Annual Report 2006/07

DEPARTMENT OF JUSTICE AND CONSTITUTIONAL DEVELOPMENT

the doj & cd

Department:
Justice and Constitutional Development
REPUBLIC OF SOUTH AFRICA

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Foreword by Minister Mabandla

The Department of Justice and Constitutional Development's core mandate is *inter alia* to uphold the Constitution and provide for an appropriate environment for all people to exercise and enforce their rights. In order to achieve this the Department must ensure proper administration of courts. Therefore we are paying special attention to the administration of courts to ensure efficiency in the dispensation of justice. One of our greatest challenges in the administration of justice is the establishment of an efficient and well-capacitated court system.

During the period under review we reaffirmed our commitment to this by improving human resource capacity, by appointing 226 court managers and creating 47 magistrates' positions. This increased the number of magistrates to 1912. In addition, the budget allocation of the National Prosecuting Authority (NPA) was increased gradually in order to realise our aim of appointing two prosecutors per court for serious offences heard in the Regional Courts. The continued prosecution of criminal matters is impacting on our criminal justice system. The NPA continued to maintain a high conviction rate averaging 87%. This goes a long way in maintaining confidence in the criminal justice system.

In order to further enhance access to justice, we have decided to review the old apartheid-drawn jurisdictional areas of the lower courts because they continue to limit access to justice for people. In terms of the current areas of jurisdiction, most of the Magistrates' Courts in the rural and former black townships exercise limited jurisdiction within specific boundries. They have no staff or budgets of their own and are entirely dependent on the main court areas to deliver essential justice services. By conferring primary jurisdiction to the initial 24 courts, an estimated 7 million people served by these courts collectively will be spared the hardships and pain of enduring long distances and high costs to access courts and services outside their areas of residence. The question of access to justice for our people will continue to be a priority for the Department. For a long time, Justice services have not been readily available in most communities. The Department's efforts to provide services related to the Guardian's fund, maintenance and the administration of estates, closer to the people, reflects our commitment to implementing Government programmes of service delivery. Much work must still be done in this regard.

I take this opportunity to recommit the Department to ensuring access to justice.

Mrs B S MABANDLA, MP

MINISTER FOR JUSTICE AND CONSTITUTIONAL DEVELOPMENT

Part I

General Information

1.1 To Mrs BS Mabandla, MP, Minister for Justice and Constitutional Development

I have the honour in submitting the 2006/07 Annual Report for the Department of Justice and Constitutional Development in terms of the Public Finance Management Act, 1999.

1.2 Introduction by the Head of the Department

The Department of Justice and Constitutional Development (DoJ&CD) has entered this second decade of our democracy with a greater recognition of the need in our country for greater access to justice. A modern and efficient justice system; responsive to the needs and aspirations of all South Africans is one of the ways to achieve access. Such a system is not only key to establishing credibility and legitimacy to our legal system, it will also be key in defining the South Africa we all want.

It is for this reason that we have held in high esteem our three key strategic goals, which are:

- ensuring access to justice for all
- enhancing organisational efficiency
- transforming justice, state and society

The Department's focus on these three key strategic goals is reflected in the deliberate shift in the allocation and utilisation of the financial and human resources. Our resource allocations demonstrate the concerns we have in addressing the historical inequalities in the distribution of justice services and resources to the people living in marginalised areas such as townships and rural areas.

Access to Justice for all

We have come to recognise the importance of proximity to justice services for the disenfranchised, the poor, and the vulnerable portions of our populations. We are driven to not only ensure that they are protected under the law, but also that they have equitable access to justice.

During the year under review, the Department has increased its efforts in rehabilitating some of the existing and aging court infrastructure. Of the R308 million spent on infrastructure, R60 million was spent towards the upgrading of existing facilities under the Repair and Maintenance Programme (RAMP). Currently, a total of 301 courts are now registered on The RAMP and are in various stages of execution.

Furthermore, ten major renovation projects were undertaken, of which six were in the previously disadvantaged and rural areas. There are currently six new buildings to five existing court buildings in construction at Daveyton, Tsakane, Motherwell, Colesberg, Sekgosese and Augrabies. Major additions are currently being executed at the Supreme Court of Appeal in Bloemfontein, Mitchell's Plain, Ceres, Polokwane (Permanent) Circuit of the High Court, and Stanger. New construction projects will commence in the course of this year at Kagiso, Galeshewe, Ekangala and Thabong.

The Department will also continue in gradually substituting the Periodical Courts with proper full-time courts to increase access. In their current form, Periodical Courts provide services relating to criminal trials only and exclude maintenance, domestic violence, deceased estates and children's court enquiries. We have seen that these services are continually needed by the vulnerable members of our society. The Department has therefore procured an extra 35 mobile courts to be deployed to sites where Periodical Courts are currently held in police stations and prisons. The Department will continue to provide temporary accommodation (mobile units) to identified points until it is possible to build permanent courts.

We are, however, well aware that there is still a huge backlog in the provision of court facilities, particularly in many remote and densely populated areas. The Department is committed to resolve these challenges.

Access to justice also requires us to educate our people on their rights and the services we offer. We have worked hard this year to raise awareness on the Equality Courts, Victims Charter, as well as child and spouse maintenance. The implementation of the Service Charter for Victims of Crime will continue with an increased focus on educating victims about their rights and the services they can expect at courts. Through Operation *Isondlo* in the Maintenance Courts, services in respect of maintenance have increased and improved tremendously thereby ensuring greater access to maintenance for women and children. The Electronic Funds Transfer (EFT) Project, aimed at helping maintenance beneficiaries get their funds efficiently, is currently paying R26 million to 13 000 beneficiaries. We are particularly proud that this initiative has introduced most of these beneficiaries to the formal banking sector for the first time.

Enhancing Organisational Efficiency

To improve our provision of access to justice we have focused on improving our organisational efficiency. The Department identified the modernisation of the justice systems in our courts. We have devoted much of our attention and focus to making this a reality. Modernisation of our systems is not only best in helping us keep up with the changes and the challenges of our business, but also makes our services responsive to the growing needs of our communities.

The Department allocated a large percentage of its budget towards the implementation of various modernisation projects:

- The e-Scheduler system has been implemented in 436 courts and has a total number of 3 389 users. This solution is a case management system employed to determine and improve performance in courts. The system enables courts to schedule cases properly and identify and address backlogs and blockages.
- The Video Postponement Project is another modern system that will transform the way in which we conduct our business in courts. Currently the Department is piloting the Video Postponement Project in KwaZulu-Natal, in which courts are linked to correctional centres through video. Cases can be heard without the need for the accused persons to be physically present at the court. In a period of 15 months, 4 899 remands were concluded without the detainee leaving the correctional facility. The system added tremendous value to the process of conducting remands and ensure faster turnaround on cases utilising the system. It saves resources dedicated to the daily administration and transport of awaiting trial detainees between courts and correctional centres. This system also minimises the security risk related to escapes and safety risks to court officials and the public from detainees. The Department, together with cluster partners, is planning to roll out this system to another 40 courts and will prioritise those with the highest awaiting trial detainees to maximise the impact in the court system.
- digital recording systems were also installed in all the High Courts and roll-out to Magistrates' Courts has commenced. The system improves the speed and the quality of the recording of court proceedings. It is currently installed in 186 courts, comprising the 13 High Court centers and four Labour Courts. A total of 1 104 recorders have been installed in the mentioned courts since October 2006 to date. The installation at lower courts will be completed by July 2007.
- A scanning solution was developed to assist with the scanning of all relevant court documents. A total of approximately 280 scanners were procured and placed at various courts throughout the country in all provinces. The scanners will save time to track and trace misplaced or stolen documents.

The Department is further improving the modernisation of deceased and insolvent estate services. We will be implementing a computerised solution to attend to deceased estate matters. The system will enable Masters' Offices to eliminate double registration of estates, based on an ID number verification tool. This computerised solution will be rolled out to the first site by the end of June 2007.

In addition, the Department remains committed to the modernisation of the Integrated Justice Programme, which aims to automate and modernise systems and to improve interconnectivity between departments in the criminal justice cluster.

The Department is also progressing well in resolving the huge challenge of case backlogs. A national integrated task team was set up to deal with case backlogs (cases on the roll longer than six months in lower courts and 12 months in High Courts), and the results are starting to show impressive progress.

Transforming Justice, State and Society

In the year under review, the Department identified the transformation of the judiciary and the legal profession as a major priority. The first draft of the Legal Services Sector Charter was launched. We regard the Charter as an important instrument to transform the legal service, improve skills development, and empower previously disadvantaged legal communities. We believe that this Charter will go a long way to improve access to justice for all.

The Department made some strides in certain aspects of the transformation of the judiciary. The two significant Bills, the Judicial Services Amendment Bill and The Judicial Education Institute Bill, which are currently before Parliament are the product of intense, yet constructive engagement between the Department and the judiciary. The Department is also finalising a consolidated policy document to address other outstanding issues relating to the transformation of the judicial system. These include the rationalisation of the High Courts, the harmonisation of the appointment procedures for judges and magistrates and aspects relating to language usage in courts.

In the Department of Justice and Constitutional Development, we are always aware of the fact that to make our justice system more effective and relevant to the current national challenges, we will need concerted and collective efforts on the part of various government departments, the judiciary and legal professions. I trust that the mutual cooperation and support we are currently enjoying will grow from strength to strength. People are counting on us!

I wish to pledge my Department's commitment to all the programmes that we have undertaken, and continue to this day to implement programmes that will help us deliver an accessible, speedy and cost-effective justice system.

Adv Menzi Simelane
Director-General: Justice and Constitutional Development

1.3 Information on the Ministry

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

The following institutions have been established to take care of certain areas within the framework of the environment covered by the Ministry:

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

During the period of this report, a number of Bills were promoted in Parliament. The following were approved by Parliament and have already been implemented:

i) ***Repeal of the Black Administration Act and Amendment of Certain Laws Amendment Act, 2006***

ii) ***Civil Unions Act, 2006*** (Although this Bill was introduced into Parliament by the Minister of Home Affairs, the Department was largely instrumental in its development and promotion.)

In addition to the above, the following Bills were tabled in Parliament and are at different stages of the Parliamentary process:

(i) ***Regulation of Interception of Communications and Provision of Communication-Related Information Amendment Bill***

(ii) ***South African Judicial Education Institute Bill***

The following pieces of subordinate legislation were promulgated during the same period:

(i) ***Criminal Law (Sexual Offences and Related Matters) Amendment Bill*** (This Bill was approved by the Portfolio Committee on Justice and Constitutional Development and is awaiting approval by the National Assembly. The National Assembly, however, referred the Bill back to the Portfolio Committee in order to consult with the Joint Tagging Mechanism of Parliament regarding the tagging of the Bill, before it is voted on and referred to the National Council of Provinces for consideration.)

(ii) ***Judicial Service Commission Amendment Bill***

(iii) ***Child Justice Bill***

(iv) ***Compulsory HIV Testing of Sexual Offenders Bill,*** the provisions of which have been incorporated in the Criminal Law (Sexual Offences and Related Matters) Amendment Bill

The following Bills were prepared by the Department with a view to their introduction into Parliament in 2007:

(i) ***Criminal Law (Sentencing) Amendment Bill***

(ii) ***Reform of Customary Law of Succession Bill***

(iii) ***Jurisdiction of Regional Courts Amendment Bill***

(iv) ***Judicial Matters Amendment Bill***

(v) ***Magistrates' (Appointments) Amendment Bill***

(vi) ***State Liability Amendment Bill***

(vii) ***Magistrates' Courts Amendment Bill***

Although the last three Bills were reported in the previous annual report of the Department as having received attention, the development of these Bills has taken longer than expected due to their complexity and the need to consult widely.

Subordinate legislation required in terms of the various Acts that are administered by the Department has also received attention and was finalised. Some of these induce the, regulations relating to maintenance investigators contemplated in the Maintenance Act, 1998, directives to be issued under the Regulation of Interception of Communications and Provision of Communication-Related Information Act, 2002, practical guidelines required by the Protected Disclosures Act, 2000, and regulations to facilitate the smooth application of the Promotion of Access to Information Act, 2000. Further details in this regard are provided in paragraph 2.10.1.1 below.

1.4 Vision and Mission statement

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

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

1.5 Legislative mandate

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

This mandate has been translated into five organisational objectives:

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

The activities of the Department are organised into five programmes, namely:

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

Part 2

Programme Performance

Programme Performance

2.1 Voted Funds (R)

Appropriation	Main Appropriation	Adjusted Appropriation	Actual Amount Spent	Over-/under expenditure
Amount Appropriated	6,269,880,000	6,478,647,000	6,005,216,000	473,431,000
Statutory Appropriation	1,042,665,000	1,071,056,000	1,099,289,297	(28,233,297)
Responsible Minister	Minister for Justice and Constitutional Development			
Administering Department	Justice and Constitutional Development			
Accounting Officer	Director-General of Justice and Constitutional Development			

2.2 Aim of Vote

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

2.3 Key Measurable Objectives, Programmes and Achievements

2.3.1 Key Measurable Objectives

The Department's key strategic objectives are to capacitate and restructure the courts, integrate courts systems, cater for the needs of the vulnerable groups and improve the maintenance system to relieve the pressure at the courts, thereby improving the standard of service delivery, broadening access to justice and improving the efficiency of the NPA.

2.3.2 Programmes

2.3.2.1 Programme 1: Administration

The Administration programme deals with the overall management of the Department and provides strategic and operational support services. This includes the development and maintenance of Departmental management processes, including management of the financial and, human resources, information and technology, and communications. This programme also provides for the development, monitoring and evaluation of the Departmental operational plans, strategic direction and policies, aimed at improving delivery of justice services. This programme also provides for research, preparation and promotion of legislation related to the Department's functions. Included in this programme are advisory and drafting services related to changes to Acts of Parliament.

2.3.2.2 Programme 2: Court Services

The Programme: Court Services supports a range of services provided by all the different courts in terms of Chapter 8 of the Constitution.

2.3.2.3 Programme 3: State Legal Services

State Legal Services provides government with legal services and facilitates constitutional amendments. Activities include providing for the work of the State Attorney, the State Law Advisers, the Master of the High Court and promoting, maintaining and developing legislations to support the Constitution.

2.3.2.4 Programme 4: National Prosecuting Authority (NPA)

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

2.3.2.5 Programme 5: Auxiliary and Associated Services

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

2.3.3 Achievements

Descriptions of the Department's achievements are briefly detailed in the overview reports of paragraphs 2.4, 2.5 and 2.6. These paragraphs, although aimed primarily at providing an overview of the relevant environments as required by the Annual Report Guidelines, pay particular focus on the achievements of the Department in different areas. Detailed descriptions of the Department's achievements are also reported throughout this report.

2.4 Overview of the service delivery environment for 2006/07

The greatest challenge facing the Department of Justice and Constitutional Development is to make justice accessible to all people in the country. The Department recognises the need for justice services to not only be accessible, but also transformed and relevant to the constitutional values. An effective and efficient justice system, responsive to the needs and aspirations of all the people of South Africa, will help contribute positively to the South Africa we all want. Hence, the three key strategic goals of the Department, as listed in its Medium-Term Strategic Framework 2005/06 – 2008/09, are:

- ensuring access to justice for all,
- enhancing organisational efficiency, and
- transforming justice, state and society.

The Department's resource allocations and utilisation demonstrate its main concern in addressing the historical inequalities and the distribution of justice services to the people living in marginalised areas such as townships and rural areas. The Department manages more than 751 Magistrates' Courts. These which include 366 main offices, 51 Detached Courts, 101 Branch Courts and 230 Periodical Courts. In addition, there is a Constitutional Court, the Supreme Court of Appeal, 11 Divisional High Courts, and the Labour Court of Appeal. The primary responsibilities of the Department are; among others the following.

i) ***To ensure equitable access to justice services for all.*** The Department worked to increase the proximity of service delivery points to the people – especially to rural and township communities. In the past, the Department assessed and analysed the capacity of the courts in these areas in its quest to remedy the malady of disproportionate distribution of resources. The analysis included the information on community distances from the existing courts, availability of public transport and the existing court infrastructure. To address this, the Department paid particular attention to changing the old apartheid-drawn jurisdictional areas of the lower courts. The apartheid jurisdictional areas hindered millions of people living in rural and township areas from having access to justice services and compelled them to travel long distances to their nearest towns and cities where justice services points were located.

The Department has initiated the process of re-aligning the jurisdictional boundaries of courts. This process is aimed at identifying and allocating the appropriate service delivery points closer to the communities by taking into consideration the country's new municipal and provincial jurisdictions. It is expected that this process will be finalised in 2007/08. (A detailed report on this objective is provided in the report on Programme 2).

ii) ***To provide and manage court facilities.*** Although, the Department could not start with the building of the High Courts in Mpumalanga and Limpopo, a process of acquiring sites for the construction of High Courts in these provinces has already started. This year, the Department has paid particular attention to the process of repairing and maintaining court infrastructure. Of the R308 million spent on infrastructure in the 2006/07, R60 million was spent towards the upgrading of the Department's facilities under the RAMP. Of the ten major renovations projects undertaken, six were done to facilities based in the previously disadvantaged communities. Six new buildings to five existing court buildings are presently in construction at Daveyton, Motherwell, Colesberg, Tsakane, Sekgosese and Augrabies. Major additions are currently in progress at the Supreme Court of Appeal in Bloemfontein, Mitchell's Plain, Ceres, Polokwane (Permanent) Circuit of the High Court), and Stanger. The Department acknowledges that there is still a backlog in the provision of court facilities in some remote and densely populated areas. To minimise any inconvenience to communities, the Department will continue to provide temporary accommodation (mobile units) to serve as service delivery points until such time that permanent court infrastructure is provided. An additional 35 Mobile Courts were procured to be deployed to sites where Periodical Courts are currently held in police stations and correctional facilities (see also Paragraph 2.9).

iii) ***To improve security in courts.*** The Department provided the following physical security:

- On access control: the Department installed 126 X-ray machines, 191 walk-through detectors, and 19 close circuit televisions. Furthermore, a total of 154 courts have been burglar-proofed and 124 courts have been secured with perimeter fencing

Province	X-Ray machine	Walk-through detectors detector	CCTV	Fencing	Burglar bars
Eastern Cape	20	29	4	53	43
Western Cape	25	55	2	32	61
Northern Cape	5	5	NIL	22	28
KwaZulu-Natal	24	44	3	36	46
North West	5	19	NIL	25	24
Limpopo	6	13	3	46	35
Gauteng	47	47	7	24	33
Mpumalanga	2	2	NIL	18	8
Free State	5	12	NIL	23	14
TOTAL	126	191	19	124	154

The general, cash-in-transit services are outsourced. Where contracts have not been concluded, the Department procures such services on a month-to-month basis.

