Minor assets	263	(15)	-	248	24	224	9,7%	21	20
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	503	-	-	503	100	403	19,9%	170	170
Communication	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	1 078	(335)	-	743	-	743	-	-	-
Infrastructure and planning services	-	-	-	-	-	-	-	-	-

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 2: Socio Economic Support									
2019/20					2018/19				
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
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	74 999	52 369	-	127 368	127 362	6	100,0%	107 610	107 610
Agency and support / outsourced services	100	-	-	100	-	100	-	-	-
Entertainment	10	-	-	10	-	10	-	-	-
Fleet services	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-
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	178	(15)	-	163	10	153	6,1%	-	-
Consumable: Stationery, printing and office supplies	1 137	(87)	-	1 050	388	662	37,0%	752	198
Operating leases	-	-	-	-	-	-	-	-	-

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 2: Socio Economic Support									
2019/20					2018/19				
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
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	5 882	(348)	-	5 534	3 171	2 363	57,3%	7 459	7 459
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	140	-	-	140	-	140	-	57	57
Venues and facilities	462	(71)	-	391	9	382	2,3%	29	29
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	232 478	(52 149)	-	180 329	98 177	82 152	54,4%	179 118	196 310
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 2: Socio Economic Support									
2019/20					2018/19				
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
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	232 478	(52 149)	-	180 329	98 177	82 152	54,4%	179 118	196 310
Social benefits	40 507	(33 643)	-	6 864	6 793	71	99,0%	6 777	6 777
Other transfers to households	191 971	(18 506)	-	173 465	91 384	82 081	52,7%	172 341	189 533
Payments for capital assets	3 001	(120)	-	2 881	196	2 685	6,8%	91	90
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 381	(120)	-	2 261	196	2 065	8,7%	91	90
Transport equipment	-	-	-	-	-	-	-	6	6
Other machinery and equipment	2 381	(120)	-	2 261	196	2 065	8,7%	85	84
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 2: Socio Economic Support									
2019/20				2018/19					
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
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	620	-	-	620	-	620	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-

2.1 Database and Benefits Management									
2019/20				2018/19					
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
Current payments	13 148	90	-	13 238	7 555	5 683	57,1%	8 676	6 359
Compensation of employees	9 302	-	-	9 302	7 229	2 073	77,7%	8 302	5 986
Goods and services	3 846	90	-	3 936	326	3 610	8,3%	374	373
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	30	-	30	29	1	96,7%	2	2
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

2.1 Database and Benefits Management									
2019/20					2018/19				
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
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	30	-	30	29	1	96,7%	2	2
Payments for capital assets	1 537	(120)	-	1 417	37	1 380	2,6%	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	917	(120)	-	797	37	760	4,6%	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	620	-	-	620	-	620	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	14 685	-	-	14 685	7 621	7 064	51,9%	8 678	6 361

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

2.2 Health Care and Well-being Support									
2019/20									
	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	88 785	52 346	-	141 131	139 281	1 850	98,7%	120 173	120 171
Compensation of employees	10 670	-	-	10 670	9 719	951	91,1%	9 794	10 337
Goods and services	78 115	52 346	-	130 461	129 562	899	99,3%	110 379	109 834
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	6 200	(667)	-	5 533	5 532	1	100,0%	4 453	4 453
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	6 200	(667)	-	5 533	5 532	1	100,0%	4 453	4 453
Payments for capital assets	1 110	-	-	1 110	21	1 089	1,9%	79	78
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 110	-	-	1 110	21	1 089	1,9%	79	78
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	96 095	51 679	-	147 774	144 834	2 940	98,0%	124 705	124 702

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

2.3 Socio economic support management									
2019/20									
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	27 939	(167)	-	27 772	9 634	18 138	34,7%	28 714	11 730
Compensation of employees	23 714	-	-	23 714	6 990	16 724	29,5%	22 485	5 511
Goods and services	4 225	(167)	-	4 058	2 644	1 414	65,2%	6 229	6 219
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	226 278	(51 512)	-	174 766	92 616	82 150	53,0%	174 663	191 855
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	226 278	(51 512)	-	174 766	92 616	82 150	53,0%	174 663	191 855
Payments for capital assets	354	-	-	354	138	216	39,0%	12	12
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	354	-	-	354	138	216	39,0%	12	12
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	254 571	(51 679)	-	202 892	102 388	100 504	50,5%	203 389	203 597

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 3: Empowerment and Stakeholder Management									
2019/20					2018/19				
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
1. Provincial Office and Stakeholders Relation	63 376	-	-	63 376	37 024	26 352	58,4%	55 968	36 002
2. Empowerment and Skills Development	49 040	-	-	49 040	27 807	21 233	56,7%	73 206	18 659
3. Heritage, Memorial, Burial and Honours	33 732	-	-	33 732	17 917	15 815	53,1%	20 556	14 585
Total for sub programmes	146 148	-	-	146 148	82 748	63 400	56,6%	149 730	69 246
Economic classification									
Current payments	128 417	(1 091)		127 326	73 755	53 571	57,9%	142 715	62 652
Compensation of employees	40 820	-	-	40 820	31 972	8 848	78,3%	37 983	29 693
Salaries and wages	34 539	-	-	34 539	29 247	5 292	84,7%	32 116	27 188
Social contributions	6 281	-	-	6 281	2 725	3 556	43,4%	5 867	2 505
Goods and services	87 597	(1 104)	-	86 493	41 770	44 723	48,3%	104 731	32 959
Administrative fees	1 327	771	-	2 098	1 526	572	72,7%	1 598	1 594
Advertising	422	(51)	-	371	-	371	-	-	-
Minor assets	1 533	200	-	1 733	10	1 723	0,6%	3 034	170
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	70	-
Catering: Departmental activities	1 809	-	-	1 809	42	1 767	2,3%	1 121	294
Communication	36	-	-	36	-	36	-	110	-
Computer services	-	-	-	-	-	-	-	50	-
Consultants: Business and advisory services	-	-	-	-	-	-	-	-	-

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 3: Empowerment and Stakeholder Management									
2019/20					2018/19				
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
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	130	-	-	130	7	123	5,4%	20	8
Agency and support / outsourced services	5 208	(471)	-	4 737	2 874	1 863	60,7%	2 219	2 219
Entertainment	14	-	-	14	-	14	-	-	-
Fleet services	388	-	-	388	-	388	-	50	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-
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	527	-	-	527	1	526	0,2%	1 782	8
Consumable: Stationery, printing and office supplies	2 804	-	-	2 804	351	2 453	12,5%	2 566	671

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 3: Empowerment and Stakeholder Management									
2019/20					2018/19				
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
Operating leases	135	-	-	135	-	135	-	58	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided:	-	-	-	-	-	-	-	-	-
Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	39 052	222	-	39 274	18 970	20 304	48,3%	40 700	20 123
Training and development	29 038	-	-	29 038	16 615	12 423	57,2%	46 153	6 249
Operating payments	73	-	-	73	-	73	-	82	82
Venues and facilities	5 101	(1 775)	-	3 326	1 374	1 952	41,3%	5 118	1 541
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	13	-	13	13	-	100,0%	1	-
Interest	-	13	-	13	13	-	100,0%	1	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	8 258	591	-	8 849	8 848	1	100,0%	6 480	6 480
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 3: Empowerment and Stakeholder Management									
2019/20									
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
Foreign governments and international organisations	-	-	-	-	-	-	-	198	198
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	8 258	591	-	8 849	8 848	1	100,0%	6 282	6 282
Social benefits	8 258	591	-	8 849	8 848	1	100,0%	6 282	6 282
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	9 473	500	-	9 973	145	9 828	1,5%	515	94
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 473	500	-	4 973	47	4 926	0,9%	515	94
Transport equipment	-	-	-	-	-	-	-	20	-
Other machinery and equipment	4 473	500	-	4 973	47	4 926	0,9%	495	94
Heritage assets	5 000	-	-	5 000	98	4 902	2,0%	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
 for the year ended 31 March 2020

Programme 3: Empowerment and Stakeholder Management									
2019/20					2018/19				
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
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	20
Total	146 148	-	-	146 148	82 748	63 400	56,6%	149 730	69 246