Province	RFB2006/7	Contracted	Month-to-month
Eastern Cape	52	54%	46%
Western Cape	46	65%	35%
Northern Cape	25	71%	29%
KwaZulu-Natal	73	60%	40%
North West	17	44%	56%
Limpopo	31	50%	50%
Gauteng	48	80%	20%
Mpumalanga	44	28%	72%
Free State	10	7.3%	93%
TOTAL	346	42%	58%

On guarding services at courts:

Province	RFB	Total	Percentage	Month-to-month
Eastern Cape	59	87	78%	22%
Western Cape	21	39	49%	51%
Northern Cape	8	12	34%	66%
KwaZulu-Natal	27	88	73%	27%
North West	9	13	34%	66%
Limpopo	23	38	62%	38%
Gauteng	26	53	81%	19%
Mpumalanga	16	23	70%	30%
Free State	1	24	18%	82%
TOTAL	164	369	63%	37%

iv) ***To strengthen the Department's establishment***. This year, the Department reduced the number of temporary employees, volunteers and acting appointments. The establishment grew by 7.2%, with the creation of 1 017 new posts. The Department filled vacant posts totalling 345 clerks, 215 court managers, 142 maintenance investigators, 100 senior and family councillors, and 85 maintenance officers. A total of 77 legal interns were appointed to help fast-track maintenance backlogs, and 45 candidate attorneys have been placed in the State Attorneys' Offices. More than 1 600 front desk staff received training aimed at improving their skills to provide better justice services to the public. A total of 3 194 professional staff have undergone the Department's continuous staff development programme (for a detailed staff training report, refer to the Justice College input on Programme 1).

v) ***To modernise justice systems***. The Department allocated a large percentage of its budget towards the implementation of various modernisation projects. The e-Scheduler system was implemented in 446 courts, totaling a number of 3 389 users. This system enables courts to schedule cases properly and identify and address backlogs and blockages. In addition, a scanning solution was also developed to assist with the scanning of all relevant court documents. Approximately 280 scanners were procured and deployed at various courts throughout the country. The Video Postponement Project substantially impacted on the remand of court cases. In a period of 12 months, approximately 4 899 remands were concluded without detainees leaving a correctional facility. Digital Recording Systems were installed in all the High Courts and are currently being installed in Magistrates' Courts. The system improves the speed and quality in the recording of court proceedings.

vi) ***To facilitate the adjudication and resolution of criminal and civil matters***. In the Magistrates Courts, a total of 875 038 cases were enrolled of which 587 037 were removed from the roll. Of the 288 001 which remained on the roll, 276 477 were finalised with an average conviction rate of 85%, and 37 233 cases which largely involved minors, were diverted from the criminal justice system and were dealt with administratively. These figures show that a total of 7 092 fewer cases were withdrawn, constituting a 2.2% decrease from the total of 255 486 withdrawn during 2005/06. The outstanding court roll cases increased from 205 361 with 2.2% to the highest in three years, a total of 210 685 cases. In 2006/07 courts issued a high number of warrants of arrest against defaulters who failed to attend court after they were released on bail or warning. The lower courts managed an average of four hours per day, which is a marginal decrease from the four hours, five minutes managed during 2005/06. (The District Courts averaged four hours, two minutes at the end of January 2007; the Regional Courts, three hours, 57 minutes, and the High Courts, three hours, 18 minutes). Only 30.8% of all accused in the outstanding cases were in custody during 2006 – a significant reduction from the 35% in 2005 and the 38% in 2004. In High Courts, less new cases were received compared to the previous year. There were 1 772 trial cases in 2006/07, as compared to the 2 301 recorded in 2005/06. There was similarly a decline in the number of minimum sentence matters referred to the High Courts, from 1 735 in 2005/06 to 1 238 in 2006/07. Also, the number of cases removed from the High Court rolls has decreased from 111 to 85. These cases include withdrawals, warrants and cases where accused escaped or died. The conviction rate over the past three years was stable at 86% on all trial cases. The percentage of cases referred to the High Courts for sentence in terms of the "Minimum Sentence" legislation has decreased from 4% to 3%. The number of convictions confirmed has increased from 89% to 90% in these matters (for detailed information, please see details in Programme 2).

vii) ***To develop and assist in the development of constitution and legislation***. This year the Department worked on a number of Bills which have reached an advanced stage. Many of the Bills are already before Parliament. The Sexual Offences Bill is now before the NCOP. There are some Bills on the Legislative Programme which have been identified for introduction into Parliament. These include, the Customary Law of Succession Bill which aligns customary succession with constitutional jurisprudence, a Bill dealing with the role of traditional leaders in the administration of justice, the Magistrates' Courts Amendment Bill (dealing with the disposal of immovable property of the poor in certain circumstances). In addition, the Jurisdiction of Regional Courts Amendment Bill was identified for promotion during the 2007/08 session of Parliament. The Bill aims to give civil and family jurisdiction to Regional Courts in an effort to enhance access to justice. This Bill also aims to promote the development of civil law expertise among the ranks of magistrates with the view to broadening the pool of fit and proper persons qualifying for appointment to the superior courts (Further details are provided in Programme 3).

viii) ***To administer deceased and insolvent estates, including the Guardian's Fund.*** In the past year a total of 15 000 more deceased estate matters were attended to. This shows an increase of about 15% when compared to 2005/06. Almost the same number of matters is reported at service points. During the previous year the ratio was 40/60 in favour of Masters' Offices. This implies that more people are served closer to their place of residence than before. The numbers of reported insolvency matters are considerably declining. About 17% less matters were reported than in the previous year. The Department also improved the management of the Guardian's Fund to address deficiencies identified by the Auditor-General in his 2005/06 report. (See also Programme 3 for further details).

ix) ***To educate the public on its constitutional rights.*** The Department intensified its awareness campaigns around key programmes in the justice sector. It raised awareness on the access to Equality Courts, the Victims Charter and child and spouse maintenance. The implementation of the Service Charter for Victims of Crime increased its focus by educating victims about their rights and the services they can expect at courts. Through the Operation *Isondlo* campaign in the Maintenance Courts, services in respect of maintenance have increased and improved tremendously; thereby ensuring greater access to maintenance for women and children (also see Programme 1, Public Education and Communications).

2.5 Overview of the organisational environment for 2006/07

During the past financial year, the Department has taken measures to finalise the organisational design process, the delegations frameworks and the corporate governance frameworks. Although all these processes are at advanced and final stages, there are still outstanding activities, such as consultations, that may require more time to resolve.

The Department experienced challenges in improving its turn-around time for recruitment. The past year has seen an increase in the number of approved posts, with the vacancy rate levelled at 1 689 (11,2%). The Department was able to fill 250 posts per quarter – a rate that reduced the quarterly vacancy rate by 1.2%. Due to compliance to the Public Services Regulations (on job evaluations, advert posting, notice periods and competency tests), the Department could only maintain a recruitment turn-around period of 3-4 months. Strategies are in place to reduce the Departments turn-around time. This includes automation of recruitment processes and outsourcing some HR activities.

One challenge that the Department was faced with is the resolution of internal disciplinary matters. The current number of disciplinary matters can be subdivided into 12 categories:

No	Subcategory	No of cases	Percentage
1	Fraud	52	25%
2	Theft	37	18%
3	Corruption	11	5%
4	Unbecoming behaviour	4	2%
5	Alcohol abuse at work	6	3%
6	Abuse of state property	4	2%
7	Unauthorised absence	11	5%
8	Negligence	16	8%
9	Loss of state money	22	11%
10	Insubordination	7	3%
11	Absconding	3	1%
12	Other	35	17%

Resolving disciplinary cases is a complicated, slow, and cumbersome process. However, there have been significant improvements in the number of cases that were resolved in this financial year. The Department managed to resolve a total of 222 cases within a period of six months. By the end of March 2006/07, there were only 42 remaining cases.

Ninety percent of the 293 senior management staff (SMS) have declared their financial interest. And, by the end of the financial year, 90% of the SMS had signed their performance agreements.

2.6 Strategic overview and key policy developments for the 2006/07 financial year

Access to legal services and the transformation of the administration of justice were the major areas of focus in 2006/07. The Legal Services Sector Charter (LSSC) and the launch of the South African Women Lawyers Association (SAWLA) as a means of forging partnerships with the legal

profession are some of the milestones achieved in the aim to transform the legal profession. In the past year, a reference group was established to draft the terms of reference for the development of the Legal Services Sector Charter, and a steering committee comprising members of the profession, was appointed to advise on the matter. The steering committee produced the first draft Legal Services Sector Charter which was discussed at the consultative *Indaba* during February 2007. Subsequent consultative *fora* were held in all provinces to discuss this draft. Substantial inputs and comments were received from the provincial consultative workshops.

There was also significant progress in the Department's quest to transform the administration of justice. Following extensive discussions with the Chief Justice and the heads of courts, two important Bills were finalised, namely, the Judicial Service Commission Amendment Bill and the Judicial Education Institute Bill. Cabinet approved both Bills. The following are some of the key policies emanating from the Bills:

- The development of a state-funded judicial education institute for the training of judges, magistrates and aspirant judicial officers;
- The development of procedures for dealing with complaints against judicial officers, including the guidelines for engaging in extra-judicial work by serving and retired judges; and
- The establishment of an asset register, which will contain the declaration of financial interests of judges and their immediate family to protect the integrity and impartiality of the judiciary.

Both the Judicial Education Institute Bill and the Judicial Service Commission Amendment Bill are now with Parliament.

The Department is also completing a policy document on the transformation of the judiciary. This includes the harmonisation of the Constitutional Court and the Supreme Court of Appeal, and the rationalisation of the High and Lower Courts, and the use of language in courts. The draft policy document will be finalised during the 2007/08 financial year.

2.7 Departmental revenue and expenditure, and other specific topics

Fines, penalties and forfeits constitute 84% of the departmental receipts. This item also shows a major increase from the 2003/04 financial year. The majority of the fines, penalties and forfeits are received in the Third-Party funds (previously Monies in Trust) on behalf of the National Revenue Fund. Prior to 2003/04 these amounts received were paid directly from the Monies in Trust to the South African Revenue Services. With effect from 2003/04 National Treasury instructed that all amounts receipted in the Monies in Trust should be channelled *via* the Department. The Department received an audit qualification in the 2005/06 financial year in respect of amounts not paid to the Department for transfer to the National Revenue Fund. More follow-up procedures were introduced to identify amounts not transferred to the National Revenue Fund.

2.7.1 Collection of departmental revenue (R'000)

Table 2: Collection of departmental revenue

	2003/04 Actual	2004/05 Actual	2005/06 Actual	2006/07 Target	2006/07 Actual	Persentage deviation from target
Sale of goods and services produced by the Department (excluding capital assets)	2,864	11,161	14,639	10,927	9,941	(9%)
Fines, penalties and forfeits	1,527	90,573	192,642	161,214	262,616	63%
Interest, dividends and rent on land	23,361	29,080	88,498	26,455	13,036	(51%)
Sales of capital assets (Capital revenue)	303	5	0	1,000	0	(100%)
Financial transactions (Recovery of loans and advances)	153,214	42,497	21,653	47,380	27,068	(43%)
Total departmental receipts	181,269	173,316	317,432	246,976	312,661	27%

2.7.2 Departmental expenditure (R'000)

Table 3: Departmental expenditure

Programmes	Voted for 2006/07	Roll-overs and adjustments	Virement	Total voted	Actual expenditure	Variance
Programme 1: Administration	761,679	14,000	(62,054)	713,625	636,862	76,763
Programme 2: Court Services	2,609,746	138,867	85,099	2,833,712	2,506,226	327,486
Programme 3: State Legal Services	376,354	9,400	(30,859)	354,895	335,046	19,849
Programme 4: NPA	1,535,562	46,500	3,023	1,585,085	1,535,754	49,331
Programme 5: Auxiliary and Associated Services	986,539	0	4,791	991,330	991,328	2
Total	6,269,880	208,767	0	6,478,647	6,005,216	473,431

2.8 Transfer payments

Transfers were made to the institutions listed in Table 4. The institutions also received income from other sources. These institutions report to the Minister and table their own annual reports to Parliament. For further information on their operations, please refer to the reports produced by each institution.

Table 4: Transfer payments

Name of institution	Amount Transferred R'000	Estimate Expenditure R'000
South African Human Rights Commission	49,220	49,220
Commission on Gender Equality	37,757	37,757
Special Investigating Unit	55,582	55,582
Legal Aid Board	501,409	501,409
Public Protector	67,784	67,784
Represented Political Parties' Fund	79,385	79,385
Education, Training and Development Practises Sector, Education and Training Authorities	3,972	3,972
TOTAL	795,109	795,109

2.9 Capital investment, maintenance and asset management plan

2.9.1 Capital Investment

The building of accommodation, especially courts, is dealt with over a number of years. If a target is set to build a certain number of new courts in a year, it should be borne in mind that some of the new courts will have a continuation from the previous year or even a continuation into the next year before they can be taken into use. In terms of targets for a specific year, the measurement or indicator of new courts to be built for a specific year needs to be understood against the planning, tendering and actual building processes.

2.9.1.1 New buildings/additions to buildings completed in 2006/07

Table 5: New buildings/additions to buildings completed in 2006/07

No	Name	Description	Completion Dates
1.	Port Elizabeth Nerina House	Youth Justice Centre	28 February 2007
2.	Madadeni Magistrate's Office	New building	15 March 2007
3.	Pomeroy Periodical Court	Additional accommodation	30 June 2006
4.	Phalaborwa Magistrate's Office	Additional accommodation	15 April 2006
5.	Theunissen	Additional accommodation	20 October 2006

2.9.1.2 Major new/ additional accommodation construction projects continued from 2005/06

Table 6: Major new/additional accommodation construction projects continued from 2005/06

No	Name	Description	Completion Dates
1.	Daveyton Branch Court	Construction of a new Branch Court	30 April 2007
2.	Theunissen Magistrate's Office	Additional accommodation	30 April 2007
3.	Sekgosese Magistrate's Office	New Magistrate's Court: relocation to Soekmekaar	30 April 2007
4.	Ceres Magistrate's Office	Additional accommodation	30 April 2007
5.	Motherwell Magistrate's Office	Construction of a new Magistrate's Court	15 March 2007
6.	Tsakane Branch Court	Construction of a new Branch Court	31 March 2007
7.	Stanger Magistrate's Office	Additional accommodation	31 August 2007
8.	Mitchell's Plain Magistrate's Office	Additional accommodation	30 November 2007
9.	Polokwane High Court	Conversion of Old Landdros building	To be determined
10.	Colesberg Magistrate's Office	Additional accommodation	31 July 2008
11.	Supreme Court of Appeal	Additional accommodation	30 September 2009

2.9.1.3 Provision of new service delivery points at Department of Justice and Constitutional Development

(i) Major projects expected to go out on tender in 2007/08

Table 7: Major projects expected to go out on tender in 2007/08

No	Project Name	Description	Actual/Expected Tender Date	Remarks
1.	Kathlehong Magistrate's Office	New Magistrate's Office	August 2007	
2.	Soshanguve Magistrate's Office	Additional accommodation	August 2007	
3.	Kagiso Magistrate's Office	New Branch Court	March 2007	
4.	Ekangala Magistrate's Office	New Magistrate's Office	15 September 2006	Delay in the appointment of the contractor
5.	Johannesburg High Court	Additional accommodation	October 2007	
6.	Ntuzuma Magistrate's Office	New Branch Court	August 2007	
7.	Bityi Periodical Court	New Periodical Court	September 2007	
8.	Pietermaritzburg Master's Office	Alternative accommodation for the Master's Office	28 February 2007	Tender closed on 22 March 2007
9.	Thabong Safety Centre	Community Safety Centre	March 2007	
10.	Galeshewe Magistrate's Office	New Magistrate's Office	March 2007	
11.	Ashton Periodical Court	New Periodical Court	July 2007	
12.	Richmond Magistrate's Office	Additional accommodation	April 2007	
13.	Mpumalanga High Court	New High Court	February 2008	Construction in 2008/09
14.	Limpopo High Court	New High Court	November 2007	

(ii) Sites for major projects that were acquired in 2006/07

Table 8: Sites for major projects that were acquired in 2006/07

No	Project Name	Description	Expected Clearance Date
1.	Kathlehong Magistrate's Office	New Magistrate's Office	August 2007
2.	Garies Magistrate's Office	New Magistrate's Office	August 2007
3.	Bityi Periodical Court	New Periodical Court	September 2006
4.	Ntuzuma Magistrate's Office	New Branch Court	December 2006
5.	Soshanguve Magistrate's Office	Additional accommodation	August 2006
6.	Lutzville Periodical Court	New Periodical Court	October 2006
7.	Ashton Periodical Court	New Periodical Court	December 2006
8.	Bredasdorp Magistrate's Office	Additional accommodation	January 2007
9.	Sundumbili Magistrate's Office	New Magistrate's Office	November 2006
10.	Galeshewe Magistrate's Office	New Magistrate's Office	March 2006
11.	Humansdorp Magistrate's Office	Additional accommodation	November 2006

(iv) Sites for major projects to be acquired in 2007/08

Table 9: Sites for major projects to be acquired in 2007/08

No	Project Name	Description	Expected Clearance Date
1.	Orlando Magistrate's Office	New Magistrate's Office	December 2007
2.	Dimbaza Magistrate's Office	New Magistrate's Office	March 2007
3.	Mamelodi Magistrate's Office	New Magistrate's Office	January 2007
4.	Vulindlela Magistrate's Office	New Magistrate's Office	February 2007
5.	Ngome Periodical Court	New Periodical Court	February 2007
6.	Chrissiesmeer Periodical Court	New Periodical Court	February 2007
7.	Davel Periodical Court	New Periodical Court	April 2007
8.	Dundee Magistrate's Office	Additional accommodation	To be determined
9.	Gilead Periodical Court	New Periodical Court	March 2007
10.	Grootvlei Periodical Court	New Periodical Court	April 2007
11.	Hankey Magistrate's Office	New Magistrate's Office	March 2007
12.	Ladysmith Magistrate's Office	Additional accommodation	To be determined
13.	Lothair Periodical Court	New Periodical Court	To be determined
14.	Nelspruit High Court	New High Court	To be determined
15.	Limpopo High Court	New High Court	To be determined

2.9.2 Repair and maintenance of buildings: project progress as at 31 March 2007

Table 10: Repair and Maintenance of buildings: project progress as at 31 March 2007

Projects in maintenance phase	78
Projects in repair phase	6
Projects on tender/ in tender adjudication phase	8
Projects in design phase	4
Status Quo surveys	206
TOTAL	**302**

2.9.3 Maintenance of buildings

Good progress has been made in addressing the maintenance backlog during the year under review — the backlog has become smaller. However, more funds are needed so as to ensure that progress is made and maintained.

2.9.4 The disabled and the elderly

During the year under review, an amount of R10 million was allocated for 35 buildings to be made fully accessible for the disabled and the elderly. Construction on 31 buildings started and the projects for 4 buildings is in the design/tender stage.

2.9.5 Mobile Units

Thirty-eight mobile units were provided to alleviate the pressure on existing facilities in thirty-three centres. Two mobile units each were procured for Galeshewe in the Northern Cape and Ikageng in North West to establish temporary courts in areas where there were no courts before.

2.9.6 Asset management

The update of the moveable asset register received increasing attention during the 2006/07 financial year. Directives by means of circulars were issued and circulated to all offices in the Department. Verification processes as well as the annual stock taking were executed under the supervision of appointed asset controllers and verification teams. Regional Heads were tasked to report on the status of the assets.

Measures were put in place to enforce users to utilise the Justice Yellow Pages (JYP) procurement tool. This procurement tool, when utilised optimally, automatically updates the asset register with the required information. Corrective measures were enforced where the JYP tool was utilised incorrectly. Continuous staff training was provided when and where the need occurred.

As a result of the verification and stocktaking processes, assets not captured with the initial take-on were identified, captured and valued. Where possible, the fair valuation process was adopted, but there are still some assets (antiques and assets procured on The Provisioning Administration System (PAS) and thereafter on the Financial Management System (FMS) classified with R1 values.

Substantial amounts of assets were transferred between responsibilities, thus utilising redundant assets where the need occurs. Items for disposal and scrapping were identified during the annual stock take process. This will receive high priority during the 2007/08 financial year.

The current status (condition) of the Department's moveable assets can be regarded as:

Condition	Closing 2006	Verification Adjustments	Additions PO's	Disposals	Closing balance	Percentage
	R'000	R'000	R'000	R'000	R'000	R'000
Good	302,023	(58,056)	287,252	27	531,192	93%
Fair	34,273	(5,883)	8	569	27,829	5%
Poor	7,013	(468)	12	26	6,531	1%
Total	**343,309**	**(64,407)**	**287,272**	**622**	**565,552**	**100%**

The control and acquisition of assets requiring bidding or quotes is achieved through the utilisation of the JYP procurement system. This system enforces the required processes and provides for the electronic adjudication of bids and quotes. The Department is participating in selected transversal contracts.

It is envisaged that the following courts will be furnished (some only partially) with moveable assets during the 2007/08 financial year: Motherwell, Tsakane, Daveyton, Sekgosese, The National Office, Regional Office Bloemfontein, as well as a "Serious Commercial Crime Court" in Bloemfontein.

2.10.1 Programme 1: Administration

Purpose: To manage the Department, develop strategies and policies, do research, including improving legislation and making amendments to the Constitution.

2.10.1.1 Service delivery objectives and indicators:

A. OFFICE OF THE DIRECTOR-GENERAL

i) Policy Coordinating Unit

The Policy Coordination Unit (PCU) is established in the Office of the Director-General to coordinate the development and monitoring of the implementation and effectiveness of all policies in the Department. The PCU aims at strengthening the research capability of the Department to substantiate policies that the Minister, with Cabinet's approval where required, approves. In order to execute its functions efficiently, the PCU collaborates with all branches of the Department, the South African Law Reform Commission, the Rules Board for Courts of Law, the judiciary, the National Prosecuting Authority, the Legal Aid Board, the legal profession and all other institutions which are policy-orientated within the justice sector. A framework to facilitate interaction with the branches of the Department was developed and is being discussed with the branches of the Department for adoption.

The Special Projects component is responsible for the coordination of the Department's participation in and contribution to the inter-departmental programmes of the various clusters (Justice, Crime Prevention and Security, International Relations, Peace and Security, Economic, Social, and Governance and Administration clusters). This includes the coordination of the Justice, Crime Prevention and Security (JCPS) Cluster by virtue of the Department being the co-chair of the cluster with the South African Police Service (SAPS).

Further information on the services rendered are contained in paragraph 2.6, "Strategic overview and policy developments".

ii) Internal Audit

The Internal Audit component's main responsibility is the provision of consulting and assurance services to management and the Audit Committee on risk management, controls and governance processes. The Chief Directorate has adopted a risk-based auditing approach and methodology and has a charter, a three-year strategic plan and annual plan that drive its audit operations, to ensure that all material risks which could impede the achievement of the Department's strategic objectives are mitigated on a continuous basis, and that the Department receives adequate audit coverage.

The Chief Directorate reports administratively to the Accounting Officer and functionally to the Audit Committee. Throughout the year, the Audit Committee has relied on the assurance services provided by this component and this, together with the reviews done by the Office of the Auditor-General, served as a basis for the Audit Committee in developing its report on the annual financial statements of the Department.

A forensic audit section, established in the Internal Audit Chief Directorate, has continued to investigate fraud and corruption within the Department. Donor funds were utilised to build capacity through the acquisition of equipment. During the year, donor funds also enabled the Chief Directorate to acquire a data-capturing service to support the investigation processes. Various matters were investigated, some of which were resolved and others are in various stages of completion.

iii) Review of Criminal Justice System

An interdepartmental working group had more than five meetings on the review between March and August 2006, which resulted in the following:

- Establishment of the Research Team and appointment of the Subproject Chairpersons.
- Establishment of the scope of the Criminal Justice System Review project, including determining the deliverables of each stream, with reference to the terms of reference of the review.

A project office was established and the appointment of staff has taken place. The Project Office identified quick wins (all issues that can be addressed within six months or less, at a low cost) and immediate recommendations are being made. The identification of quick wins is an ongoing process and the issues addressed are not an exhaustive list.

The JCPS Cluster approved the CJS review project plan, the integrated matrix of quick wins as well as work in progress of the CJS review project in April 2007.

Plans of Action (aligned with the integrated project plan) on the Medium-term and long-term solutions were drafted by the streams and submitted to the chairperson of the Research team for approval. Implementation has commenced in June 2007.

Section 342A of the Criminal Procedure Act

Section 342A allows for the enforcement of sanctions against parties delaying trials – sanctions that are currently not being enforced. Existing research has been considered and new research on forms of sanctions is currently being conducted. A recommendation on the form of sanctions to be allowed in terms of Section 342(A) will be submitted at the end of June 2007.

Case Administration System (CAS) and workflow system of the Legal Aid Board (LAB)

The completed project will allow for an electronic interface between the LAB and SAPS whereby an accused can apply for legal aid at the time of arrest and the LAB will immediately be notified electronically, resulting in a reduction in the number of postponements for purposes of obtaining legal aid assistance. The application will be finalised in September 2007.

Video postponements

The CJS review identified the Video Postponement Project as a project to be fast-tracked; The overall costing of the project was completed, and roll-out of the equipment will be fast tracked to July 2007.

Section 63(A) of the Criminal Procedures Act

The section allows for the release of Awaiting trial detainees (ATDs), who have been granted bail, but are unable to pay the bail. The Department of Correctional Service (DCS) was requested by the CJS Review Project to prioritise the release of ATD's who cannot afford to pay bail granted to them by July 2007. An interim report will be submitted by DCS at the end of May 2007, indicating progress.

Section 77 and Section 78 of the Criminal Procedure Act

Section 77 and Section 78 allow for a court to issue a directive for an accused to be referred for observation by a psychiatrist for a period of 30 days in a mental institution.

Lack of capacity, in terms of bed space, at the institutions results in extensive delays in the trials of ATD's. Resolution of this issue will result in a reduction in ATDs in prison.

Payment of bail at any Magistrate's Court nationally.

Currently an ATD can only pay bail at the court where he/she is being held. This creates problems when a family member who lives far away wants to pay the bail, but can only pay the bail at the court where the ATD's case is heard.

A system is currently being developed that will allow an accused or his family to pay his/her bail at any Magistrates' Court, nationally. The development of a solution and pilot site implementation will be completed in September 2007.

Roll-out of the system nationally at all Magistrates' Courts country-wide will be completed in March 2008.

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Office of the Director-General					
Policy Coordinating Unit	Legal Services Sector Charter to enhance access to legal services	Legal Services Sector Charter completed by November 2007	Draft Legal Services Sector Charter by June 2007	• Conceptual framework paper developed • Discussion document developed • Draft Legal Services Charter developed • National and Provincial Consultative Workshops held • Synthesis report developed • Conceptual framework for the Focus Working Group developed	
	Victims Charter- 5-year National Implementation Plan developed	- Toll free lines in all provinces in place by 2005/06 - Trained victims' assistance in place by 2007/08 - Continuous awareness of court users of their rights and court processes - Complaint mechanism - Feedback mechanism in place by 2006/07	Implementation of the Service Charter for Victims of Crime.	• Coordination of Inter Departmental Committee • Three workshops held to consider draft implementation plan • Stakeholder briefings held on the Service Charter for Victims of crime • Conceptualisation and planning done on the National Stakeholder Consultative Forum on the Victims Charter	
	Policy development and management framework	Fully functional Policy and Research Unit established by 2007/08	Development of a policy development framework to guide the formulation of policy that will precede legislation	• Assessed the law reform, legislative, policy research and development processes • Draft policy on research developed • Draft document on policy development processes developed • Draft policy development and management framework developed	Draft framework being discussed with branches of the Department
	Equality Review Committee (ERC)	Submission of quarterly reports to Minister	ERC Reports submitted to Minister	• Criminalised unfair discrimination Acts and conducts • Report on proposal of the Life Office Association (LOA) draft 9 • Monitoring report on the ERC draft 9	
	DoJ&CD Disability Framework	Disability framework	Draft Disability Policy	• Reviewed policy and legislative framework in Department • Draft Disability Policy developed • Draft Disability Policy circulated for inputs and comments	Consultation process is under way

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Office of the Director-General					
	South African Law Reform Commission Analysis Reports	Input on policy positions on recommendations	Policy considerations	• Guidelines to facilitate interaction between PCU and Legislation • Drafting Unit: - received briefing from law reform researchers on the following reports:-privacy and data protection; interpretation of statues; domestic partnership; Legislation consolidated pertaining to international cooperation in civil matters; protected disclosure; and trafficking in persons	
	DoJ&CD Mini Drug Master Plan	DoJ&CD Mini Drug Master Plan by 2007	Draft DoJ&CD Mini Drug Master Plan	• Established a DoJ&CD Mini Drug Master Plan Forum • Audit was conducted on work undertaken by branches • Draft Mini Drug Master Plan developed	No consultation on the draft has taken place yet
	White Paper on the Transformation of the Legal Profession to have a policy basis for the Legal Practice Bill	Draft Policy Framework on the Transformation of the Legal Profession	White Paper on the Transformation of the Legal Profession by 2007/08	• Research undertaken • Literature review undertaken • Research report completed • Draft policy framework completed	
	Evaluation of Gender Policy	Revision of Gender Policy	A Revised Gender Policy by 2007	• Tender advertised, preferred bidder selected and interviews conducted with selected preferred bidders • Service level agreement drafted with preferred bidder	
	Gender Mainstreaming Project	Develop a Gender Mainstreaming Strategy	Gender mainstreaming strategy by 2006/07	• Six research reports and guidelines on gender mainstreaming published • Women's human rights resources book published • Tender on training of DoJ&CD managers (SMS and MMS) on gender mainstreaming issued • Conceptualised and planned the gender mainstreaming workshop	

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Office of the Director-General					
	Jurisprudence of Equality Programme	Jurisprudence of equality training manual for the Association of Women Judges	Jurisprudence of equality training manual	• A women human rights resource book and JEP training manual were developed • Draft of JEP training manual developed	
	Customary Law Project	Consultations in all provinces	Report on the implementation of the Recognition of Customary Marriage Act	• Eight Workshops were conducted in two provinces (four workshops per province for traditional leaders in Limpopo and the Eastern Cape) • Draft report completed on the implementation of this topic	
	Family Court Project	Survey conducted	Automated Family Court System	• Outsourced the development of the interface and business case • Conducted a survey on the readiness of the Maintenance Court for the pilot	
	South African Women Lawyers Association (SAWLA)	South African Women Lawyers Association (SAWLA) established	Launch of SAWLA	• Launched and hosted the SAWLA National Indaba • Developed an icons exhibition placed at the National Museum • Facilitated the hosting of the SAWLA provincial workshops in all nine provinces • Develop business plan for SAWLA • Forged partnerships with tertiary institutions	
	Draft Bills on the transformation of the judiciary	The 14th Constitutional Amendment Bill, the Superior Courts Bill and Justice College Bill containing policy on the rationalisation of the courts, governance framework for the judiciary and judicial education	Promulgation of the Judicial Education Institute Bill by 2007/08 Judicial	• Policy aspects contained in the Bills were further discussed and Bills were reviewed by the Judicial Service Commission • Constitutional Amendment Bill and the Judicial Education Institute Bill finalised and approved by Cabinet	The Minister took a decision to develop a consolidated policy paper to initiate a dialogue on the policies contained in the justice bills
	Consolidated Policy on the Transformation of the Administration of Justice	A framework for the consolidated policy framework	Framework by 2006/07	A framework for the Consolidated Policy Paper finalised and approved by February 2007	

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Office of the Director-General					
		A consolidated policy framework by 2007/08	Draft discussion paper approved by Cabinet by end of 2007/08	Research for the consolidated policy framework completed and draft will be finalised November 2007	
		Consultation of Draft Discussion paper with stakeholders	Reports on inputs from consultations by 2007/08	Consultations with internal and external stakeholders were scheduled for 2007/08	
	Increasing the pool for appointment of female judicial officers	Special programme to increase the pool for appointment of female judicial officers	Increase the number of women on the high court bench	23 women selected to undergo judicial education programme in 2007/08 to enhance their opportunity to be appointed to act in the High Courts	
	Re-alignment of jurisdictions of Magisterial Courts	Increase jurisdiction of lower courts to deliver full range of services	Realignment of the 366 magisterial districts, 90 Branch Courts and 230 Periodical Courts with the constitutional dispensation by 2007/08	• Provincial consultations with Justice, Crime Prevention and Security Cluster Departments completed by March 2007 • 24 Branch Courts were analysed (in terms of population, workload and infrastructure) and they are ready for proclamation in 2007/08 • An analysis of the outstanding 66 Branch Courts and 230 Periodical Courts commenced and will be completed by 2007/08	
	Transformation of the traditional justice system	A new legislative framework for the establishment and functioning of traditional courts by 2007/08	Draft framework and legislation for traditional courts by September 2007	• Finalised desktop research and concept framework • Consultations with Institution of Traditional Leadership on-going and will be finalised by July 2007 • Draft framework for submission to Cabinet will be finalised after the consultations	Substitute legislation for the repealed Black Administration Act needs to be enacted before end of September 2007

B. OFFICE OF THE CHIEF OPERATIONS OFFICER

The Office of the Chief Operations Officer provides support to the Director-General. The office is made up of four Chief Directorates; Strategy Monitoring and Evaluation, Programme Support and Administration, Risk Management and the Truth and Reconciliation Commission (TRC) Unit.

i) Strategy Monitoring and Evaluation

The Chief Directorate: Strategy Monitoring and Evaluation is responsible for monitoring and evaluating the implementation of the Medium-Term Strategic Framework 2005/06 - 2008/09 (MTSF). The Chief Directorate is also responsible for the production of the annual report, providing decision support and secretarial support to the Director-General, the Chief Operations Officer, the Executive Committee (EXCO) and other governance forums. The Chief Directorate also assist the Department in planning its MTSF Implementation Plan (action and business plans).