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

3.1 Provincial Offices and Stakeholder Relations									
2019/20									
	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	59 546	-	-	59 546	37 024	22 522	62,2%	55 668	35 888
Compensation of employees	32 782	-	-	32 782	19 733	13 049	60,2%	30 623	18 686
Goods and services	26 764	-	-	26 764	17 291	9 473	64,6%	25 045	17 202
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	3 830	-	-	3 830	-	3 830	-	280	94
Buildings and other fixed structures									
Machinery and equipment	3 830	-	-	3 830	-	3 830	-	280	94
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets									
TOTAL	63 376	-	-	63 376	37 024	26 352	58,4%	55 968	36 002

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

3.2 Empowerment and Skills Development									
2019/20					2018/19				
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	48 797	-	-	48 797	27 760	21 037	56,9%	73 048	18 516
Compensation of employees	2 446	-	-	2 446	8 501	(6 055)	347,5%	2 136	7 642
Goods and services	46 351	-	-	46 351	19 259	27 092	41,6%	70 911	10 874
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	243	-	-	243	47	196	19,3%	15	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	243	-	-	243	47	196	19,3%	15	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	49 040	-	-	49 040	27 807	21 233	56,7%	73 206	18 659
TOTAL	49 040	-	-	49 040	27 807	21 233	56,7%	73 206	18 659

Department of Military Veterans - Vote No. 19
APPROPRIATION STATEMENT
for the year ended 31 March 2020

3.3 Heritage, Memorial, Burials and Honours									
2019/20									
	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	20 074	(1 091)	-	18 983	8 971	10 012	47,3%	13 999	8 248
Compensation of employees	5 592	-	-	5 592	3 738	1 854	66,8%	5 224	3 365
Goods and services	14 482	(1 104)	-	13 378	5 220	8 158	39,0%	8 775	4 883
Interest and rent on land	-	13	-	13	13	-	100,0%	-	-
Transfers and subsidies	8 258	591	-	8 849	8 848	1	100,0%	6 337	6 337
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	198	198
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	8 258	591	-	8 849	8 848	1	100,0%	6 139	6 139
Payments for capital assets	5 400	500	-	5 900	98	5 802	1,7%	220	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	400	500	-	900	-	900	-	220	-
Heritage assets	5 000	-	-	5 000	98	4 902	2,0%	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	33 732	-	-	33 732	17 917	15 815	53,1%	20 556	14 585

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2020

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

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
Administration	141 054	139 614	1 440	1%

The Branch had spent 99% of its allocated budget.

Socio Economic Support	365 351	254 843	110 508	30%
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The Socio Economic Support underspend was mainly driven by the inability to receive and pay invoices related to the provisioning of Education Support in both Basic Education and Private Tertiary Education as well as the invoice for the newly built military veteran houses. Despite the overall underspend in the Branch, Healthcare Support continued to sustain cost pressure due to increased medical bills in the provisioning of this key benefit.

Empowerment and Stakeholder Management	146 148	82 748	63 400	43%
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The Empowerment and Stakeholder Management underspend of R63.4 million was mainly related to the less expected performance in the delivery of Skills Development coupled with the inability to deliver on the Erection of Memorial Sites. The branch had also planned to provide logistical and funding support for elective conferences of the military associations where the conferences were moved into 2020/21 Financial Year.

Department of Military Veterans - Vote No. 19
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2020

4.2 Per economic classification

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
Current payments	439 747	365 524	74 271	17%
Compensation of employees	131 549	130 073	1 476	1%
Goods and services	308 172	235 377	72 795	24%
Interest and rent on land	13	13	-	0%
Transfers and subsidies	192 397	110 236	82 161	43%
Provinces and municipalities				
Departmental agencies and accounts				
Higher education institutions				
Public corporations and private enterprises				
Foreign governments and international organisations				
Non-profit institutions				
Households	192 397	110 236	82 161	43%
Payments for capital assets	20 422	1 506	18 916	93%
Buildings and other fixed structures				
Machinery and equipment	15 422	1 408	14 014	91%
Heritage assets	5 000	98	4 902	98%
Specialised military assets				
Biological assets				
Land and subsoil assets				
Intangible assets				
Payments for financial assets	-	-	-	-

Despite a savings of R1.5 million on Cost of Employment, cost pressure existed due to the usage of staff additional to the establishment which was offset by the vacant posts of the two Deputy Director Generals. A sizeable underspend against Transfers and Households was mainly driven by the inability to pay Education Support and Housing Support invoices. Capex underspend was mainly related to the inability for the Department to secure new Premises for the Head Quarters as well as some of the Provincial Offices.

Department of Military Veterans - Vote No. 19
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2020

	Note	2019/2020 R'000	2018/2019 R'000
REVENUE			
Annual appropriation	1	652 553	627 087
Statutory appropriation		-	-
Departmental revenue	2	1 083	53
NRF Receipts		-	-
Aid assistance		-	-
TOTAL REVENUE		653 636	627 140
EXPENDITURE			
Current expenditure			
Compensation of employees	3	130 073	123 788
Goods and services	4	235 376	212 562
Interest and rent on land	5	13	1
Aid assistance		-	-
Total current expenditure		365 462	336 351
Transfers and subsidies			
Transfers and subsidies	7	110 236	203 066
Aid assistance		-	-
Total transfers and subsidies		110 236	203 066
Expenditure for capital assets			
Tangible assets	8	1 507	2 540
Intangible assets		-	-
Total expenditure for capital assets		1 507	2 540
Unauthorised expenditure approved without funding		-	-
Payments for financial assets	6	-	20
TOTAL EXPENDITURE		477 205	541 977
SURPLUS/(DEFICIT) FOR THE YEAR		176 348	85 163

Department of Military Veterans - Vote No. 19
STATEMENT OF FINANCIAL PERFORMANCE
 for the year ended 31 March 2020

Reconciliation of Net Surplus/(Deficit) for the year

Voted funds		174 265	85 110
Annual appropriation		174 265	85 110
Conditional grants		-	-
Departmental revenue and NRF Receipts	13	1 083	53
Aid assistance		-	
SURPLUS/(DEFICIT) FOR THE YEAR		176 348	85 163

Department of Military Veterans - Vote No. 19
STATEMENT OF FINANCIAL POSITION
as at 31 March 2020

	<i>Note</i>	2019/20 R'000	2018/19 R'000
ASSETS			
Current assets		175 957	85 080
Unauthorised expenditure		-	-
Cash and cash equivalents	9	170 112	77 598
Other financial assets		-	-
Prepayments and advances	10	248	1 991
Receivables	11	5 597	5 491
Loans		-	-
Aid assistance prepayments		-	-
Aid assistance receivable		-	-
Non-current assets		-	-
Investments		-	-
Receivables		-	-
Loans		-	-
Other financial assets		-	-
TOTAL ASSETS		175 957	85 080
LIABILITIES			
Current liabilities		175 957	85 080
Voted funds to be surrendered to the Revenue Fund	12	175 348	85 110
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	597	-69
Bank overdraft		-	-
Payables	14	12	39
Aid assistance repayable		-	-
Aid assistance unutilised		-	-
Non-current liabilities		-	-
Payables		-	-
TOTAL LIABILITIES		175 957	85 060
NET ASSETS		-	-

Department of Military Veterans - Vote No. 19
STATEMENT OF FINANCIAL POSITION
as at 31 March 2020

	<i>Note</i>	2019/20 R'000	2018/19 R'000
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		-	-
Retained funds		-	-
Revaluation reserves		-	-
TOTAL		-	-

Department of Military Veterans - Vote No. 19
STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2020

<i>Note</i>	2019/20	2018/19
	R'000	R'000
Capitalisation Reserves		
Opening balance	-	-
Transfers:	-	-
Movement in Equity	-	-
Movement in Operational Funds	-	-
Other movements	-	-
Closing balance	-	-
Recoverable revenue		
Opening balance	-	-
Transfers:	-	-
Irrecoverable amounts written off	-	-
Debts revised	-	-
Debts recovered (included in departmental receipts)	-	-
Debts raised	-	-
Closing balance	-	-
Retained funds		
Opening balance	-	-
Transfer from voted funds to be surrendered (Parliament/Legislatures ONLY)	-	-
Utilised during the year	-	-
Other transfers	-	-
Closing balance	-	-
Revaluation Reserve		
Opening balance	-	-
Revaluation adjustment (Housing departments)	-	-
Transfers	-	-
Other	-	-
Closing balance	-	-
TOTAL	-	-

Department of Military Veterans - Vote No. 19

CASH FLOW STATEMENT

for the year ended 31 March 2020

	Note	2019/20 R'000	2018/19 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		653 636	627 140
Annual appropriated funds received	1.1	652 553	627 087
Statutory appropriated funds received		-	-
Departmental revenue received	2	1 083	53
Interest received		-	-
NRF Receipts		-	-
Aid assistance received		-	-
Net (increase)/decrease in working capital		1 610	(1 897)
Surrendered to Revenue Fund		(85 527)	(21 745)
Surrendered to RDP Fund/Donor		-	-
Current payments		(365 449)	(336 350)
Interest paid	5	(13)	(1)
Payments for financial assets		-	(20)
Transfers and subsidies paid		(110 236)	(203 066)
Net cash flow available from operating activities	15	94 021	64 061
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		-	-
Payments for capital assets	8	(1 507)	(2 540)
Proceeds from sale of capital assets		-	-
(Increase)/decrease in loans		-	-
(Increase)/decrease in investments		-	-
(Increase)/decrease in other financial assets		-	-
(Increase)/decrease in non-current receivables		-	-
Net cash flows from investing activities		(1 507)	(2 540)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		-	-
Increase/(decrease) in non-current payables		-	-
Net cash flows from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		92 514	61 521
Cash and cash equivalents at beginning of period		77 598	16 077
Unrealised gains and losses within cash and cash equivalents		-	-
Cash and cash equivalents at end of period	16	170 112	77 598

Summary of significant accounting policies

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

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

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

1	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2	Going concern The financial statements have been prepared on a going concern basis.
3	Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
4	Rounding Unless otherwise stated, financial figures have been rounded to the nearest one thousand Rand (R'000).
5	Foreign currency translation Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6	Comparative information
6.1	Prior period comparative information Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format, in which the information is presented is consistent with the format of the current year's financial statements.
6.2	Current year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

7	Revenue
7.1	<p>Appropriated funds</p> <p>Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
7.2	<p>Departmental revenue</p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
7.3	<p>Accrued departmental revenue</p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> • 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. <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy.</p>
8	Expenditure
8.1	Compensation of employees
8.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
8.1.2	<p>Social contributions</p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>

8.2	Other expenditure Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
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: <ul style="list-style-type: none"> • 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.
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	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>
11	<p>Prepayments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p>
12	<p>Loans and receivables</p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.</p>
13	<p>Investments</p> <p>Investments are recognised in the statement of financial position at cost.</p>
14	<p>Financial assets</p>
14.1	<p>Financial assets (not covered elsewhere)</p> <p>A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.</p> <p>At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.</p>
14.2	<p>Impairment of financial assets</p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>
15	<p>Payables</p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>

16	Capital Assets
16.1	<p>Immovable capital assets</p> <p>Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
16.2	<p>Movable capital assets</p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.3	<p>Intangible assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>

16.4	Project Costs: Work-in-progress Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
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 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 (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

18	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • 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. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
19	<p>Fruitless and wasteful expenditure</p> <p>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.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>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.</p>
20	<p>Irregular expenditure</p> <p>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.</p> <p>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.</p> <p>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.</p>
21	<p>Changes in accounting policies, accounting estimates and errors</p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>

22	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
23	<p>Principal-Agent arrangements</p> <p>The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
24	<p>Departures from the MCS requirements</p> <p><i>Management has concluded that the financial statements present fairly the department's primary and secondary information.</i></p>
25	<p>Capitalisation reserve</p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>
26	<p>Recoverable revenue</p> <p>Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>
27	<p>Related party transactions</p> <p>A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.</p>

<p>28</p>	<p>Inventories At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>
<p>29</p>	<p>Public-Private Partnerships</p> <p>Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p>
<p>30</p>	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

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:

	2019/20			2018/19		
	Final Appropriation	Actual Funds Received	Funds not requested/not received	Final Appropriation	Appropriation received	Funds not requested/not received
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	141 054	141 054	-	140 585	140 585	-
Socio Economic Support	365 351	365 351	-	336 772	336 772	-
Empowerment and Stakeholder Management	146 148	146 148	-	149 730	149 730	-
Total	652 553	652 553	-	627 087	627 087	-

2. Departmental revenue

	Note	2019/20 R'000	2018/19 R'000
Tax revenue		-	-
Sales of goods and services other than capital assets	2.1	41	36
Fines, penalties and forfeits		-	-
Interest, dividends and rent on land		-	-
Sales of capital assets		-	-
Transactions in financial assets and liabilities	2.2	1 042	17
Transfer received		-	-
Total revenue collected		1 083	53
Less: Own revenue included in appropriation		-	-
Departmental revenue collected		1 083	53

- Commission of 5% received for administering of garnishee orders on behalf of other entities.
- Revenue generated reflects credit notes processed dating back to prior financial years.

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

2.1 Sales of goods and services other than capital assets

	Note	2019/20	2018/19
	2	R'000	R'000
Sales of goods and services produced by the department		41	36
Sales by market establishment		-	-
Administrative fees		-	-
Other sales		41	-
Sales of scrap, waste and other used current goods		-	-
Total		41	36

Commission of 5% received for administering of garnishee orders on behalf of other entities.

2.2. Transactions in financial assets and liabilities

	Note	2019/20	2018/19
	2	R'000	R'000
Loans and advances		-	-
Receivables		-	-
Forex gain		-	-
Stale cheques written back		-	-
Other Receipts including Recoverable Revenue		1 042	17
Gains on GFECRA		-	-
Total		1 042	17

Revenue generated during 2019/20 financial year was mainly related to credit notes processed related to travel and accommodation for employee and none-employees, predominantly South African National Military Veterans Association. These credit notes dated back to previous financial years and hence recognised as revenue.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

3. Compensation of employees

3.1 Salaries and Wages

<i>Note</i>	2019/20	2018/19
	R'000	R'000
Basic salary	89 872	85 918
Performance award	1 618	2 146
Service Based	44	42
Compensative/circumstantial	2 835	2 618
Periodic payments	1 762	1 108
Other non-pensionable allowances	23 130	22 136
Total	119 261	113 968

- "Other non-pensionable allowances" include service bonus (13th cheque) paid to employees and also all other allowances payable to employees which are not pensionable, including housing allowance.
- Sharp decrease on the "Performance Bonus Awards" was as a result of the 2019/20 pay-out only related to the current financial year vs 2018/19 pay-out being a catch-up for prior financial years.
- A rise in the Periodical Payments denotes an increase in number and period worked by personnel paid as periodical payments.

3.2 Social contributions

<i>Note</i>	2019/20	2018/19
	R'000	R'000
Employer contributions		
Pension	9 271	8 475
Medical	1 522	1 327
UIF	-	-
Bargaining council	19	18
Official unions and associations	-	-
Insurance	-	-
Total	10 812	9 820
Total compensation of employees	130 073	123 788
Average number of employees	225	230

Department of Military Veterans - Vote No. 19

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

4. Goods and services

	Note	2019/20 R'000	2018/19 R'000
Administrative fees		2 045	3 008
Advertising		2 240	2 097
Minor assets	4.1	154	193
Bursaries (employees)		293	854
Catering		372	593
Communication		3 712	5 358
Computer services	4.2	13 595	14 530
Consultants: Business and advisory services		1 379	1 218
Infrastructure and planning services		-	-
Laboratory services		-	-
Scientific and technological services		-	-
Legal services		1 411	983
Contractors		127 399	107 648
Agency and support / outsourced services		2 874	2 219
Entertainment		-	-
Audit cost – external	4.3	6 877	5 777
Fleet services		1 461	1 876
Inventory		-	-
Consumables	4.4	2 208	3 385
Housing		-	-
Operating leases		19 683	16 771
Property payments	4.5	1 955	2 978
Rental and hiring		244	-
Transport provided as part of the departmental activities		-	-
Travel and subsistence	4.6	28 398	34 333
Venues and facilities		1 540	1 674
Training and development		17 465	6 833
Other operating expenditure	4.7	71	234
Total		235 376	212 562

- A sharp decline on Communication expenses was related to the correction of prior irregular contract between DMV and Vodacom by full implementation of the RT15 transversal contract.
- Contractors spend of R127 399 000 was mainly related to Health Services to Military Veterans where a continued increase in expenditure was due to settlement of accruals from the previous financial year coupled with increased demand for Healthcare and Wellness as a benefit.
- T&S relates mainly to travel by DMV officials and external stakeholders such as SAMNVA, Advisory Council and Appeals Board.
- Training and development is an aggregated amount related to the provisioning of skills and development support to military veterans and their beneficiaries and mandatory training and development of DMV officials. Sharp increase on "Training and Development" was related to the provisioning of this service to military veterans and their dependants.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

4.1 Minor assets

	Note	2019/20	2018/19
	4	R'000	R'000
Tangible assets			
Buildings and other fixed structures		-	-
Biological assets		-	-
Heritage assets		-	-
Machinery and equipment		154	193
Transport assets		-	-
Specialised military assets		-	-
Intangible assets			
Software		-	-
Mastheads and publishing titles		-	-
Patents, licences, copyright, brand names, trademarks		-	-
Recipes, formulae, prototypes, designs, models		-	-
Services and operating rights		-	-
Total		154	193

4.2 Computer services

	Note	2019/20	2018/19
	4	R'000	R'000
SITA computer services			
External computer service providers		13 595	14 530
		-	-
Total		13 595	14 530

The decline was related to the outstanding payments at end of the financial recognised as Payables.