The chief directorate's objectives are to:

- make strategy everyone's everyday job;
- translate strategy into operations;
- make strategy a continuous process;
- provide efficient decision support.

In the past year the Chief Directorate has achieved the following:

- Produced the end of the year Matrix Implementation Report for 2005/06
- Produced quarterly reports for 2006/07
- Developed Performance Indicator Metrics to monitor quarterly reporting
- Sourced and developed an IT solution to monitor the implementation of the MTSF
- Validated MTSF reports with all relevant branches and units to confirm the reliability and integrity of data
- Presented all quarterly reports to the Executive Committee of the Department
- Developed a strategic planning cycle for 2006/07
- Developed a departmental activity calendar, including the executive Committee's year calendar
- Assisted in producing reports on the Department's implementation of the African Peer Review Mechanism (APRM) and the Government Programme of Action (GPoA)
- Promoted the MTSF to all branches and regions
- Held seminars with branches and regions to increase ownership and enable implementation of strategy
- Produced and distributed MTSF handbook
- Produced and distributed the MTSF-on-chart
- Coded the MTSF to assist in reporting and report tracing
- Produced a workspace for MTSF on the Department's Intranet to be accessible to all employees of the Department
- Collaborated with the Risk Management Chief Directorate to integrate MTSF implementation reports
- Initiated and collaborated with the office of the Chief Financial Officer to align the MTSF and MTEF
- Developed a strategy action plan
- Aligned branch and regional action plans to the MTSF
- Aligned performance agreement to MTSF
- Developed and implemented the strategy monitoring and evaluation Chief Directorate
- Developed a template to assist managers to plan their unit's MTSF implementation
- Provided efficient decision support to DoJ&CD Executive Committee, DoJ&CD Senior Management Forum, DoJ&CD and NPA Joint Executive Committee, Extended Executive Committee, EXCO Subcommittees, and DoJ&CD and NPA Extended Joint Committees.

The Unit is also progressing well on the project to align the MTSF and MTEF for the forthcoming financial year.

ii) Programme Support and Administration

The Chief Directorate focused on the following areas during the reporting period:

- The establishment of a National Operations Centre (NOC) which collects and analyse the Department's operational information
- The establishment of a Programme Management and Donor Funds Directorate which is aimed at providing co-ordination on management of donor funding

- Establishment of the 2010 World Cup Project Office aimed at ensuring the achievements of FIFA requirements regarding Justice

iii) Risk Management

The Deputy Directors-General, Chief Operations Officer and Chief Financial Officer of the Department are the members of EXCO that is chaired by the Accounting Officer. The powers, roles and responsibilities of EXCO members are derived from:

- the Public Finance and Management Act (PFMA) encompassing the National Treasury Regulations;
- the Protocol on Corporate Governance in the Public Sector; and
- the King II Report on Corporate Governance

The EXCO members have the overall responsibility for ensuring that the Department has an appropriate system of controls, financial and other. They are also responsible for ensuring that proper accounting records are kept, which disclose the financial position of the Department, and ensure that the annual financial statements comply with relevant applicable standards such as Generally Recognised Accounting Practice (GRAP) and Treasury Regulations.

They are also responsible for the prevention and detection of fraud and other irregularities. During the year under review, the Anti-Fraud and Corruption Plan was developed and approved. The plan is now being implemented. The Department subscribes to the National Anti-Corruption Hotline, where matters of fraud and corruption may be reported in strict confidentiality by any member of the public.

The EXCO members introduced a formal risk management process to assess the Department's risks and implement risk management strategies. During the year under review, the approved risk management structure was populated, and the approved Risk Management policy and strategy are being implemented. A comprehensive operational risk assessment exercise was conducted throughout all the Department's Regional Offices, with all managers participating in identifying, and risks assessing and developing plans to address significant risks that could negatively affect the achievement of the set objectives for the period under review. The plans were integrated into the risk plans developed at the national office. The strategic risks were identified and management processes to mitigate these risks are ongoing. All managers in the Department have been involved and have participated in the process of risk management.

The Accounting Officer is responsible for the governance of the Department. A framework of corporate governance was developed to facilitate processes of governance in the Department. There are different structures of governance that are already operating in the Department to enhance good governance; and more structures are being established for further improvement in this regard.

iv) Chief Directorate: Truth and Reconciliation Commission

The TRC Chief Directorate reports under Programme 5: Subprogramme: President's Fund.

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Office of the Chief Operations Officer					
Strategy Monitoring and Evaluation	Monitor the implementation of the DoJ&CD Strategy	Produce EXCO-approved quarterly reports on the implementation of the MTSF	Quarterly progress reports on the implementation of the MTSF	• The Strategy Implementation Action Plan was produced and approved • All four quarterly reports were produced and approved by EXCO	
	Finalise the establishment of the Strategy Monitoring and Evaluation Unit	All posts to be filled against approved structure	Approved structure	The structure of the Unit was approved on 15 May 2006	
			All posts filled	• All approved posts were advertised. • The following posts were filled: Three Deputy Directors (Two for Strategy Monitoring and Evaluation and one for Decision Support). Interviews are currently being conducted for Assistant Director posts. The posts of Directors were delayed owing to the restructuring in the office of the COO	• No suitable Assistant Directors were identified in the recruitment process • Posts were re-advertised in January • The advertisement and interviewing of the Directors post are in progress
	Provide decision support to EXCO and SMF	Provide secretarial services	Secretarial services provided to EXCO, Joint EXCO, Joint Extended EXCO and all other EXCO subcommittees, including Senior Management Forum	• Coordinated and hosted leadership conference to focus on improvement of service delivery • Provided decision-making support to extra EXCOs; EXCOs Joint EXCO; Joint Extended EXCO and subcommittees • Provided decision-making support by: - Progressively improved production of minutes - Sourcing and preparing external and internal venues for meetings - Provided assistance on the implementation of decisions - Preparation and distribution of files • Document management on all decisions and records • Provided assistance to Directorate: Corporate Governance Committee • Provided assistance to Directorates dealing with The APRM and GPoAs	

Programme Performance

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Office of the Chief Operations Officer					
Programme Support and Administration	To provide programme support and administration	Establish a central location for collection, analysis and dissemination of operational data for the Department	Established National Operations Centre (NOC)	• The DG approved the structure for the NOC • A process of design for the NOC was started and piloted at two sites • The design will be rolled out after completion of pilot	
		Unit to provide coordination on management of donor funding	Established Programme Management and Donor Funds Directorate	• Structure was approved by DG • The Chief Directorate will be established and posts filled	
		Preparation of service points for the smooth administration of justice services during the 2010 FIFA World Cup	Established 2010 World Cup Project Office	• The Project Office was established and staffed • A Project Plan was drawn up and project management structures were set up	
		Administrative support to re-established regional offices	Facilitated communication between regions and OCOO	Regional Offices are continuously supported and open lines of communication were established through monthly meetings and communiqués by the Chief Directorate: Programme Support and Administration	
Risk Management	Implementation of the risk management process	Facilitation of integrated Risk Management Plan	100% management involvement in risk management	• The Risk Management Policy and Strategy were developed and approved • Risk Management structure was developed and approved and senior positions were filled • Awareness sessions were completed • Risk assessment was completed and a draft risk register will be discussed at a planned workshop	HR delays in filling positions
		Development and installation of the Electronic Risk Management System	Risk management system developed and installed	Barnowl Risk Management System was installed on the DoJ&CD network and training will take place in the fourth quarter	Development and installation of the Electronic Risk Management System
	Integrity management enhancement of the capacity of the Chief Directors are to deliver on the Integrity Management Strategy and Plan	Advertise and fill vacant posts	All funded positions to be advertised and filled	• 14 - positions vacant • two - positions filled • six - positions unfunded	HR delays

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Office of the Chief Operations Officer					
	Implementation of the Anti-Fraud and Corruption Plan	Full compliance with the minimum anti-corruption capacity requirement	Preventing corruption	• Anti-Fraud and Corruption Plan has been finalised and approved • The pre-employment screening procedure for potential new employees and contractors was developed and is due for implementation • The confidentiality agreements process was established and implemented • The financial disclosure procedure was implemented (HR) • The awareness campaigns and training programmes are continuous	Budget constraints to roll-out the awareness to regions
		Full compliance to the minimum anti-corruption capacity requirement	Detecting corruption	• The department subscribes to the National Hotline: 0800 701 701 (toll-free) • The Whistle-Blowing Policy is under development to encourage a culture for reporting suspected wrong-doing	
		Full compliance to the Minimum Anti-corruption Capacity Requirement	Investigating corruption	Investigation of reported cases are being conducted (Internal Audit – Forensic Investigation)	
		Full compliance to the Minimum Anti-corruption Capacity Requirement	Resolution	Disciplinary actions are being taken where necessary in all investigated cases (Employee Relation Unit)	
		Full compliance with the minimum anti-corruption capacity requirement	Establish Anti-Corruption Committees	Terms of reference for the Anti-Corruption Committees was drafted and is currently under discussion	Budget constraints and lack of capacity
	Revisit and review the current Vetting Policy	Align the Vetting Policy with the MISS and get approval	Reviewed and approved Vetting Policy	The policy was reviewed and is still being discussed with NIA, but not yet approved	Lack of capacity
	Development of the databases for vetting and anti-fraud and corruption	Sourcing expertise to develop the databases	Vetting and anti-fraud and corruption database developed	Databases not developed	Budget constraints
	Security Management Provided security services and guarding services outsourced	Services providers were appointed to render the guarding services to sites: RFB 2004 11: 122 Offices (31 March 2007) RFB 2004 29: 90 Offices;(31 March 2007) RFB 2006 07: 164 Offices; (31 March 2008)	KwaZulu-Natal: 88 Eastern Cape: 81 Gauteng: 53 Mpumalanga: 30 Western Cape: 37 North West: 13 Limpopo: 38 Free State: 24 Northern Cape: 12	Not all the offices in the Department received guarding services in the 2006/07 financial year	Additional financial resources needed for the 2007/08 financial year

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Office of the Chief Operations Officer					
	Provide security services: cash-in-transit outsourced	Services Providers were appointed to render the cash-in-transit service(s) to sites: RFB 2006 08; 346 Offices: (31 March 2008)	KwaZulu-Natal: 73 Eastern Cape: 52 Gauteng: 48 Mpumalanga: 44 Western Cape: 46 North West: 17 Limpopo: 31 Free State: 10 Northern Cape: 25	The requested target was met	Cash-in-transit services will be increased in the 2007/08 financial year

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Office of the Chief Operations Officer					
	Infrastructure: physical security	The planning of physical security (building) for 2006/07 financial year	**Gauteng: Magistrates' Offices:** Oberholtzer, Germiston, Tsakane, Kagiso, Pretoria-North, Beeld Park Building, Pretoria, Randburg, Pretoria: Commercial Crime Court, Heidelberg; and High Court: Pretoria, Johannesburg **Mpumalanga: Magistrates' Offices:** Kriel, and Enkangala **KwaZulu-Natal: Magistrates' Offices:** Madadeni, Mtunzini, Port Shepstone, Greytown, Nkandla, and Colenso **North West: Magistrates' Offices:** Taung, Bothithong, Delereyville, Wolmaransstad, Christiana, and Ventersdorp **Northern Cape: Magistrates' Offices:** Galeshewe and Colesberg **Eastern Cape: Magistrates' Offices:** Motherwell and Nerina (Place of Safety) **Free State: Magistrates' Offices:** Odendaalsrus and Appeal Court: Bloemfontein **Western Cape: Magistrates' Offices:** Vredendal and Ceres **Limpopo: Magistrates' Offices:** Soekmekaar and High Court: Polokwane	Target was met	Additional financial resources needed for the 2007/08 financial year
	Security equipment: X-ray machines and metal detector(s)	Provide the mentioned Security equipment to offices	50 X-ray machines: KwaZulu-Natal: 8, Eastern Cape: 7, Gauteng: 8, Mpumalanga: 4, Western Cape: 4, North West: 5, Limpopo: 4, Free State: 5, Northern Cape: 5 200 Walkthrough metal detectors: KwaZulu-Natal: 33, Eastern Cape: 35, Gauteng: 46, Mpumalanga: 12, Western Cape: 31, North West: 19, Limpopo: 7, Free State: 12, Northern Cape: 5	Target was met	Additional financial resources needed for the 2007/08 financial year
	Security equipment matrix and card reader system	Service providers were appointed to install the mentioned security equipment	Pretoria and Cape Town Ministry Offices	Pretoria was completed, and Cape Town will be completed during the 2007/08 financial year	Funds for the service need to be made available for the 2007/08 financial year

C. CORPORATE SERVICES

i) Office of the Chief Financial Officer (CFO)

The Public Finance Management Act and the National Treasury Regulations define the role of the Chief Financial Officer to be one of assisting the Accounting Officer with the effective financial management of an institution, including:

- exercising sound budgeting and budgetary control practices;
- operation of internal controls; and
- timely production of financial reports.

To this end, the Office of the CFO endeavours to promote and achieve best practice public financial management, and in so doing, ensure effective justice service delivery.

Ultimately, this office aims to ensure financial compliance with legislation and regulations, thereby securing no audit qualifications (a critical indicator of compliance) in all audit reports issued by the Auditor-General.

In an attempt to achieve the aforementioned, the following areas likely to result in an audit qualification were identified and action plans to address these matters were implemented:

Vote account: Monies in Trust (revenue not surrendered)

In addition to being in constant communication with the Accountant-General and the Auditor-General to obtain clarity and guidance on the way forward in this regard, this matter was referred to the State Law Adviser for a legal opinion.

Asset management

An Asset Management Policy was compiled and included in the Departmental Financial Instructions, whilst a Supply Chain Management Policy is currently being drafted and will be finalised on or before 30 June 2007.

Budget management

To ensure expenditure is within budget allocations and in accordance with the purpose of the allocations, quarterly budget review meetings are held. Early warning systems are in place to detect possible under or overspending, misallocations etc and necessary interventions are thus made timeously.

Monies in Trust (MMT) Public-Private Partnership

The overall objective of this project is to improve service delivery to internal and external (maintenance beneficiaries) clients within a sound system of financial management and reporting. The request for proposals was issued on 6 October 2006, and the evaluation of proposals subsequently commenced on 27 March 2007.

Guardians' Fund Accounting Turnaround Project

The Auditor-General failed to express an opinion on the financial affairs of the Guardian's Fund for the year ended 31 March 2005/06. To ensure the production of unqualified financial statements that comply with GAAP on the activities of the Guardian's Fund the Office of the CFO has engaged high calibre professional financial and accounting experts to assess and formulate a comprehensive master plan to elevate the financial and accounting environment.

In conclusion, the Office of the CFO is committed to building financial management capacity throughout the Department, and therefore continues to be involved in capacity-building programmes, such as the University of Cape Town Executive Programme in Management Accounting and the Honours Degree Course in Cost Management.

ii) Human Resources

The Human Resource Management Chief Directorate had a very challenging year with three vacant positions at senior management level. Despite this huge challenge, the Chief Directorate managed to carry out its mandate in most of its sub-units. All human resources policies were reviewed and are in the process of being finalised.

The Value-added Services (VAS) Chief Directorate implemented strategies to improve, amongst others, the turnaround time of the handling of misconduct cases, and grievances and disputes. To this end, the Chief Directorate issued an Employment Relations quick guide to expedite the understanding of responsibilities in dispute handling within the Department.

There has been an increase in senior managers who signed performance agreements, and training of managers and supervisors in performance management soft skills is currently being planned to create a culture of performance management throughout the department. The Employment Equity Plan was signed and displayed, as required by the Employment Equity Act, and the Employment Equity report has been submitted to the Department of Labour.

The Key Accounts Chief Directorate filled important positions that were vacant for almost a year. Those positions are very important in the delivery of human

resource products and services to branches to ensure a one-stop service. The change management strategies were put in place and branches were helped though their transformation processes with change interventions. Preparations for part 2 of the management programme (strengthening of the departmental leadership and management competencies) are underway.

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

The major challenge faced by the CMC is management information systems and the credibility of management reports. In order to address this, the CMC embarked on an establishment audit in consultation with the office of the CFO to ensure the availability of updated and accurate information for management purposes.

Other initiatives undertaken by the centre include strategies on reducing the turnaround time on recruitment, which is currently reduced to an average of four months. This initiative is continuing to reduce the turnaround times to three months or less.

Lastly the centre undertook to improve the management of bursaries and to ensure that the awarding of bursaries is aligned to departmental skills needs. The implementation took place in the last financial year, which identified skills needs and shortages. Bursaries were awarded accordingly.