4.3 Audit cost – External

	Note	2019/20	2018/19
	4	R'000	R'000
Regularity audits		6 823	5 687
Performance audits		-	-
Investigations		54	90
Environmental audits		-	-
Computer audits		-	-
Total		6 877	5 777

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

4.4. Consumables

	Note	2019/20	2018/19
	4	R'000	R'000
Consumable supplies		303	191
Uniform and clothing		-	-
Household supplies		269	119
Building material and supplies		-	25
Communication accessories		-	-
IT consumables		5	18
Other consumables		29	29
Stationery, printing and office supplies		1 905	3 194
Total		2 208	3 385

4.5 Property payments

	Note	2019/20	2018/19
	4	R'000	R'000
Municipal services		774	1 244
Property management fees		-	-
Property maintenance and repairs		110	295
Other		1 071	1 439
Total		1 955	2 978

Property other includes security services of R1 003 182.

4.6 Travel and subsistence

	Note	2019/20	2018/19
	4	R'000	R'000
Local		27 558	32 866
Foreign		840	1 467
Total		28 398	34 333

T&S relates mainly to travel by DMV officials and external stakeholders such as SAMNVA, Advisory Council and Appeals Board. The sharp decline is also attributable to application of cost containment measures.

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

4.7 Other operating expenditure

	Note	2019/20	2018/19
	4	R'000	R'000
Professional bodies, membership and subscription fees		11	-
Resettlement costs		-	177
Other		60	57
Total		71	234

Other operating expenditure relates to expenditure such as courier, delivery service, printing and publication services. There were no resettlement costs paid out during the 2019/20 financial year.

5. Interest and rent on land

	Note	2019/20	2018/19
	5	R'000	R'000
Interest paid		13	1
Rent on land		-	-
Total		13	1

This was an interest paid to Public Works for a long outstanding invoice.

6. Payments for financial assets

	Note	2019/20	2018/19
		R'000	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		-	-
Debts written off	6.1	-	20
Forex losses		-	-
Debt take overs		-	-
Losses on GFECRA		-	-
Total		-	20

No Debt written off during 2019/20 financial year.

Department of Military Veterans - Vote No. 19

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

6.1 Debts written off

	<i>Note</i> 6	2019/20 R'000	2018/19 R'000
Nature of debts written off (Group major categories, but list material items: debts written off relating to irregular expenditure, recoverable expenditure and other debts must be listed here)			
Irregular expenditure written off		-	-
Total		-	-
Recoverable revenue written off		-	-
Total		-	-
Other debt written off		-	20
Total		-	20
Total debt written off		-	20

No Debt written off during 2019/20 financial year.

7. Transfers and subsidies

		2019/20 R'000	2018/19 R'000
Provinces and municipalities		-	-
Departmental agencies and accounts	<i>Annexure 1B</i>	-	-
Higher education institutions	<i>Annexure 1C</i>	-	-
Foreign governments and international organisations	<i>Annexure 1E</i>	-	198
Public corporations and private enterprises	<i>Annexure 1D</i>	-	-
Non-profit institutions	<i>Annexure 1F</i>	-	-
Households	<i>Annexure 1G</i>	110 236	202 868
Total		110 236	203 066

The decrease on Education Support was mainly attributable to the decrease in the number of approved beneficiaries.

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

8. Expenditure for capital assets

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Tangible assets		1 507	2 540
Buildings and other fixed structures		-	-
Heritage assets	29	98	-
Machinery and equipment	27	1 409	2 540
Specialised military assets		-	-
Land and subsoil assets		-	-
Biological assets		-	-
Intangible assets			
Software		-	-
Mastheads and publishing titles		-	-
Patents, licences, copyright, brand names, trademarks		-	-
Recipes, formulae, prototypes, designs, models		-	-
Services and operating rights		-	-
Total		1 507	2 540
The following amounts have been included as project costs in Expenditure for capital assets		-	-
Compensation of employees		-	-
Goods and services		-	-
Total		-	-

This included a payment for work done by Public Works on the project towards erecting of the Tomb of the Unknown Soldier.

8.1 Analysis of funds utilised to acquire capital assets – 2019/20

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets			
Buildings and other fixed structures	-	-	-
Heritage assets	98	-	98
Machinery and equipment	1 409	-	1 409
Specialised military assets	-	-	-
Land and subsoil assets	-	-	-
Biological assets	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

	Voted funds R'000	Aid assistance R'000	Total R'000
Intangible assets			
Software	-	-	-
Mastheads and publishing titles	-	-	-
Patents, licences, copyright, brand names, trademarks	-	-	-
Recipes, formulae, prototypes, designs, models	-	-	-
Services and operating rights	-	-	-
Total	1 507		1 507

8.2 Analysis of funds utilised to acquire capital assets – 2018/19

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets			
Buildings and other fixed structures	-	-	-
Heritage assets	-	-	-
Machinery and equipment	2 540	-	2 540
Specialised military assets	-	-	-
Land and subsoil assets	-	-	-
Biological assets	-	-	-
Intangible assets			
Software	-	-	-
Mastheads and publishing titles	-	-	-
Patents, licences, copyright, brand names, trademarks	-	-	-
Recipes, formulae, prototypes, designs, models	-	-	-
Services and operating rights	-	-	-
Total	2 540	-	2 540

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

8.3 Finance lease expenditure included in Expenditure for capital assets

<i>Note</i>	2019/20	2018/19
	R'000	R'000
Tangible assets		
Buildings and other fixed structures	-	-
Heritage assets	-	-
Machinery and equipment	-	947
Specialised military assets	-	-
Land and subsoil assets	-	-
Biological assets	-	-
	-	-
	-	-
Total	-	947

Finance lease decline was as a result of conversion of cell phone usage towards the utilisation of RT15 Transversal Contract which also led to the correction of irregular

9. Cash and cash equivalents

	2019/20	2018/19
	R'000	R'000
Consolidated Paymaster General Account	172 941	159 898
Cash receipts	-	-
Disbursements	(2 829)	(82 301)
Cash on hand	-	1
Investments (Domestic)	-	-
Investments (Foreign)	-	-
Total	170 112	77 598

There were no significant cash and cash equivalent balances held by the department that were not available for use. The higher value in 2018/19 FY included the payment the NSFAS of R70 000 000 that had not disbursed as at 31 March 2019 vs only R2 829 000 not disbursed in 2019/20 FY.

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

10. Prepayments and advances

	<i>Note</i>	2019/20 R'000	2018/19 R'000
Staff advances		-	-
Travel and subsistence		128	147
Prepayments (Not expensed)		-	-
Advances paid (Not expensed)	10.1	120	1 844
SOCPEN advances		-	-
Total		248	1 991

10.1 Advances paid (Not expensed)

<i>Note</i>	Balance as at 1 April 2019 R'000	Less: Amount expensed in current year R'000	Add or Less: Other R'000	Add: Current Year advances R'000	Balance as at 31 March 2020 R'000
10	1 844	(3 418)	-	1 694	120
National departments			-	1 694	120
Provincial departments	-	-	-	-	-
Public entities	-	-	-	-	-
Other entities	-	-	-	-	-
Total	1 844	(3 418)	-	1 694	120

This denotes funds paid in advance to GCIS for advertising and media campaigns related to activities of the department where the majority of funds were expensed during the 2019/20 financial year.

<i>Note</i>	Balance as at 1 April 2018 R'000	Less: Amount expensed in current year R'000	Add or Less: Other R'000	Add: Current Year advances R'000	Balance as at 31 March 2019 R'000
10	1 027	(1 907)	-	2 724	1 844
National departments			-	2 724	1 844
Provincial departments					
Public entities					
Other entities					
Total	1 027	(1 907)	-	2 724	1 844

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

11. Receivables

		2019/20			2018/19		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
	<i>Note</i>						
Claims recoverable	11.1	-	-	-	311	-	311
Trade receivables		-	-	-	-	-	-
Recoverable expenditure	11.2	32	-	32	47	-	47
Staff debt		-	-	-	-	-	-
Fruitless and wasteful expenditure	11.4	1 656	-	1 656	1 521	-	1 521
Other receivables	11.3	3 909	-	3 909	3 612	-	3 612
Total		5 597	-	5 597	5 491	-	5 491

11.1 Claims recoverable

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
	11 and Annex 4		
National departments		-	311
Provincial departments		-	-
Foreign governments		-	-
Public entities		-	-
Private enterprises		-	-
Higher education institutions		-	-
Households and non-profit institutions		-	-
Local governments		-	-
Total		-	311

For the year under review, there were no confirmed claims with other National Departments as captured under Annexure 4.

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

11.2 Trade receivables

Note	2019/20	2018/19
11	R'000	R'000

(Group major categories, but list material items)

Debt Account	73	73
Debt Receivable Income	(40)	(26)
Debt Receivable Interest	(1)	
Total	32	47

11.3 Other receivables

Note	2019/20	2018/19
11	R'000	R'000

(Group major categories, but list material items)

Disallowance Damages & Losses	3 909	3 612
Total	3 909	3 612

This relates to accidents and damages on hired vehicles related to DMV officials and non-officials. Non officials refer to external stakeholders such as SANMVA and Advisory Council.

Debt recovery with DMV Officials was underway, however, external stakeholders' debt has been escalated to the Accounting Officer for policy amendments.

11.4 Fruitless and wasteful expenditure

Note	2019/20	2018/19
11	R'000	R'000

Opening balance	1 521	1 373
Less amounts recovered	-	-
Less amounts written off	-	
Transfers from note 32 Fruitless and Wasteful Expenditure	135	148
Interest	-	-
Total	1 656	1 521

This payments refer to instances where bookings related to travel and accommodation where service recipients do not show up. The Department continues to address recovery or condonement of the transactions.

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

11.5 Impairment of receivables

	Note	2019/20	2018/19
	11	R'000	R'000
Estimate of impairment of receivables		2 811	3 740
Total		2 811	3 740

Amount of R2 811 000 relates to accidents and damages on hired vehicles related to external stakeholders. The R2 811 000 has since been proposed for impairment due to the lack of prospects of recovery. Amendment to the Travel and Subsistence Policy are being made to avoid further losses to the State.

12. Voted funds to be surrendered to the Revenue Fund

	2019/20	2018/29
	R'000	R'000
Opening balance	85 110	20 611
Prior period error	-	-
As restated	85 110	20 611
Transfer from statement of financial performance (as restated)	175 348	85 110
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	(85 110)	(20 611)
Closing balance	175 348	85 110

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

	2019/20	2018/19
	R'000	R'000
Opening balance	(69)	1 012
Prior period error	-	-
As restated	(69)	1 012
Transfer from Statement of Financial Performance (as restated)	1 083	53
Own revenue included in appropriation	-	-
Transfer from aid assistance	-	-
Transfer to voted funds to defray expenditure (Parliament/Legislatures ONLY)	-	-
Paid during the year	(417)	(1 053)
Closing balance	597	(69)

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

14. Payables – current

<i>Note</i>	2019/20	2018/19
	R'000	R'000

Amounts owing to other entities

Advances received

Clearing accounts

Other payables

Total

-	-
14.1 12	39
-	-
12	39

14.1 Clearing accounts

Description

(Identify major categories, but list material amounts)

Sal: Income Tax: CL

Sal: Pension Fund: CL

Total

<i>Note</i>	2019/20	2018/19
	R'000	R'000
14	7	39
	5	-
	12	39

Salaries: Income tax and Pension fund – this is interface related and was cleared in April 2020 due to timing difference.

15. Net cash flow available from operating activities

<i>Note</i>	2019/20	2018/19
	R'000	R'000

Net surplus/(deficit) as per Statement of Financial Performance

Add back non cash/cash movements not deemed operating activities

(Increase)/decrease in receivables

(Increase)/decrease in prepayments and advances

(Increase)/decrease in other current assets

Increase/(decrease) in payables – current

Proceeds from sale of capital assets

Proceeds from sale of investments

(Increase)/decrease in other financial assets

Expenditure on capital assets

Surrenders to Revenue Fund

Surrenders to RDP Fund/Donor

Voted funds not requested/not received

Own revenue included in appropriation

Other non-cash items

Net cash flow generated by operating activities

176 431	85 163
(82 410)	(21 102)
(106)	(1 076)
1 743	(860)
-	-
(27)	39
-	-
-	-
-	-
1 507	2 540
(85 527)	(21 745)
-	-
-	-
-	-
-	-
94 021	64 061

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

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

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Consolidated Paymaster General account		172 941	159 898
Fund requisition account		-	-
Cash receipts		-	-
Disbursements		(2 829)	(82 301)
Cash on hand		-	1
Cash with commercial banks (Local)		-	-
Cash with commercial banks (Foreign)		-	-
Total		170 112	77 598

17. Contingent liabilities and contingent assets

17.1 Contingent liabilities

		<i>Note</i>	2019/20	2018/19
			R'000	R'000
Liable to	Nature			
Motor vehicle guarantees	Employees	<i>Annex 3A</i>	-	-
Housing loan guarantees	Employees	<i>Annex 3A</i>	-	-
Other guarantees		<i>Annex 3A</i>	-	-
Claims against the department		<i>Annex 3B</i>	207 620	205 921
Intergovernmental payables (unconfirmed balances)		<i>Annex 5</i>	28 986	37 120
Environmental rehabilitation liability		<i>Annex 3B</i>	-	-
Other		<i>Annex 3B</i>	-	-
Total			236 606	243 041

These are litigation matters pending court ruling, the cash outflow is uncertain

17.2 Contingent assets

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Nature of contingent asset			
African College of Aviation - Breach of contract - Recovery of tuition fees. The institution failed to provide the proper training as per the agreement.		-	243
Bakoena Entertainment and Events - Breach of contract where the service provider did not meet the obligation to provide driver training to military veterans		745	745
Gautayatom - Breach of contract to offer training to military veterans on driver training		693	693
Total		1 438	1 681

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

With further engagement with African College of Aviation, the parties came to an agreement that the college will remedy the default and finalise the training as per the contract terms.

18. Capital commitments

<i>Note</i>	2019/20	2018/19
	R'000	R'000
Current expenditure		
Approved and contracted	718	-
Approved but not yet contracted	-	-
Capital expenditure		
Approved and contracted	1100	788
Approved but not yet contracted	-	-
Total	1 818	788

Commitments for 2018/19 FY were adjusted down to exclude commitments related to Goods and Services in line with the revised Disclosure Note requirements.

19. Accruals and payables not recognised

19.1 Accruals

	2019/20			2018/19
	R'000			R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	187	8 975	9 162	1 131
Interest and rent on land	-	-	-	-
Transfers and subsidies	1 823	77 889	79 712	115 875
Capital assets	-	-	-	-
Other	181	1 995	2 176	1 493
Total	2 191	88 859	91 050	118 499

	2019/20	2018/19
	R'000	R'000
Listed by programme level		
Administration	2 201	2 624
Socio-Economic Support	79 712	115 875
Empowerment and Stakeholder Management	9 137	-
Total	91 050	118 499

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

- An amount of R2 176 000 is related to the ADG salary payment currently not claimed.
- Amount of R65 942 000 is for houses built for Military Veterans by Provinces but not yet invoiced to the Department.
- An amount of R13 769 800 is related to 2019 academic year approved education support benefits awaiting invoices.