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Human Resources					
Value added Services	Employee relations	Effective workplace relations	• Training of investigating officers and presiding officers • Issued employment relations quick guide for managers	• Employment Relations quick guide issued • Investigation officers trained • In-house labour law developed	
	Organisational development	• Employment assistant programme • Employment equity and change management	Change Management strategy	Achieved and ongoing	
		Employment Equity	Provided assistive devices for employees with disabilities	Ongoing	
		Wellness and HIV/AIDS management	Appointment of HIV/Aids peer educators	Training to start soon	
	Business Improvement Initiative	Optimised business processes	Work study, job evaluation, organisational design, norms and standards and job profiling	In progress	
	Learning and development	A competent work force empowered through skills development	• Skills for front-line service delivery staff • Learnership and internships • Management and leadership programmes	Achieved	
	Performance management	Improved management system	• Compliance to Department of Public Service Administration (DFSA) and departmental policy • Development of procedure manuals • Outstanding performance of SMS members	Tender advertised for a service to do performance management training for all employees	
Customer Management Centre	Specialist hub	Management use of temporary staff.	Temporary staff appointed against post capped for a maximum of six months before posts appropriately filled.	Ongoing	
		Human Recourse Plan (HRP) established	Recruitment activities aligned to the competences as per HRP		
		Management of vacancies	• Vacancy rates were maintained at 15% and below, and areporting mechanism for vacancies was developed • Availability of data on contract extensions – database on non-permanent resources was created	Ongoing	
		Human capacity to deliver justice mandate	Vacancies filled within three months of occurrence	Ongoing	
		• Development of internal capacity • Study assistance aligned with departmental capacity needs	Awarding of study assistance to skills areas relevant to departmental priorities	Ongoing	

iii) Public Education and Communication Services (PEC)

The Public Education and Communication Chief Directorate consists' of four directorates, namely Media Services, Public Education and Liaison, Corporate Affairs and the Publications Unit. The Chief Directorate was also responsible for the management of the Office Services component, comprising Registration, Messenger, Telephone, Reproduction, Reception Services and Archives.

Community outreach campaigns on various justice-related matters were conducted on a continuous basis, and reached disadvantaged communities in the most remote areas of the country. Topics dealt with *inter alia* include maintenance *(*Operation *Isondlo)*, domestic violence, Equality Courts, and Small Claims Courts.

The Chief Directorate also participated in various inter-departmental justice services fairs, bringing JCPS-related services closer to the communities. Fairs included exhibitions, the dissemination of information and general networking with the public at large. In addition, the Events Management Team organised or participated in numerous high-profile events, such as Child Protection Week, the 16 Days of Activism for No Violence against Women and Children-campaign and the National Day of Reconciliation celebrations at Freedom Park, and the national launch of the Legal Services Sector Charter, as well as related provincial workshops throughout the country. The Chief Directorate was further involved in the launch of the Justice IT Highway-project, profiling innovative IT applications that benefit the public at large. Preparations were furthermore under way to exhibit at, and participate in the Rand Show.

The Chief Directorate was responsible for organising the International Gender Justice Conference on advancing gender justice in conflict-affected countries.

Throughout the period under review, dissemination of departmental information took place on a large scale in the form of, among others, printed material, participation in community radio stations, magazine articles, the departmental website and intranet. Media Services also reached its goal of developing and improving relationships with the media and advising management on key media-related issues. The newsroom was expanded and vacancies in this section were filled. Several communication strategies on *inter-alia* the Master of the High Court, the Promotion of Administrative Justice Act (PAJA) and constitutional education and human rights were furthermore developed to aid the flow of information to the public. Such strategies are in various stages of implementation. The departmental branding manual was furthermore developed during the year under review.

PEC experienced problems that affected on performance, including a lack of funding for operations and the filling of posts on its approved structure. Although substantial progress has been made in this regard, some key posts were vacant during the period under review. Despite these obstacles in the way of optimal performance, the Chief Directorate managed to successfully carry out its mandate in the period under review.

iv) Information and Systems Management

For a detailed report on this Chief Directorate, please see Programme 5: Auxiliary and Associated Services.

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Public Education and Communication Services					
Corporate Affairs	Internal communication: communicate government and departmental programmes to staff, eg State of the Nation Address, Access to Information, Equality Courts, maintenance, domestic violence, 16 Days of Activism for No Violence Against Women and Children	Well-informed staff on government and departmental policies and programmes through information sessions	10 information sessions	Achieved	
	External communication through:				
	Marketing and promoting the Department	Organising open court days	Court openings, Presidential *Imbizo*, Ministerial *Izimbizo*, school visits and exhibitions	Achieved	
	Showcasing service delivery	Organising functions for official opening of courts	Court openings and open Court days	Achieved	
	Events management	Organising of functions and activities as and when required	Three justice services fairs	Achieved	
	Raising awareness on justice-related matters	Distribution of information to different individuals, organisations and tertiary institutions, and presentation of information sessions		Achieved	
	Exhibitions	Intersectoral marketing of services of JCPS Cluster and stakeholders to the members of the public – participation in the Rand Show and Pretoria Show	Publicity material produced and information sessions arranged on domestic violence, the Master's Division etc	Achieved	
Media Services	Newspaper clipping service	News clippings daily	Daily	Daily	
	Media trends: strategic analysis of media news with the objective of informing the principals	Repackage publications and improve on the design	Informed principals on the consequences of media coverage, both positive and negative and advise on possible action	Achieved	
	Media enquiries: - develop one-on-one relationships with members of the media	• Exchange of information with the media • Target a particular group of journalists who deal with justice-related issues	• More coverage of Department's issues and empowered relationships with the media • More enquiries from the media handled effectively	550 enquiries dealt with	

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
	Press statements, press conferences, seminars, radio and television interviews	Improve on tailor-made packages for conferences and seminars	• More requests from Department's Clients for assistance • Clients' knowledge of Department's business • More enquiries from Department's external Clients	• 122 press statements issued • Five media conferences held • 32 radio and television interviews arranged	
	Feature articles: large penetration of the existing markets	Submission of articles to various publications on a regular basis	• Developed our relationships with journalists • Targeted magazine editors to ensure appearance of articles	• 22 featured articles and • 35 adverts and advertorials placed	
Publication (electronic)	Restructuring, maintaining and updating departmental website	Constant updating of site with new and relevant information in user-friendly manner	• User-friendly website • Improved hits on site	Completed with additional sites for equality legislation, Courts, Family Advocates, ALRAESA (Association of Law Reform Agencies of Eastern and Southern Africa), SALRC (South African Law Reform Commission) and the Supreme Court of Appeal	
	Content management of intranet and design, drafting of further specifications	• Design of intranet web pages to facilitate and enhance free-flow of information • Compiling of branch specifications	Interactive intranet sites (DJINI)	Pilot project rolled out to all active Digital Nervous System sites	
Publication	Annual Reports: DoJ&CD, SALRC, Judicial Service Commission, Third Party Funds, Guardian's Fund	Copywriting, layout and publication and distribution to Parliament of attractive and user-friendly annual reports	1 500 of each delivered	Achieved	
	Compilation of copy for South Africa Yearbook	Copywriting of inputs and forwarding of information to Government Communication and Information System (GCIS) for publication	Input approved by GCIS	Achieved	

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
	Promotional material to enhance public awareness of days of national celebration and campaigns, eg constitutional learning materials in all official languages and Braille, Service Charter for Victims of Crime, Equality Courts, Office of the Family Advocate, maintenance and Operation *Isondlo* material	The design, layout and production of exhibition material, posters, pamphlets, flyers, banners, t-shirts and other promotional items, etc	Printed and promotional material produced and distributed to identified stakeholders	Achieved	
	Public awareness of departmental initiatives and human rights issues	Development and production of exhibition material for community outreach programmes	Exhibitions on, eg human rights, maintenance, etc	Achieved	
	Redevelopment and maintenance of the DoJ&CD website, and maintenance of the DoJ&CD intranet, the government gateway portal, the Supreme Court of Appeal website, the Hague Convention website	The development and content management of the aforementioned websites	Informative websites	Achieved	
Public education and liaison through: community education with organisations	To build public confidence in the administration of justice by uplifting communities by educating members of the public on legal and constitutional matters and the services offered by the Department	Workshops, information sessions, presentations, youth camps on topics relating to the Constitution and legislation and services provided by the Department	Conduct information sessions with the NGOs	Four information sessions held	
			Present workshops organised by NGOs at their communities	Seven workshops conducted with various NGOs	
		Outreach to be conducted in the previously disadvantaged areas with the previously marginalised communities, eg women, children, the rural poor, etc	Conduct monthly outreach sessions with previously marginalised communities	Achieved	

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Community education, targeting the youth	To build public confidence in the administration of justice by uplifting communities through education on justice-related matters and children's rights awareness	Workshops, information sessions, presentations, open court days, school visits, youth camps on topics relating to the Constitution and legislation and services provided by the Department	Visits to schools to inform children of maintenance and domestic violence procedures (Child Protection Week)	• Two Youth Camps were organised • 10 School visits were arranged - Workshops conducted with children and youth at primary and high school and tertiary institutions	
Community outreach	Marketing of court services	Arranging open court days to view: • Intermediary services • Sexual Offences Courts and Family Court	Four open days per year	Achieved	
	• Community involvement with court procedures to achieve an effective system of justice • Raising awareness on justice-related matters	Hosting of and participating in events and ensuring community involvement in celebrating days of commemoration, eg Women's Day, Children's Day, International Human Rights Day, Human Rights Day and 16 Days of Activism for No Violence Against Women and Children, Child Protection Week	• 15 events on 16 Days of Activism for No Violence Against Women alone • One event per day of commemoration	Achieved	
	Dissemination of information to the public following enquiries	Day-to-day response on enquiries from members of the public on diverse topics such as maintenance, domestic violence, recognition of customary marriages, human rights, Small Claims Court, Family Courts, sheriffs, legal aid, etc	Topics researched, information collated and disseminated on demand	Achieved	
	Informed communities utilising community radio programmes	Education on court services, relevant legislation, etc	Community radio stations include Lesedi FM, Legwalagwala Phalaphala and PM Live	Achieved	

D. BRANCH: JUSTICE COLLEGE

The Justice College is the official training arm of the Department and, as such, it is responsible for the training of all officials. During the period 2006/07 the College targeted and trained the following groups:

- Judicial officers of the Lower Court
- Prosecutors
- All officials from the Masters' Branch
- Interpreters
- Clerks of the Court
- Registrars of the High Court
- Family Advocates, Family Counsellors and Intermediaries
- Court and Office Managers
- Probation Officers
- Children's Court Assistants
- Maintenance Prosecutors
- Maintenance Investigators
- Family Advocates: Administrative Personnel

The college received a total budget of R51 029 000, which was used primarily for training purposes.

The budget breakdown is as follows:

MD: Justice College	R1,100,000.00
Chief Director: Justice College	R886,000.00
Private Law/Public Law (operational budget)	R17,339,000.00
Courses	R31,704,000.00
TOTAL	R51,029,000.00

In addition, United States Agency for International Development (USAID) made available an amount of R10 200 000 for the training of Magistrates on the new National Credit Act. These funds were not transferred to Justice College, but the relevant directorates' budget codes were utilised in defraying the costs.

In terms of its new structure, the college has two Chief Directorates;

- The Learning Faculty, consisting of the Prosecutorial, Legal and Leadership, Management and Administrative faculties; and
- College Support Services, which consists of the College Support and Communication and Marketing directorates.

In the year under review, the judicial training component surpassed the set targets by training approximately 100 Magistrates on the new National Credit Act, which is in addition to the annual work programme. Commercial crimes workshops for District and Regional Court Magistrates were held in addition to the annual work programme. A total of 120 attendees were trained during these workshops. Furthermore, three environmental crimes courses were conducted outside the annual work programme and 90 District Magistrates attended.

All of these achievements contributed towards the department's outcomes and impacted on the strategic priorities of the government in that the topics covered reflected areas of scarce and priority skills within the Judiciary.

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Justice College					
	Research, curriculum development, development of training material and presentation of courses	Percentage of courses conducted as per the official work programme under review	7 054 officials to be trained	7 289 officials trained	
	Management and quality control	Effective management and cost-effective office support services	Logistical support in respect of the presentation of centralised and decentralised courses	Target achieved in terms of work programme and budget parameters	
			95% utilisation of voted budgets	90% utilisation of voted budget funds	5% under-expenditure due to vacancies still to be filled by HR
	Transformation and restructuring	Fulfill initial phase of the transformation and restructuring mandate in terms of the MTSF	Prepare concept document for the transformed and restructured Justice College for the Minister's approval	• Concept document finalised and submitted to the Minister for approval • Implementation plan with structure prepared	
Magistrates	Courses presented as per work programme	74 training interventions	100% of courses to be conducted as per work programme	• 2 559 officials trained • 100% of courses conducted as per work programme	
Family Advocates	Courses presented as per work programme	Six training interventions	100% of courses to be conducted as per work programme	• 250 officials trained • 100% of courses conducted as per work programme	
Court and Office Managers	Courses presented as per work programme	Two training interventions	100% of courses to be conducted as per work programme	• 50 officials trained • 100% of courses conducted as per work programme	
Intermediaries	Courses presented as per work programme	11 training interventions	100% of courses to be conducted as per work programme	• 225 officials trained • 100% of courses conducted as per work programme	
Probation Officers	Courses presented as per work programme	Three training interventions	100% of courses to be conducted as per work programme	• 75 officials trained • 100% of courses conducted as per work programme	

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Justice College					
Clerks of the Court	Courses presented as per work programme	27 training interventions	100% of courses to be conducted as per work programme	• 910 officials trained • 100% of courses conducted as per work programme	
Registrars of the High Court	Courses presented as per Work Programme	Two training interventions	100% of courses to be conducted as per work programme	• 60 officials trained • 100% of courses conducted as per work programme	
Children's Court Assistants	Courses presented as per work programme	13 training interventions	100% courses to be conducted as per work programme	• 325 officials trained • 100% of courses conducted as per work programme	
Maintenance Prosecutors	Courses presented as per work programme	Three training interventions	100% of courses to be conducted as per Work programme	• 75 officials trained • 100% of courses conducted as per work programme	
Maintenance Investigators	Courses presented as per work programme	Two training interventions	100% of courses to be conducted as per work programme	• 50 officials trained • 100% of courses conducted as per work programme	
Family Advocates Office: Administrative Personnel	Courses presented as per work programme	Two training interventions	100% of courses to be conducted as per work programme	• 50 officials trained • 100% of courses conducted as per work programme	
Master's Office	Courses presented for Masters' Offices and Magistrates' Offices personnel	14 training interventions planned	100% of courses to be conducted as per work programme	• 329 officials trained • 100% of courses conducted as per work programme	
Prosecutors' Section	Courses presented for Prosecutors • Training material developed and updated	71 training interventions	100% of courses to be conducted as per work programme	• 2 011 officials trained • 100% of courses conducted as per work programme	
Interpreters' Section	Courses presented for Interpreters	11 training interventions	100% of courses to be conducted as per work programme	• 320 officials trained • 100% of courses conducted as per work programme	

2.10.2 Programme 2: Court Services

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

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

2.10.2.1 Service delivery objectives and indicators:

i) Court Performance

The statistics reflecting the performance of the courts during the period from April 2006 to January 2007 indicate the following:

During this reporting period, an average of 1 559 courts finalised 276 477 cases with a conviction rate of 85.7%. In addition a further 37 225 cases were diverted.

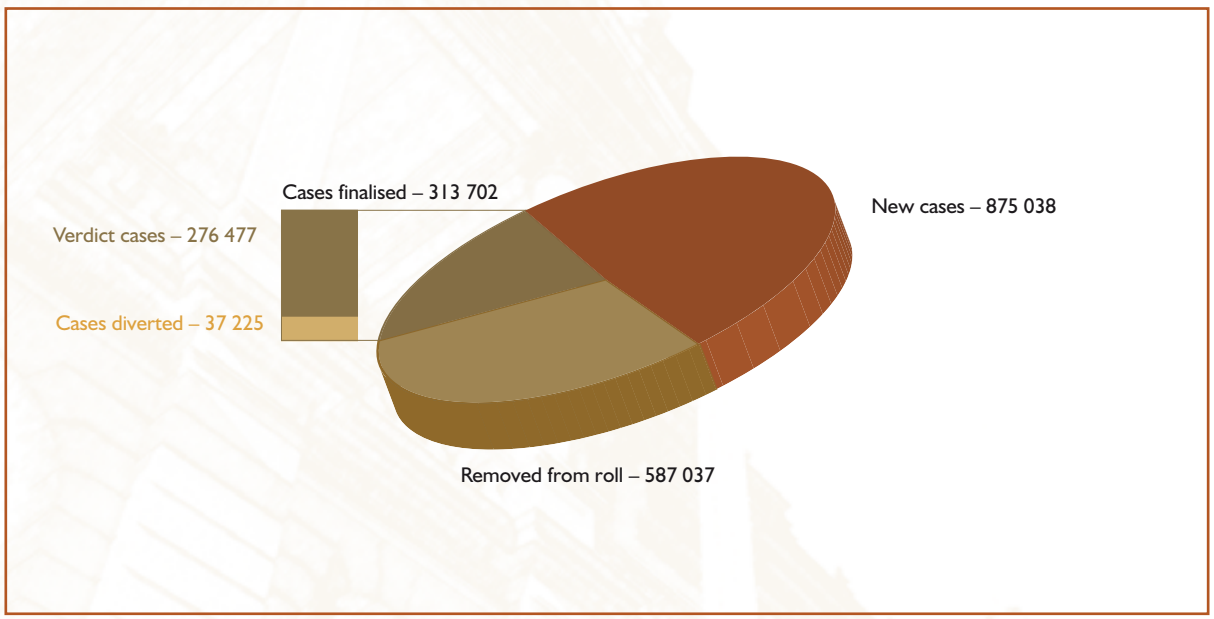


Figure 1: Court Performance

Figure 1 illustrates the flow of cases in the courts during the reporting period. At the end of January 2007, a total of 875 038 cases were enrolled, of which 587 037 were removed from the roll. The latter includes cases withdrawn, transferred, struck from the roll and warrants issued due to failure of accused to attend court sessions. The high number of warrants is a matter of concern with the highest number, 17 294, warrants issued during May 2006. A total of 7 092 fewer cases were withdrawn, which is a 2.2% decrease from the total of 255 486 withdrawn during 2005/06.