19.2 Payables not recognised

	2019/20			2018/19
	R'000			R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	2 878	63 409	66 287	64 203
Interest and rent on land	-	-	-	-
Transfers and subsidies	121	1 500	1 621	10 028
Capital assets	46	326	372	-
Other	-	-	-	23
Total	3 045	65 235	68 280	74 254

	2019/20		2018/19
	R'000		R'000
Listed by programme level			
Administration	6 279		3 264
Socio Economic Support	59 091		65 992
Empowerment and Stakeholder Management	2 910		4 998
Total	68 280		74 254

	<i>Note</i>	2019/20		2018/19
		R'000		R'000
Included in the above totals are the following:				
Confirmed balances with other departments	<i>Annex 5</i>	56 603	56 053	
Confirmed balances with other government entities	<i>Annex 5</i>	-	-	
Total		56 603	56 053	

Amount of R56 603 000 is related to confirmed balances for medical support benefits.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

20. Employee benefits

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Leave entitlement		6 186	6 005
Service bonus		2 786	2 712
Performance awards		1 862	1 834
Capped leave		880	881
Other		-	-
Total		11 714	11 432

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

21. Lease commitments

21.1. Operating leases

2019/20	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	1 354	4 556	5 910
Later than 1 year and not later than 5 years	-	-	293	6 191	6 484
Later than five years	-	-	-	-	-
Total lease commitments	-	-	1 647	10 747	12 394

2018/19	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	1 315	126	1 441
Later than 1 year and not later than 5 years	-	-	1 646	73	1 719
Later than five years	-	-	-	-	-
Total lease commitments	-	-	2 961	199	3 160

The Department has opted for an option to renew the lease of vehicles with G-fleet where the vehicles are utilised to reach out to Military Veterans.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

22. Irregular expenditure

22.1 Reconciliation of irregular expenditure

	2019/20	2018/19
	R'000	R'000
Opening balance	114 430	103 544
Prior period error	-	-
As restated	114 430	103 544
Add: Irregular expenditure – relating to prior year	-	-
Add: Irregular expenditure – relating to current year	4 572	10 886
Less: Prior year amounts condoned	-	-
Less: Current year amounts condoned	-	-
Less: Prior year amounts not condoned and removed	-	-
Less: Current year amounts not condoned and removed	-	-
Less: Amounts recoverable (current and prior year) 11	-	-
Less: Amounts written off	-	-
Closing balance	119 002	114 430
Analysis of awaiting condonation per age classification		
Current year	4 572	10 886
Prior years	114 430	103 544
Total	119 002	114 430

The Department had made some progress towards clearing the cases of irregular expenditure, however, the progress was later than 31 March 2020 and therefore excluded from the current financials.

22.2 Details of current and prior year irregular expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2019/20
		R'000
This relates to three (3) remaining cases on contract entered into in prior years where SCM processes were not adhered to by the department.	The determination process commenced and the next step is to implement the recommendations from the report	4 572
Total		4 572

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

22.3 Details of irregular expenditures under assessment (not included in the main note)

Incident	2019/20 R'000
M Ngale - Acquisition of transportation for attendance of a funeral of a military veteran without full adherence to full SCM processes	24
Compass Group SA - Rendering of catering services without adherence to SCM prescripts	60
Pink Elephant IT South Africa MA - BBBEE point erroneously awarded to the supplier who did not provide the BBBEE certificate	36
Total	120

23. Fruitless and wasteful expenditure

23.1 Reconciliation of fruitless and wasteful expenditure

	Note	2019/20 R'000	2018/19 R'000
Opening balance		5 071	5 047
Prior period error		-	-
As restated		5 071	5 047
Fruitless and wasteful expenditure – relating to prior year		-	-
Fruitless and wasteful expenditure – relating to current year		148	172
Less: Amounts recoverable	11.4	(135)	(148)
Less: Amounts written off		-	-
Closing balance		5 084	5 071

23.2 Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2019/20 R'000
Expenditure incurred by the department for the bookings of travel and subsistence where the travellers do not cancel if unable to travel or attend	Where costs are related to officials of the Department, letters have been issued and responses are being processed	135
Interest charged by Public Works on long outstanding liability	This will be subjected to the determination process	13
Total		148

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

23.3 Details of fruitless and wasteful expenditures under assessment (not included in the main note)

Incident

	2019/20 R'000
Various labour relations matters where judgements were issued against the Department	2 646
LOGIS Mainframe being billed to the Department where the system is not yet being utilised by the Department	24
Payment made to PTES consulting and recruitment for skills audit - Payment made for 250 officials to be assessed vs 170 who actually participated.	479
Payment to Service Providers where services may have not been fully rendered. (Gautayatm R693 000.00 and Bakoena Entertainment R745 090.00)	1 438
Total	4 587

24. Related party transactions

Revenue received

	2019/20 R'000	2018/19 R'000
Tax revenue	-	-
Sales of goods and services other than capital assets	-	-
Fines, penalties and forfeits	-	-
Interest, dividends and rent on land	-	-
Sales of capital assets	-	-
Transactions in financial assets and liabilities	-	-
Transfers received	-	-
Total	-	-

Payments made

	2019/20 R'000	2018/19 R'000
Goods and services	-	-
Interest and rent on land	-	-
Expenditure for capital assets	-	-
Payments for financial assets	-	-
Transfers and subsidies	-	-
Total	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

<i>Note</i>	2019/20	2018/19
	R'000	R'000
Year end balances arising from revenue/payments		
Receivables from related parties	-	-
Payables to related parties	-	-
Total	-	-

<i>Note</i>	2019/20	2018/19
	R'000	R'000
Loans to /from related parties		
Non-interest bearing loans to/(from)	-	-
Interest bearing loans to/(from)	-	-
Total	-	-

<i>Note</i>	2019/20	2018/19
	R'000	R'000
Other		
Guarantees issued/received	-	-
<i>List other contingent liabilities between department and related party</i>	-	-
Total	-	-

<i>Note</i>	2019/20	2018/19
	R'000	R'000
In kind goods and services provided/received		
<i>List in kind goods and services between the department and the related party</i>	-	-
Total	-	-

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

As at 31 March 2020 the DMV had the following related parties, namely the:

- President of the RSA;
- Deputy President of the RSA;
- Cabinet of the Government of the RSA, including the Ministers of all National Departments;
- National Departments;
- Public Entities resorting under the National Departments;
- Key management personnel of the DMV; and
- All entities under the joint control or significant influence of a key management personnel member of the DMV.

Related party transactions

The Department is not aware of any related party transaction(i.e. transaction not at arm's length) that occurred during the period between the Department and the President of the RSA; the Deputy President of the RSA; the Cabinet of the Government of the RSA, including the Ministers of all National Departments, National Departments and public entities falling under these departments.

The Department is not aware of any related party transactions that occurred during the period between the related parties.

The Department did not identify any related party transaction during the period between the Department and its key management personnel, and the entities under the control, joint control or significant influence of key management personnel of the Department.

25. Key management personnel

	No. of Individuals	2019/20 R'000	2018/19 R'000
Senior Management Service:			
Level 15 to 16	2	2 289	2 935
Level 14 (incl CFO if at a lower level)	12	13 304	9 030
Total		15 593	11 565

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

Key management personnel (Parliament/Legislatures)

	No. of	2019/20	2018/19
	Individuals	R'000	R'000
Speaker to Parliament / the Legislature		-	-
Deputy Speaker		-	-
Secretary to Parliament / the Legislature		-	-
Deputy Secretary		-	-
Chief Financial Officer		-	-
Legal Advisor		-	-
Other		-	-
Total		-	-

26. Non-adjusting events after reporting date

During March 2020, the President of South Africa, His Excellency, Cyril Ramaphosa, declared a state of disaster whereby the country was put on Lockdown. Following the announced state of disaster, budget reduction across all Government Departments was announced. The purpose of the budget reduction was to immediately fund the response plan on Covid 19 related initiatives. The DMV budget reduction of R137 million was affected accordingly of which R90 million was a reduction on transfers and subsidies and R47 million a reduction in goods and services. Despite this budget reduction of R137 million, DMV will continue to disburse and facilitate military veteran's benefits within the limited financial resources.

27. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
HERITAGE ASSETS					
Heritage assets	-	-	-	-	
MACHINERY AND EQUIPMENT	25 307		1 409		26 716
Transport assets	6	-	-	-	6
Computer equipment	10 734	-	431	-	11 165
Furniture and office equipment	7 566	-	99	-	7 665
Other machinery and equipment	7 001	-	879	-	7 880

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

SPECIALISED MILITARY ASSETS

Specialised military assets	-	-	-	-	-
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BIOLOGICAL ASSETS

Biological assets	-	-	-	-	-
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TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	25 307	-	1 409	-	26 716
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Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Heritage assets	-	-
Machinery and equipment	742	6 712
Specialised military assets	-	-
Biological assets	-	-

The DoD opening balance for major assets was disclosed with the value of R2 605 656. This opening balance for major assets has subsequently been adjusted down by R416 337 and the revised opening balance is R2 189 319. This adjustment being a reclassification to Minor Assets. Of this opening balance, about 229 major assets to the value of R1 211 519 were still under investigation. This investigation mainly relates to lapse in controls when assets were bought under DoD systems and moved across to DMV new premises.

- FY2013/14 assets under investigation = 121 with an amount of R1 260 283
- FY2014/15 assets under investigation = 97 with an amount of R 1 586 762
- FY2015/16 assets under investigation = 60 with an amount of R840 019
- FY2016/17 assets under investigation = 8 with an amount of R121 592
- FY17/18 assets under investigation = 40 with an amount of R568 862.
- FY18/19 assets under investigation = 186 with an amount of R1 082 000 being cell phones previously on contract but due for upgrade.
- FY18/19 asset under investigation = 1 lost laptop amounting to R39 802
- The total value of assets under investigation is R6 712 000 with various reasons such as assets having temporary asset numbers and missing assets with no incident reports. The AR is being rectified to ensure completeness.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

27.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS					
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT					
	1 409	-			1 409
Transport assets	-	-	-	-	-
Computer equipment	431	-	-	-	431
Furniture and office equipment	99	-	-	-	99
Other machinery and equipment	879	-	-	-	879
SPECIALISED MILITARY ASSETS					
Specialised military assets	-	-	-	-	-
BIOLOGICAL ASSETS					
Biological assets	-	-	-	-	-
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	1 409	-	-	-	1 409

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

27.2 Movement for 2018/19

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS					
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT					
	25 512		2 675	2 880	25 307
Transport assets	-	-	6	-	6
Computer equipment	9 372	-	1 433	71	10 734
Furniture and office equipment	7 870	-	77	381	7 566
Other machinery and equipment	8 270	-	1 159	2 428	7 001
SPECIALISED MILITARY ASSETS					
Specialised military assets	-	-	-	-	-
BIOLOGICAL ASSETS					
Biological assets	-	-	-	-	-
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	25 512	-	2 675	2 880	25 307

27.3 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2020

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	5	-	5 274	-	5 279
Value adjustments	-	-	-	-	-	-
Additions	-	-	-	154	-	154
Disposals	-	-	-	-	-	-
TOTAL MINOR ASSETS	-	5	-	5 428	-	5 433

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	-	-	-
Number of minor assets at cost	-	-	-	65	-	65
TOTAL NUMBER OF MINOR ASSETS	-	-	-	65	-	65

Minor Capital Assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Specialised military assets	-	-
Intangible assets	-	-
Heritage assets	-	-
Machinery and equipment	384	1 013
Biological assets	-	-

DoD minor assets under investigation = 8 amounting to R44 618

- FY2013/14 assets under investigation = 128 amounting to R360 046

- FY2014/15 assets under investigation = 85 amounting to R235 489

- FY2015/16 assets under investigation = 105 amounting to R266 344

- FY2016/17 assets under investigation = 13 amounting to R34 352

- FY2017/18 assets under investigation = 45 amounting to R72 760

- The total minor assets under investigation is R1 013 000. The main reasons are that assets had temporary asset numbers as well as missing status due to assets being missing with no incident reports provided and AR adjusted. The AR is being rectified to ensure completeness.

- Minor Capital Assets under investigation was overstated by the value and the number of assets that we take on with a fair value and also the audit adjustment of duplicate assets was not adjusted.

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2019

	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	-	17	-	6 215	-	6 232
Prior period error	-	-	-	-	-	-
Additions	-	-	-	193	-	193
Disposals	-	12	-	1 134	-	1 146
TOTAL MINOR ASSETS	-	5	-	5 274	-	5 279

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	-	-	-
Number of minor assets at cost	-	5	-	2 645	-	2 650
TOTAL NUMBER OF MINOR ASSETS	-	5	-	2 645	-	2 650

27.4.1 Prior period error

	Note	2019/20 R'000
Nature of prior period error		
Relating to 2018/19		(5)
Correction of misallocation		(5)
Total prior period errors		(5)

Correction of prior year overstatement of AR where two assets paid for had not been received from a service provider. The supplier has subsequently refunded the Department on this matter.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

28. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Software	38	-	-	-	38
Mastheads and publishing titles	-	-	-	-	-
Patents, licences, copyright, brand names, trademarks	-	-	-	-	-
Recipes, formulae, prototypes, designs, models	-	-	-	-	-
Services and operating rights	-	-	-	-	-
Total intangible capital assets	38	-	-	-	38

28.1 Movement for 2018/19

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Software	360	-	-	322	38
Mastheads and publishing titles	-	-	-	-	-
Patents, licences, copyright, brand names, trademarks	-	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

Recipes, formulae, prototypes, designs, models	-	-	-	-	-
Services and operating rights	-	-	-	-	-
Total intangible capital assets	360	-	-	322	38

29. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Value adjustments	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	-	-	-	-
Dwellings	-	-	-	-	-
Non-residential buildings	-	-	-	-	-
Other fixed structures	-	-	-	-	-
HERITAGE ASSETS					
Heritage assets	-	-	-	-	-
LAND AND SUBSOIL ASSETS					
Land	-	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	-	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

29.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES					
Dwellings	-	-	-	-	-
Non-residential buildings	-	-	-	-	-
Other fixed structures	-	-	-	-	-
HERITAGE ASSETS	98		(98)		
Heritage assets	98	-	(98)	-	-
LAND AND SUBSOIL ASSETS					
Land	-	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-	-
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	98	-	(98)	-	-

29.2 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2020

	Opening balance 1 April 2019	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2020
	R'000	R'000	R'000	R'000
Heritage assets	112	98	-	210
Buildings and other fixed structures	-	-	-	-
Machinery and equipment	-	-	-	-
Intangible assets	-	-	-	-
TOTAL	112	98	-	210

Note
Annexure 7

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

	Number of projects		2019/20
	Planned, Construction not started	Planned, Construction started	Total R'000
Age analysis on ongoing projects			
0 to 1 Year			-
1 to 3 Years			-
3 to 5 Years			210
Longer than 5 Years			-
Total			210

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2019

	Opening balance 1 April 2018 R'000	Prior period error R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing balance 31 March 2019 R'000
<i>Note Annexure 7</i>					
Heritage assets	112	-	-	-	112
Buildings and other fixed structures	-	-	-	-	-
Machinery and equipment	-	-	-	-	-
Intangible assets	-	-	-	-	-
TOTAL	112	-	-	-	112

	Number of projects		2018/19
	Planned, Construction not started	Planned, Construction started	Total R'000
Age analysis on ongoing projects			
0 to 1 Year			-
1 to 3 Years			-
3 to 5 Years		1	112
Longer than 5 Years			-
Total		1	112

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

30. Prior period errors

30.1 Correction of prior period errors

	<i>Note</i>	Amount bef error correction 2018/19 R'000	Prior period error 2018/19 R'000	Restated Amount 2018/19 R'000
Expenditure:				
Good and Service: Minor Assets: Correction of prior year overstatement of assets	4	198	(5)	193
Good and Service: Consumables: Correction of misallocation	4	3 380	5	3 385
Net effect		3 578	-	3 578

Correction of prior year error where assets were paid for and not received. The service provider has since refunded the department.

	<i>Note</i>	Amount bef error correction 2018/19 R'000	Prior period error 2018/19 R'000	Restated Amount 2018/19 R'000
Assets:				
Minor Assets: Correction of prior year overstatement of assets	27	5 284	(5)	5 279
Net effect		5 284	(5)	5 279

Correction of prior year overstatement of AR where two assets paid for had not being received from a service provider. The supplier has subsequently refunded the Department on this matter.