The court roll increased during 2006 from 205 361 to 210 685 cases, resulting in a 2.2% increase, the highest in three years. The cases exceeding a cycle time of 6 months has also risen to 36 559 cases from 34 111 recorded at the end of January 2006.

All courts managed an average sitting of 4h00 per day, which is a marginal decrease from the 4h05 managed during 2005/06.

Average court hours of all courts

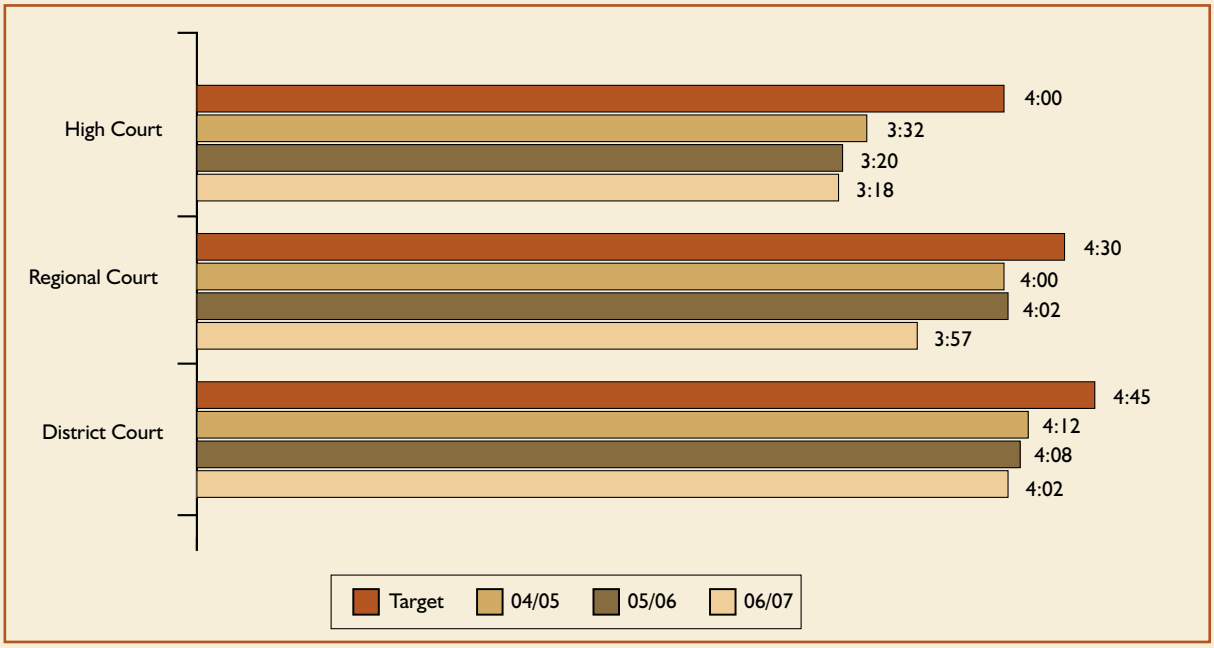


Figure 2: Average court hours of all courts

The effective utilisation of court hours remains a good indicator of the overall performance of a court. With the implementation of the case flow management system in the Lower Courts it has become increasingly difficult for prosecutors to ensure that court time is effectively utilised, as the scheduling of cases is now a function inherent to the judicial responsibility of the presiding officer. The District Courts average four hours, two minutes at the end of January 2007. A gradual decline is noted in the effective utilisation of court hours when the hours are compared to their achievements during the corresponding period of the previous two years.

New High Court cases

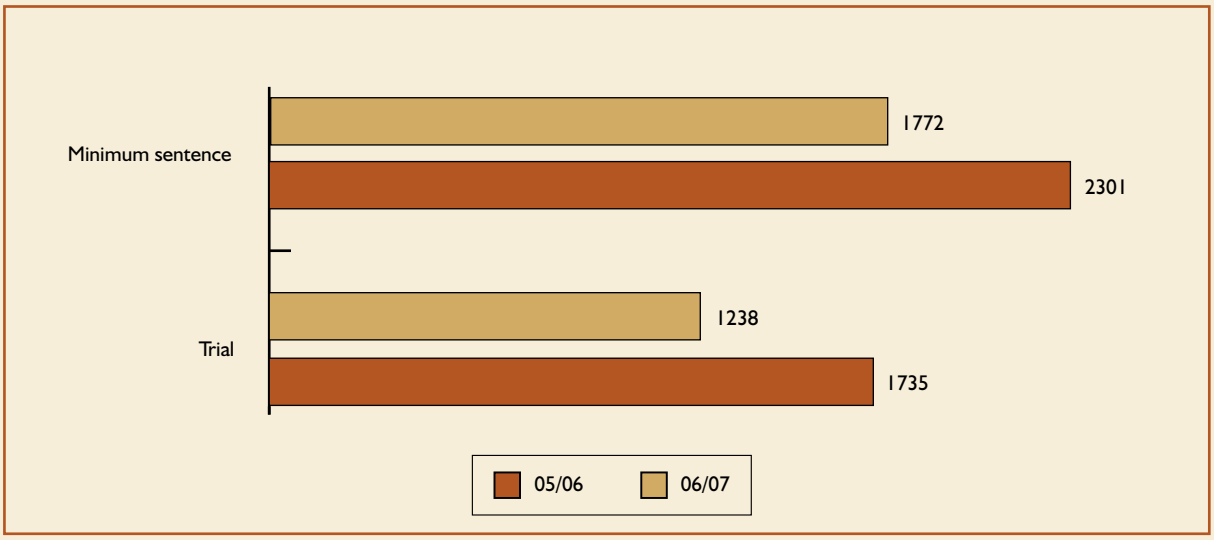


Figure 3: New High Court cases

The High Courts received considerably fewer new cases when compared to the previous year – 1 772 trial cases in 2006/2007 and 2 301 in 2005/2006. There was also a decline in the number of minimum sentence matters referred to the High Courts from 1 735 in 2005/2006 to 1 238 in 2006/07.

High Court finalisation rate

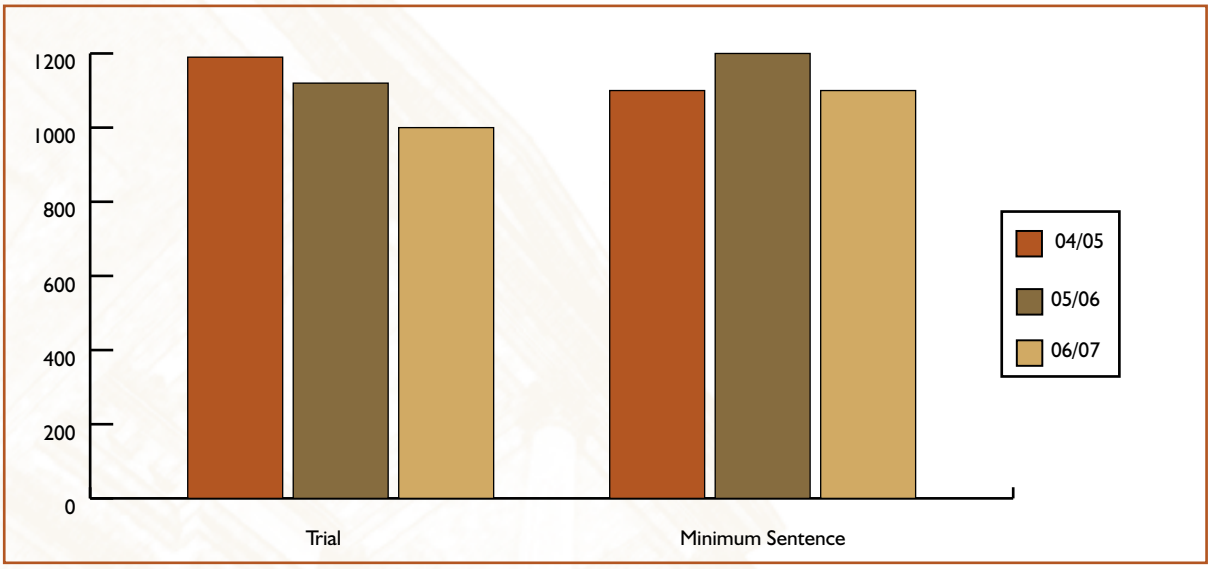


Figure 4: High Court finalisation rate

The number of cases, inclusive of trial and minimum sentence matters, decreased from 2 289 in 2005/06 to 1 973 in 2006/07. Efforts were made during the year to expedite cases, as well as older cases in the previous year, which appeared to have been successful. The following diagram indicates the percentage of cases finalised from the date of first appearance in the District Court. It is clear that 84% of cases had been finalised within three years of first appearance in the District Court, compared to a mere 53% during the previous year.

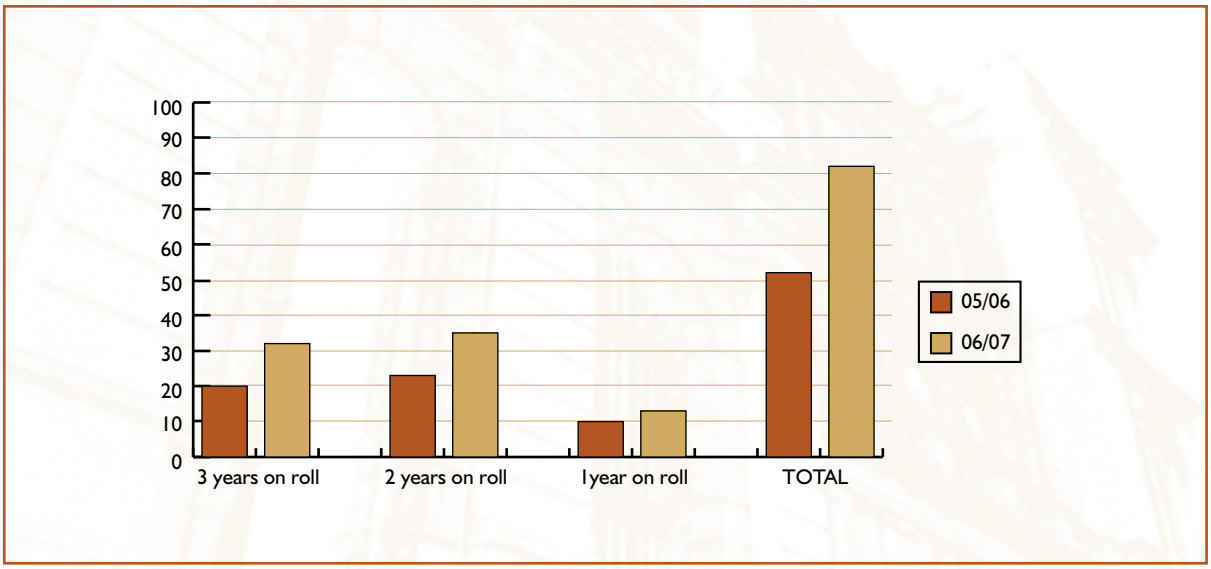


Figure 5: High Court Cases finalised from date of first appearance

Outstanding roll at High Courts

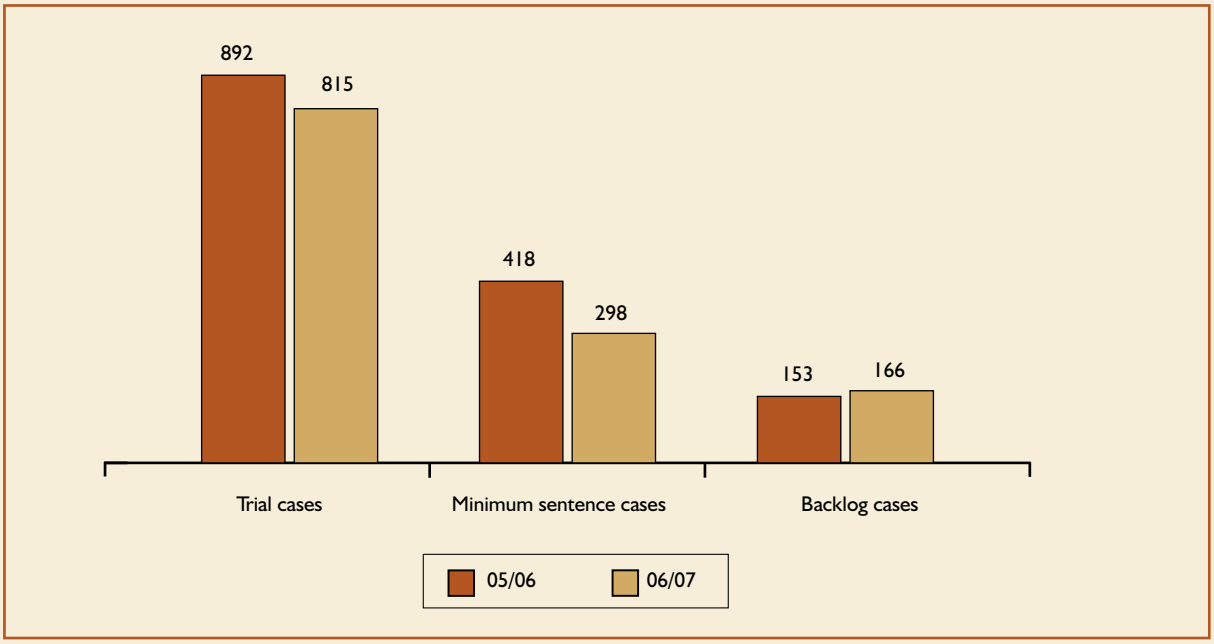


Figure 6: Outstanding roll at High Courts

For the first time since 1999, the outstanding roll of all courts reached the 210 000 mark. A concerted effort is required to effectively manage the disposal of cases. There are fewer cases on the High Court outstanding roll (815) than on the Lower Courts' rolls (the rest). Compared to the previous year, the District Courts managed to keep the number of outstanding cases under control. This could be attributed to the successful application of alternative dispute resolution processes.

The outstanding roll of trial cases in the High Courts decreased from 892 to 815 cases. The number of outstanding cases referred for sentence decreased from 418 to 298 cases. The number of backlog cases increased with 11.7% from 153 to 166 cases.