	<i>Note</i>	Amount bef error correction 2018/19 R'000	Prior period error 2018/19 R'000	Restated Amount 2018/19 R'000
Other:				
Correction of Opening Balance for Fruitless and Wasteful Expenditure where the AFS closing balance was overstated by R27 000	23	5 074	(27)	5 047
Net effect		5 074	(27)	5 047

Correction of Opening Balance for Fruitless and Wasteful Expenditure.

Department of Military Veterans - Vote No. 19
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

31. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

ANNEXURE 1E STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE		2018/19 Final Appropriation R'000
	Adjusted Appropriation Act R'000	Roll overs R'000	Adjust- ments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	
Transfers							
World Veterans Federation	-	-	-	-	-	-	198
	-	-	-	-	-	-	198
Subsidies							
	-	-	-	-	-	-	-
	-	-	-	-	-	-	198
TOTAL	-	-	-	-	-	-	198

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

ANNEXURE 1G STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2018/19 Final Appropriatio n R'000
	Adjusted Appropriation Act	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	
Transfers							
H/H EMPL S/BEN: LEAVE GRATUITY	-	-	744	744	734	99%	598
H/H SOC ASS:WAR VETERANS	14 458	-	(219)	14 239	14 239	100%	10 552
H/H: BURSARIES (NON-EMPLOYEE)	158 571	-	(18 536)	140 035	80 138	57%	157 355
INDIVIDUAL SUPPORT(HOUSING)	10 000	-	-	10 000	4 372	44%	3 415
PROJECT LINKED SUPPORT(HOUSING)	22 000	-	-	22 000	6 782	31%	11 067
H/H SOC ASS: SOCIAL RELIEF	34 307	-	(32 976)	1 331	1 262	95%	2 184
EMERGENCY HOUSING ASSISTANCE	1 400	-	-	1 400	63	5%	505
H/H: CLAIMS AGAINST STATE (CASH)	-	-	2 649	2 649	2 646	100%	-
	240 736	-	(48 338)	192 398	110 236		185 676
Subsidies	-	-	-	-	-		-
	240 736	-	(48 338)	192 398	110 236		185 676
TOTAL	240 736	-	(48 338)	192 398	110 236		185 676

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

ANNEXURE 3B STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2020

Nature of Liability	Opening Balance 1 April 2019 R'000	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 2020 R'000
Claims against the department					
Fetola Mogopolo Construction and Interior Design	4 006	-	-	-	4 006
B&M Catering Services	2 074	-	-	-	2 074
Zeal Health	198 159	-	-	-	198 159
M.G Bolleurs	55	-	-	-	55
PSA obo J Moche	613	-	-	-	613
P Govender	210	-	-	-	210
Ramatshila-Mugeru Attorneys	559	-	-	-	559
E&S Russel Funeral Directors	245	-	245	-	-
Agricultural research council	-	1 324	-	-	1 324
T. Masutha	-	-	-	-	-
J. Mayaba	-	620	-	-	620
Subtotal	205 921	1 994	245	-	207 620

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

Environmental Liability	-	-	-	-
Subtotal	205 921	2 004	245	207 680
Other	-	-	-	-
Subtotal	205 921	2 004	245	207 680
TOTAL	205 921	2 004	245	207 680

ANNEXURE 3B (continued)

Nature of Liabilities recoverable	Opening Balance 1 April 2019 R'000	Details of Liability and Recoverability	Movement during year R'000	Closing Balance 31 March 2020 R'000

TOTAL	-	-	-	-
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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

ANNEXURE 4 CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2019/20	
	31/03/2020 R'000	31/03/2019 R'000	31/03/2020 R'000	31/03/2019 R'000	31/03/2020 R'000	31/03/2019 R'000		
Department							Receipt date up to six (6) working days after year end	Amount R'000
Agriculture, Forestry and Fisheries	-	25	-	-	-	-		25
Gauteng Roads and Transport	-	272	-	-	-	-		272
Social Development	-	14	-	-	-	-		14
		311						311
Other Government Entities	-	-	-	-	-	-		-
	-	311	-	-	-	-		311
	-	311	-	-	-	-		311
TOTAL								

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

ANNEXURE 5 INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2019/20 Payment date up to six (6) working days before year end	Amount R'000
	31/03/2020 R'000	31/03/2019 R'000	31/03/2020 R'000	31/03/2019 R'000	31/03/2020 R'000	31/03/2019 R'000		
DEPARTMENTS								
Current								
Department of Defence (SAMHS)	56 603	55 399	27 783	36 883	84 386	92 282		
Department of Justice & Constitutional Development	-	-	343	-	343	-		
Department of Defence(S&T)	-	23	-	8	-	8		
Department of Labour	-	-	-	-	-	23		
Gauteng Province Roads and Transport – G-fleet	-	631	860	229	860	860		
Subtotal	56 603	56 053	28 986	37 120	85 589	93 173		
Non-current	-	-	-	-	-	-		
Subtotal	56 603	56 053	28 986	37 120	85 589	93 173		
TOTAL	56 603	56 053	28 986	37 120	85 589	93 173		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

OTHER GOVERNMENT ENTITY

Current

- - - - -

Subtotal

56 603 56 053 28 986 37 120 85 589 93 173

Non-current

- - - - -

Subtotal

56 603 56 053 28 986 37 120 85 589 93 173

TOTAL INTERGOVERNMENT

PAYABLES

56 603 56 053 28 986 37 120 85 589 93 173

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

ANNEXURE 7 MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Current Year Capital WIP R'000	Ready for use (Asset register) / Contract terminated R'000	Closing balance R'000
HERITAGE ASSETS	112	98	-	210
Heritage assets	112	98		210
MACHINERY AND EQUIPMENT	-	-	-	-
Transport assets				
Computer equipment				
Furniture and office equipment				
Other machinery and equipment				
SPECIALISED MILITARY ASSETS	-	-	-	-
Specialised military assets				
BIOLOGICAL ASSETS	-	-	-	-
Biological assets				
BUILDINGS AND OTHER FIXED STRUCTURES	-	-	-	-
Dwellings				
Non-residential buildings				
Other fixed structures				
LAND AND SUBSOIL ASSETS	-	-	-	-
Land				
Mineral and similar non-regenerative resources				
SOFTWARE	-	-	-	-
Software				
MASTHEADS AND PUBLISHING TITLES	-	-	-	-
Mastheads and publishing titles				
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	-	-	-
Patents, licences, copyright, brand names and trademarks				

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-	-	-	-
Recipes, formulae, prototypes, designs, models				
SERVICES AND OPERATING RIGHTS	-	-	-	-
Services and operating rights				
TOTAL	112	98	-	210

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2019

	Opening balance R'000	Prior period error R'000	Current Year Capital WIP R'000	Ready for use (Asset register) / Contract terminated R'000	Closing balance R'000
HERITAGE ASSETS	112				112
Heritage assets	112	-	-	-	112
MACHINERY AND EQUIPMENT	-	-	-	-	-
Transport assets					
Computer equipment					
Furniture and office equipment					
Other machinery and equipment					
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets					
BIOLOGICAL ASSETS	-	-	-	-	-
Biological assets					
BUILDINGS AND OTHER FIXED STRUCTURES	-	-	-	-	-
Dwellings					
Non-residential buildings					
Other fixed structures					
LAND AND SUBSOIL ASSETS	-	-	-	-	-
Land					
Mineral and similar non-regenerative resources					
SOFTWARE	-	-	-	-	-
Software					
MASTHEADS AND PUBLISHING TITLES	-	-	-	-	-
Mastheads and publishing titles					

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

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	112	-	-	-	112

Department of Military Veterans - Vote No. 19

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2020

ANNEXURE 8A
INTER-ENTITY ADVANCES PAID (note 14)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019	31/03/2020	31/03/2019
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Government Communication Information Systems	83	1 844			83	1 844
Dirco	37	-			37	-
Subtotal	120	1 844			120	1 844
PROVINCIAL DEPARTMENTS						
	-	-			-	-
Subtotal	120	1 844			120	1 844
PUBLIC ENTITIES						
	-	-			-	-
Subtotal	120	1 844			120	1 844
OTHER ENTITIES						
	-	-			-	-
Subtotal	120	1 844			120	1 844
TOTAL	120	1 844			120	1 844

Notes:

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