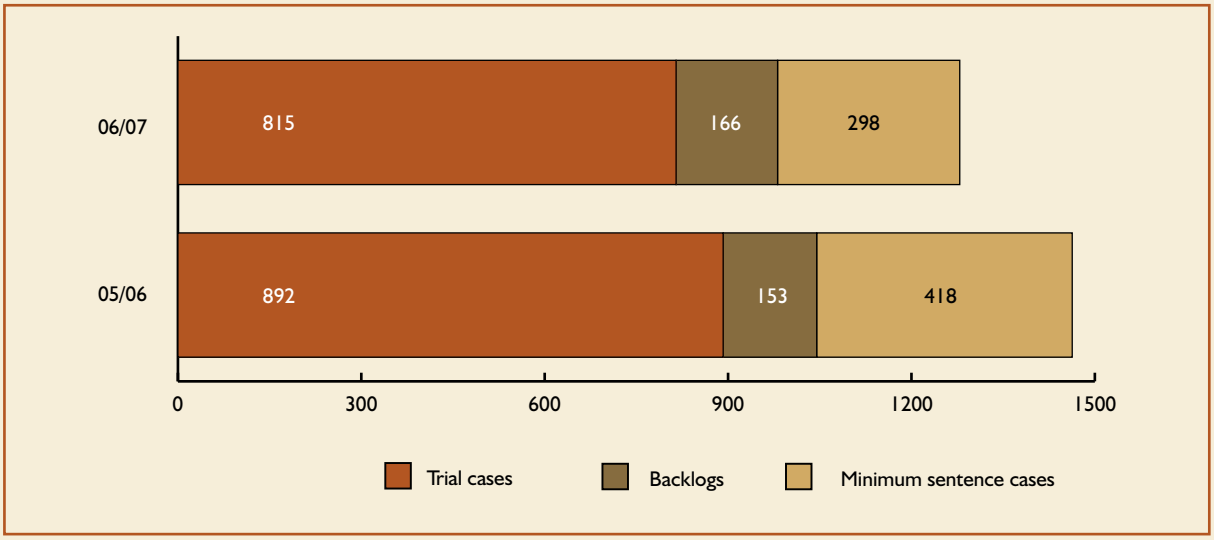


Figure 7: Case backlog

High Court cycle time

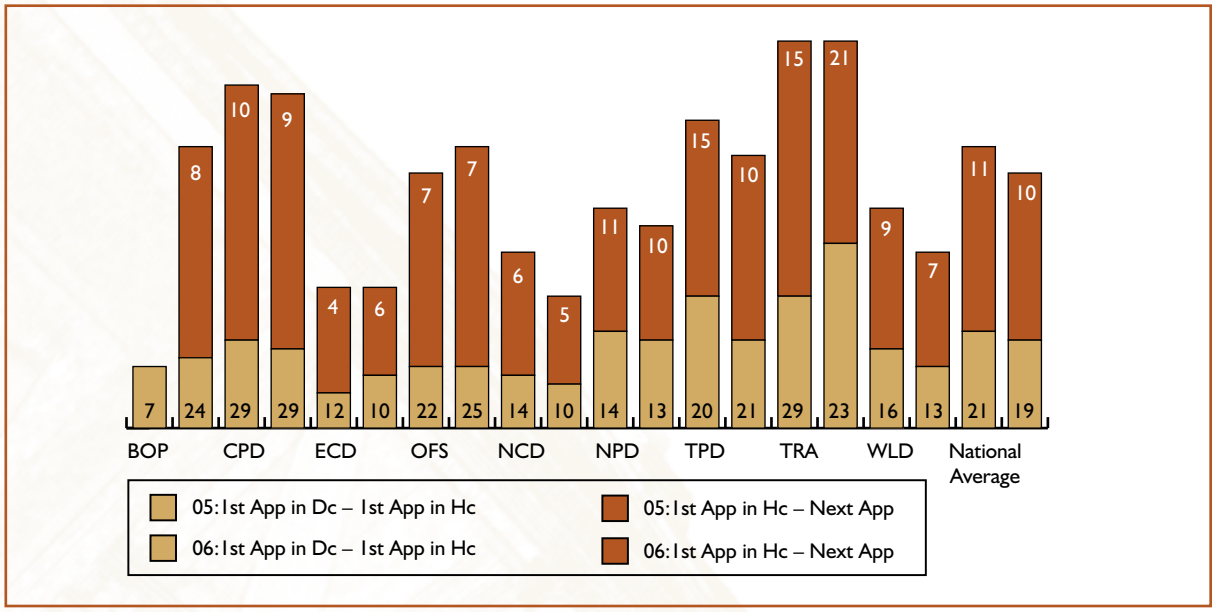


Figure 8: High Court cycle time

High Court conviction rate

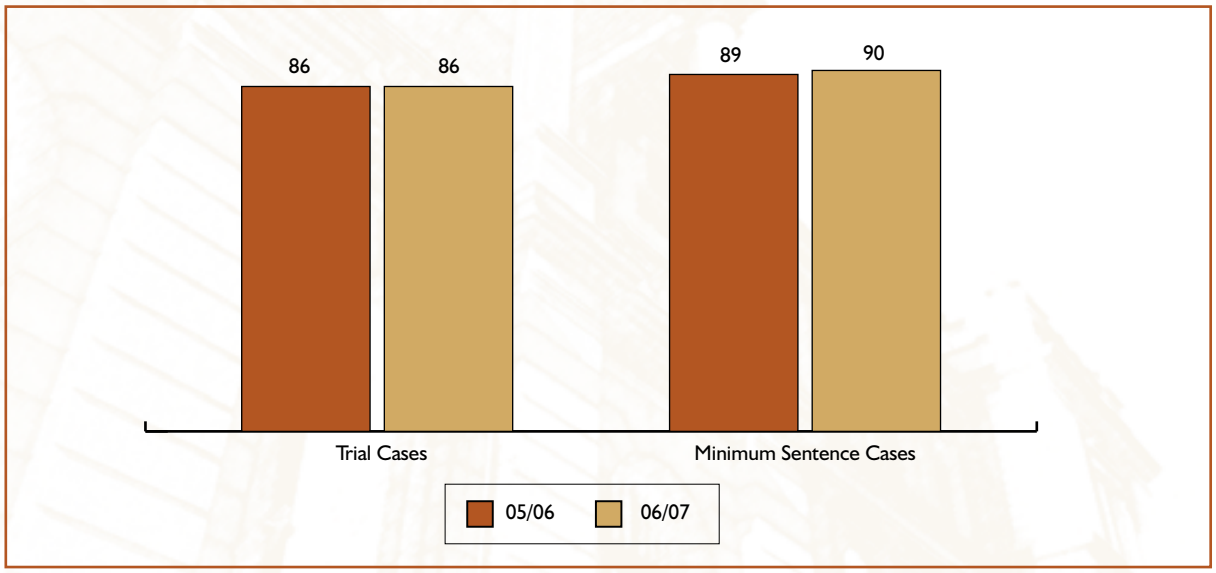


Figure 9: High Court conviction rate

The High Court conviction rate over the past three years remained stable at 86% on all trial cases. The percentage of cases referred to the High Courts for sentence in terms of the minimum sentence legislation decreased from 4% to 3%. The number of convictions confirmed increased from 89% to 90% in these matters.

High Court cases removed

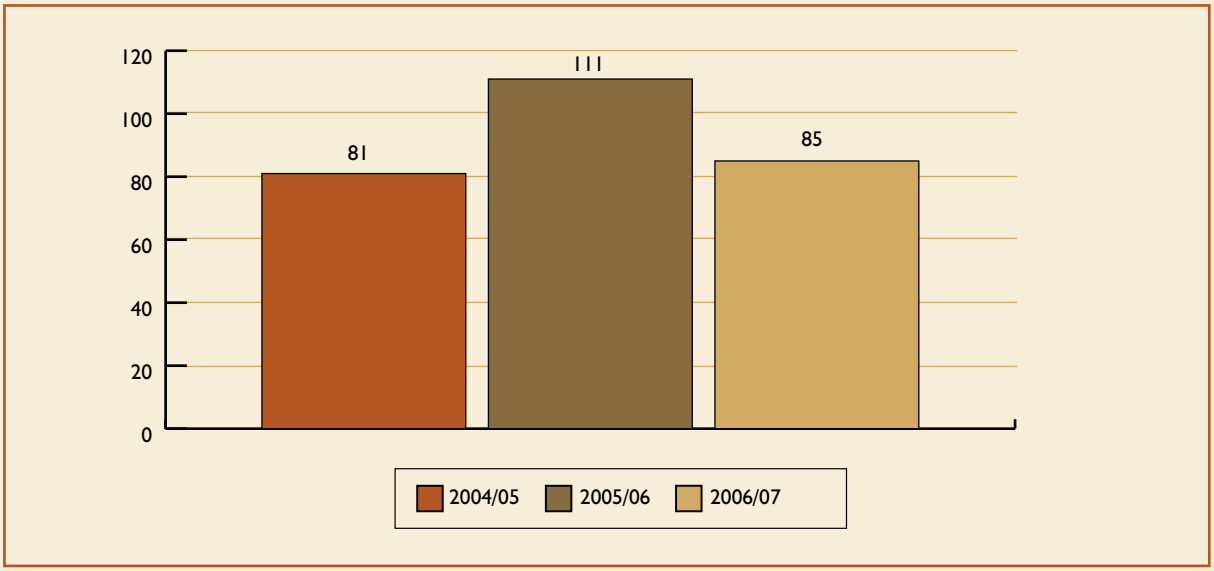


Figure 10: High Court cases removed

The number of cases removed from the High Court rolls decreased from 111 to 85. These cases include withdrawals, warrants and cases where accused escaped or died. Efforts were made during the year to expedite cases, as well as to give priority to older cases in the previous year, which appeared to have been successful.

Lower Courts conviction rate

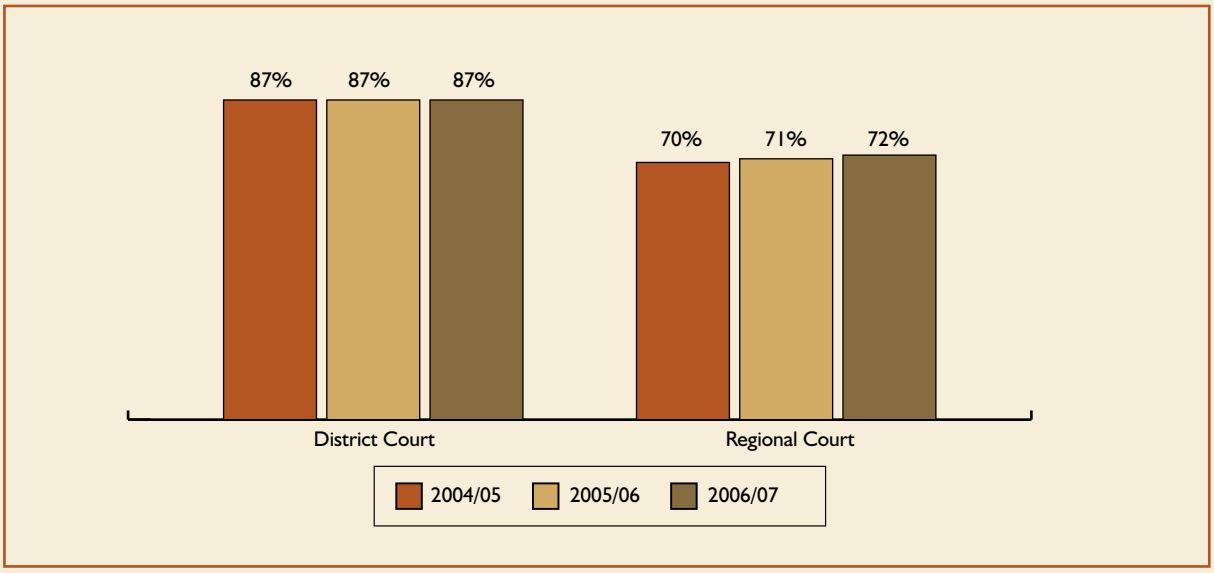


Figure 11: Lower Courts conviction rate

Outstanding roll at Lower Courts

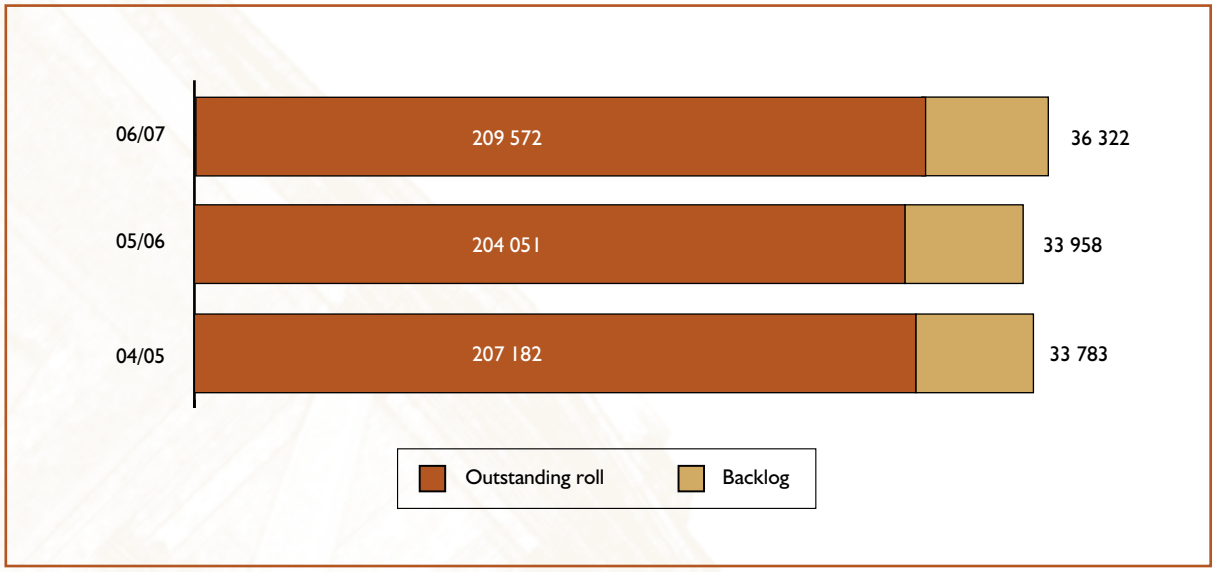


Figure 12: Outstanding roll at Lower Courts

With a reduced finalisation rate, an increase in the outstanding roll is to be expected. The number of outstanding cases in the Lower Courts at the end of January 2007 comprised 209 572 cases, of which 36 322 (17.3%) were backlog cases. Compared to the outstanding roll at the end of January 2005, the outstanding court roll increased with 2.7% and backlog cases with 0.7%.

Cases removed for Lower Court rolls

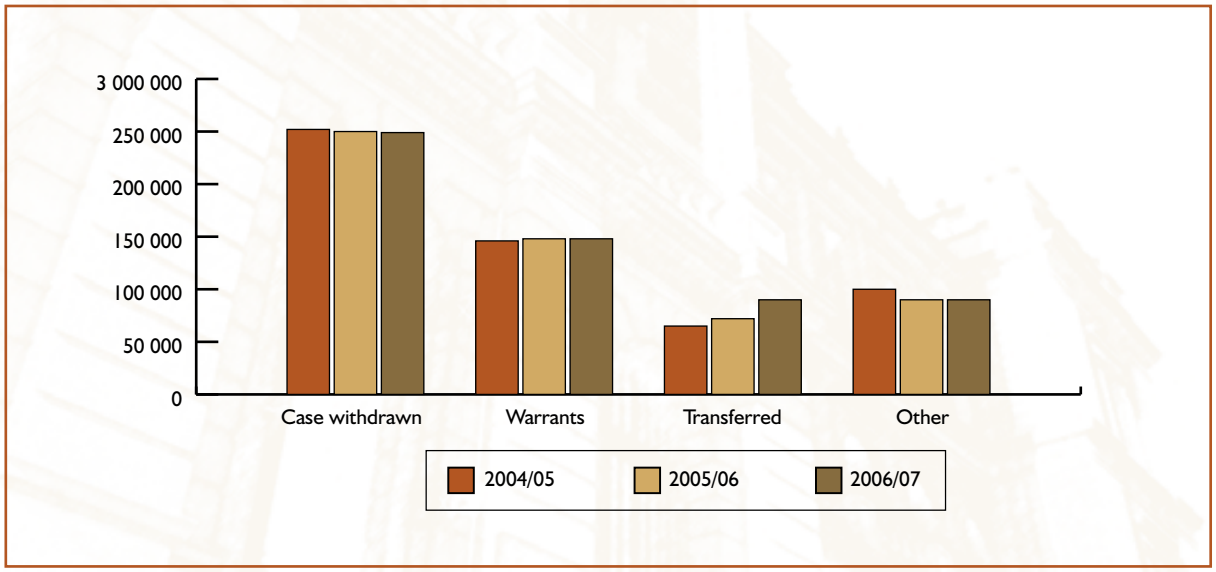


Figure 13: Cases removed from Lower Court rolls

The target set for the finalisation of cases in the Lower Courts during the year under review were a total of 392 732 cases (5% increase over 12 months), with a monthly target of 32 728 cases. The total figure comprised cases finalised with verdicts and cases diverted.

At the end of January 2007 (10 months), the Lower Courts managed to finalise a total of 311 623 cases with a monthly finalisation rate of 31 162 cases per month. This represented an average rate of 4.8% below target. The best performance during the year under review was during May, June, July and October 2006. The target of 32 728 cases was exceeded with 12.9%, 0.5%, 2.7%, 7.1% and 4.3% respectively.

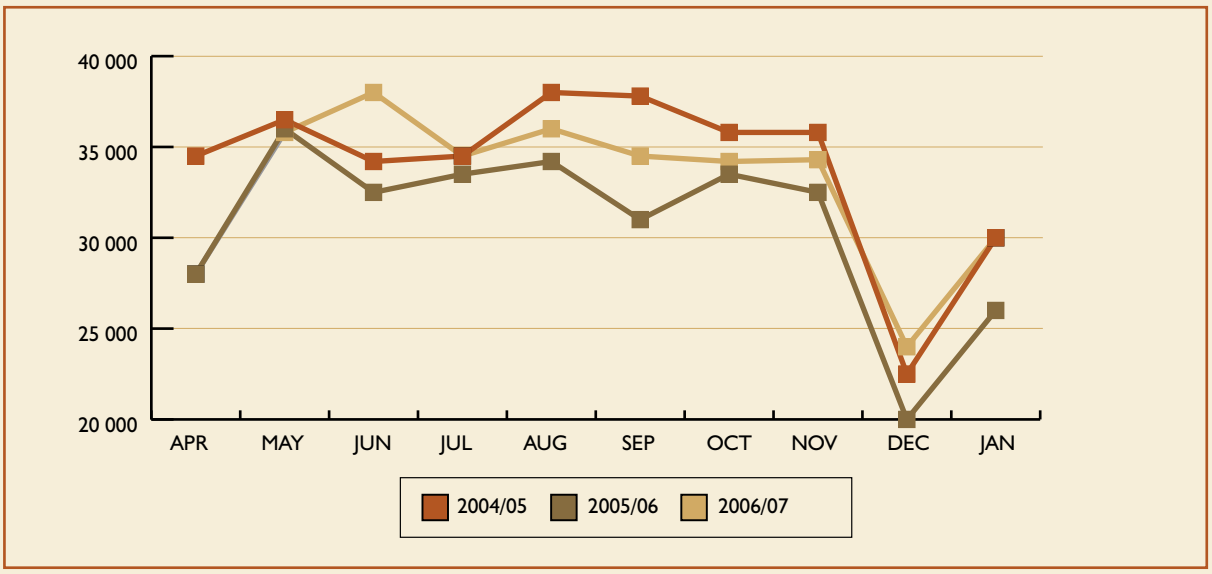


Figure 14: Finalisation of Lower Court cases: monthly target

The target set for the finalisation of cases in the Lower Courts during the current financial year consists of a total of 392 732 cases (5% increase over 12 months), with a monthly target of 32 728 cases. The total figure comprised cases finalised with verdicts and cases that were diverted. At the end of January 2007 (10 months), the Lower Courts finalised a total of 311 623 cases, with a monthly finalisation rate of 31 162 cases per month. This represented an average rate of 4.8% below the set target. The best performance during the year under review was during May, June, July and October 2006. The target of 32 728 cases was exceeded with 12.9%, 0.5%, 2.7%, 7.1% and 4.3% respectively.

Although some milestones have been achieved, the overall decline in performance is apparent when the Lower Court's current performance is compared to their performance during the corresponding period of 2005/06 and 2004/05. It should, however, be noted that the performance of the courts should not be analysed in isolation but all impacting factors and indicators of performance should be analysed from a holistic perspective.

New Lower Court cases

Compared to the previous year, there is a decline in the total number of new cases received during the reporting period. Eighteen percent fewer new cases have been enrolled during the year under review compared to the total of 906 273 enrolled during 2005/06. The reduced enrolment of recycled cases, which are measured as time wasted (due to the premise that cases should be finalised when first enrolled), is noteworthy. The total number of recycled cases enrolled during 2005/06 was 75 118, which is 1.5% more than the 74 017 cases recycled at the end of January 2007. This could be attributed to better screening procedures applied by the prosecutors before cases are enrolled.

The number of cases withdrawn in the Lower Courts reduced with a total of 7 077 cases, compared to the total of 255 486 cases withdrawn during 2005/06. This represents a reduction of 2.8%. Compared to the figures of 2004/05, the courts managed a 5.2% reduction in the total number of cases withdrawn. These reduced figures confirm an improvement in service delivery, as better screening procedures by more experienced prosecutors are applied.

Alternative dispute resolution (ADR) is an umbrella term used to describe various ways of resolving disputes, but all methods are directed to keep the matter outside the judicial process. ADR has gained widespread acceptance among justice role-players. The increasing caseload of the courts is mainly the reason for the rising popularity of ADR processes. The number of cases diverted has been increased with 24%, compared to the figures of the previous year. At the end of January 2007, a total of 37 225 cases were diverted, compared to the total of 29 935 diversions during 2005/06.

The diversion process is a very effective method to deal with first-time offenders in less serious matters. Diversion is closely linked with the concept of restorative justice and, it aims to rejoin the law-abiding community and prevent cases of re-offending. It is, furthermore, a successful alternative method to reduce trial cases, as the case is diverted away from the criminal justice system. By diverting cases, the incarceration of accused on trivial matters merely because they can't afford to pay a fine, is also prevented.

In November 2006 the NPA conducted an audit on all outstanding cases in the Regional and High Courts. The audit determined that more counts and more accused per case negatively affect cycle times of cases. On average, 2.6 counts per case and 1.5 accused per case were recorded. A case with numerous accused and multiple counts will take longer to finalise than a case with one count and one accused (see figure 15).

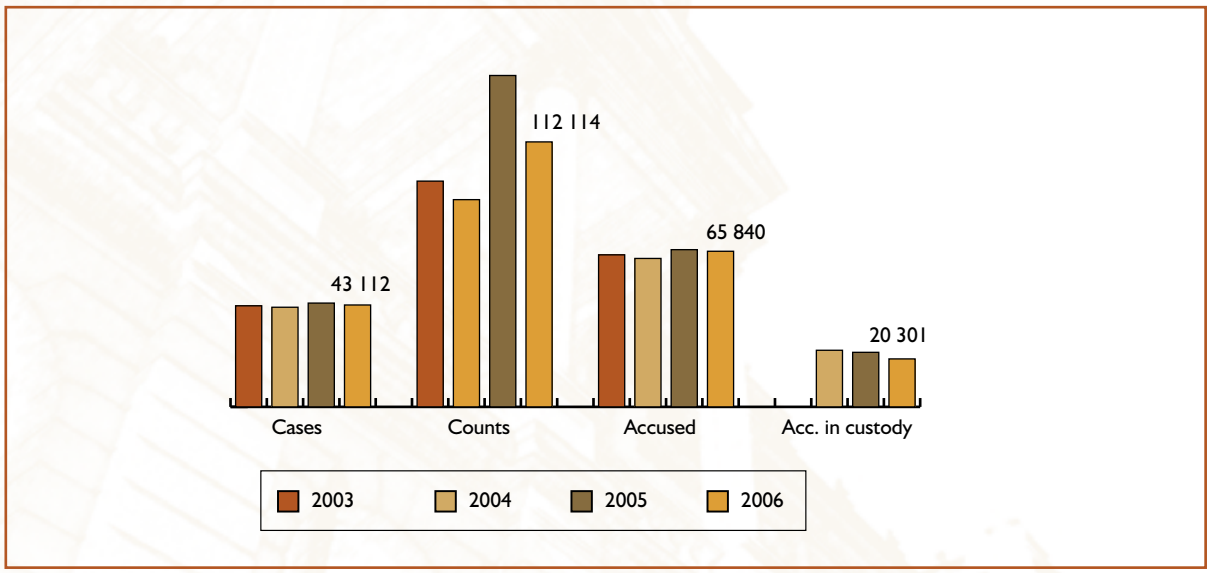


Figure: 15

Regional Courts cases were slightly reduced, although they are still longer on the roll, compared to the audit results of 2004. The cycle time of cases from first appearance in the District Court to first appearance in the Regional Court is five months. The time lapse from first appearance in a Regional Court to the next appearance, is on average another 11 months, without being finalised. A total cycle time of 16 months is therefore maintained nationally on Regional Court cases. During 2005, a cycle time of 20 months was recorded for Regional Court cases, and during 2004 a cycle time of 14 months was maintained.

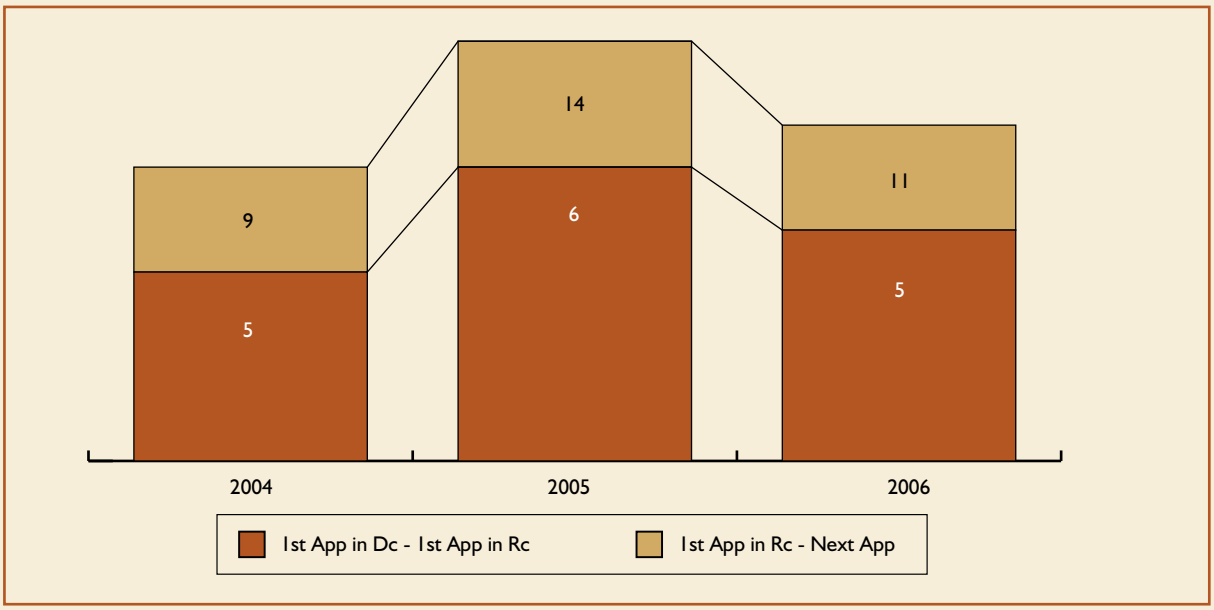


Figure 16: Regional Court case cycle time

The Lower Courts maintained high conviction rates. The District Courts exceeded their target of 85% with 2% by maintaining an 87% conviction rate. The Regional Courts managed not only to exceed their target of 70% with 2%, but have also improved by 71%, maintained during the previous year.

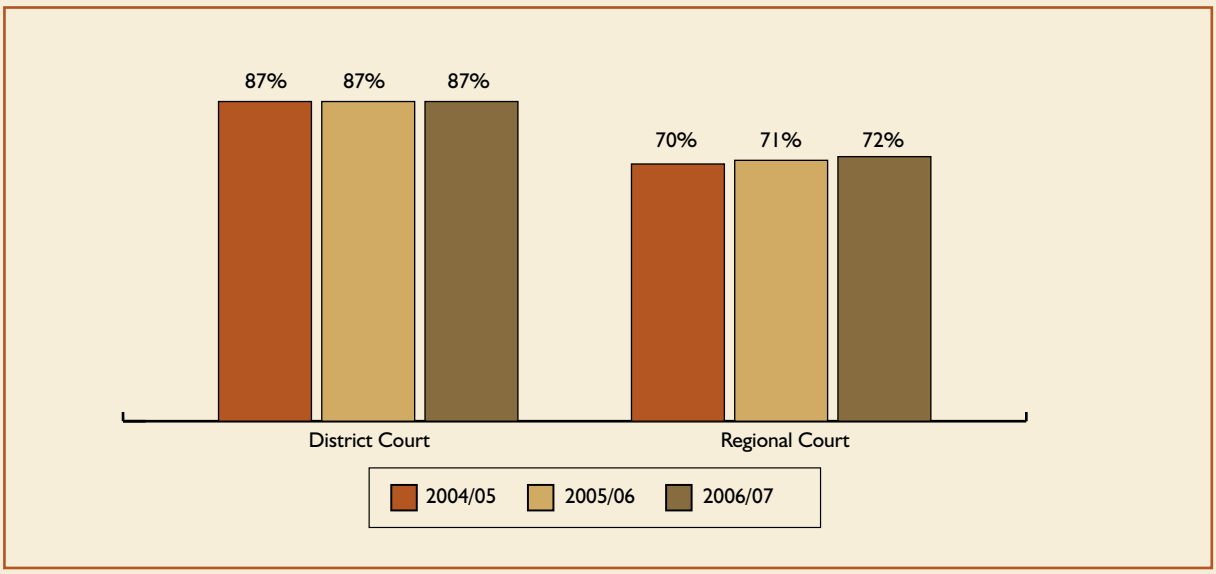
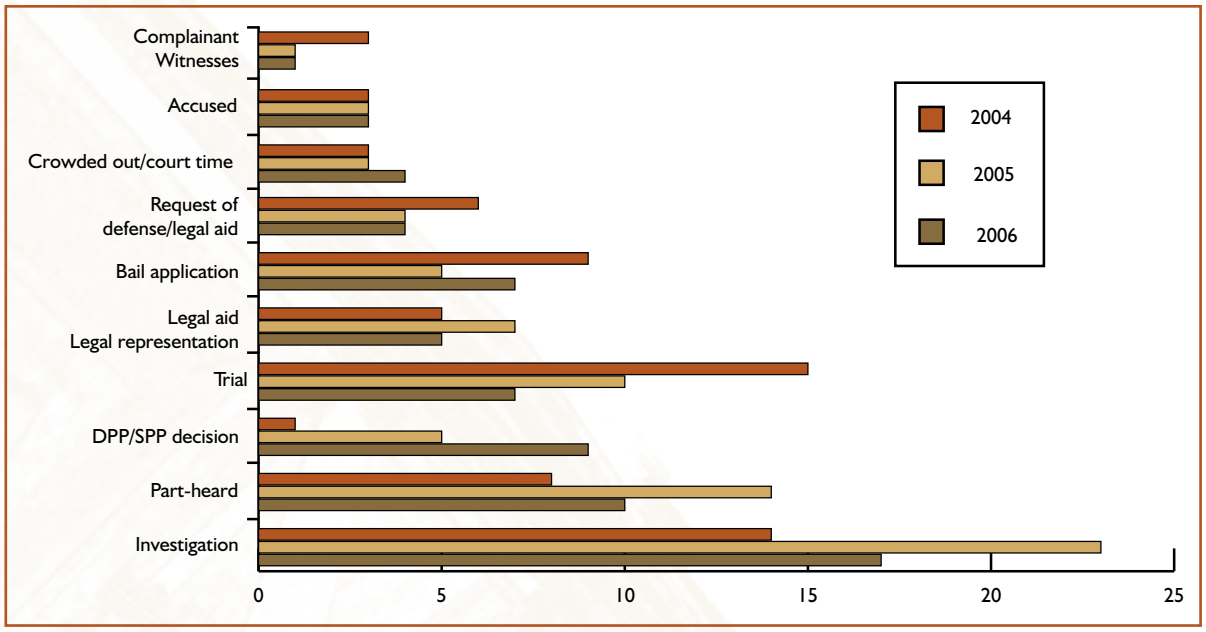


Figure 17: Conviction rates



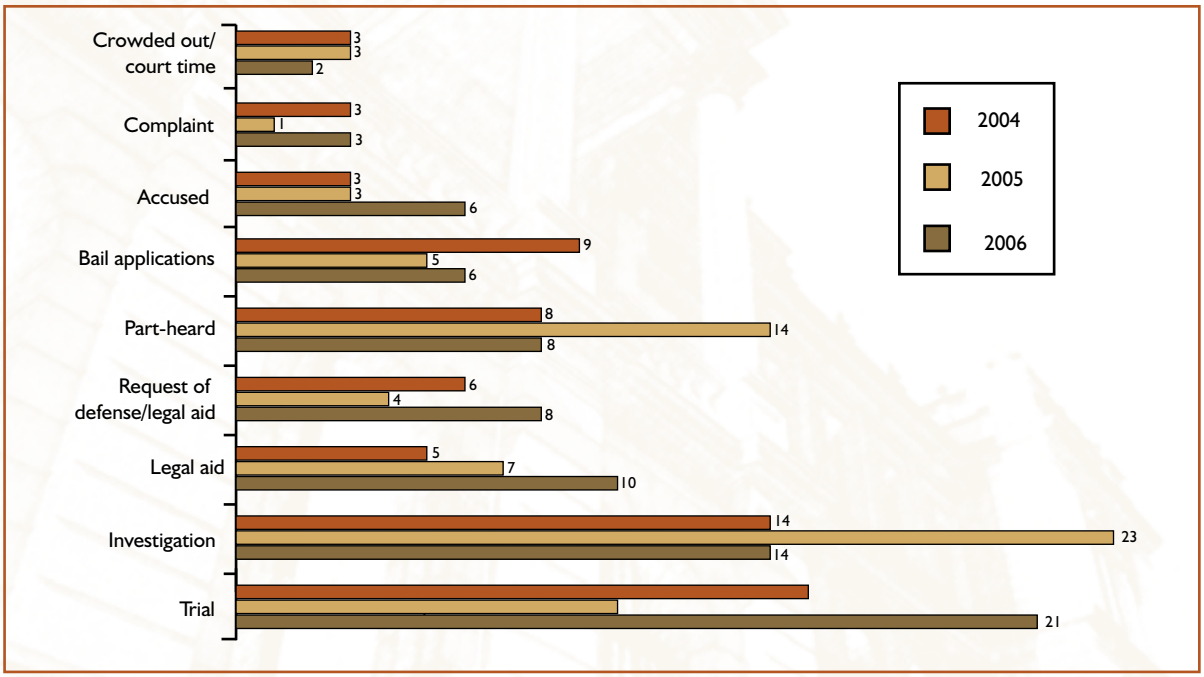


Figure 18: Main Reasons for postponement: High Court

Reasons for postponements in the courts (as obtained from the NPA Audit November 2006)

- Numerous counts and multiple accused per case impacted negatively on the cycle times of cases: 2.6 counts per case and 1.5 accused per case are recorded as the average.

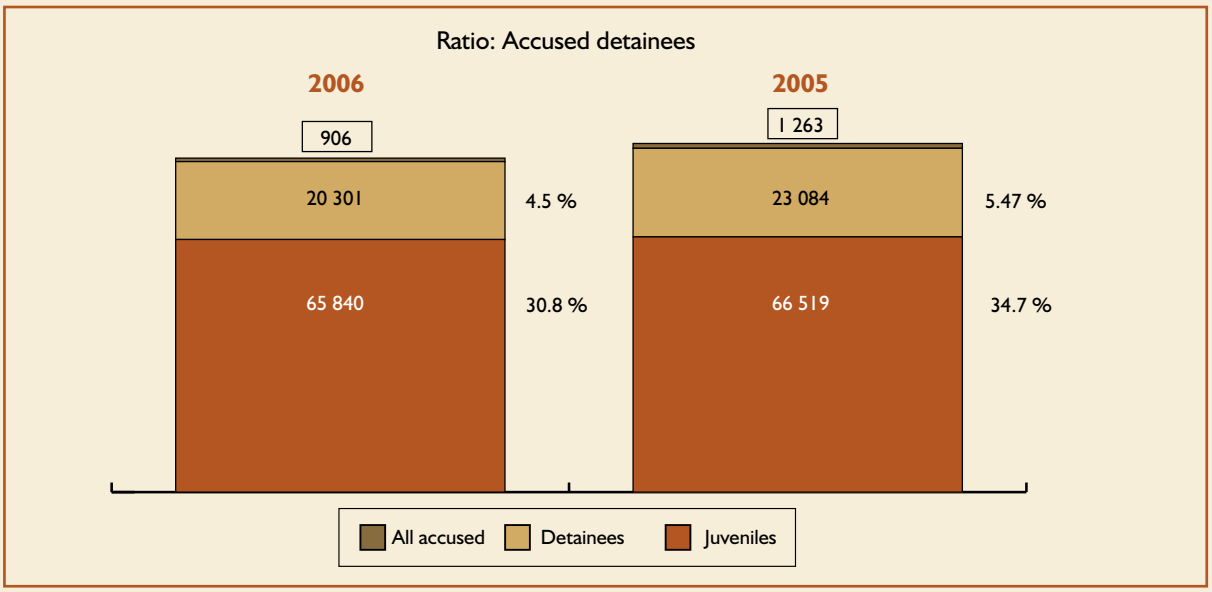


Figure 19: Ratio: Accused detainees

- The number and length of postponements increased on average; hence the increase in case cycle times.
- Only 30.8% of accused are in custody – a significant reduction from 35% in 2005 and 38% in 2004.
- Thirty percent of detained, accused are in custody for a period longer than 12 months.

Civil and family Law

Lower Courts

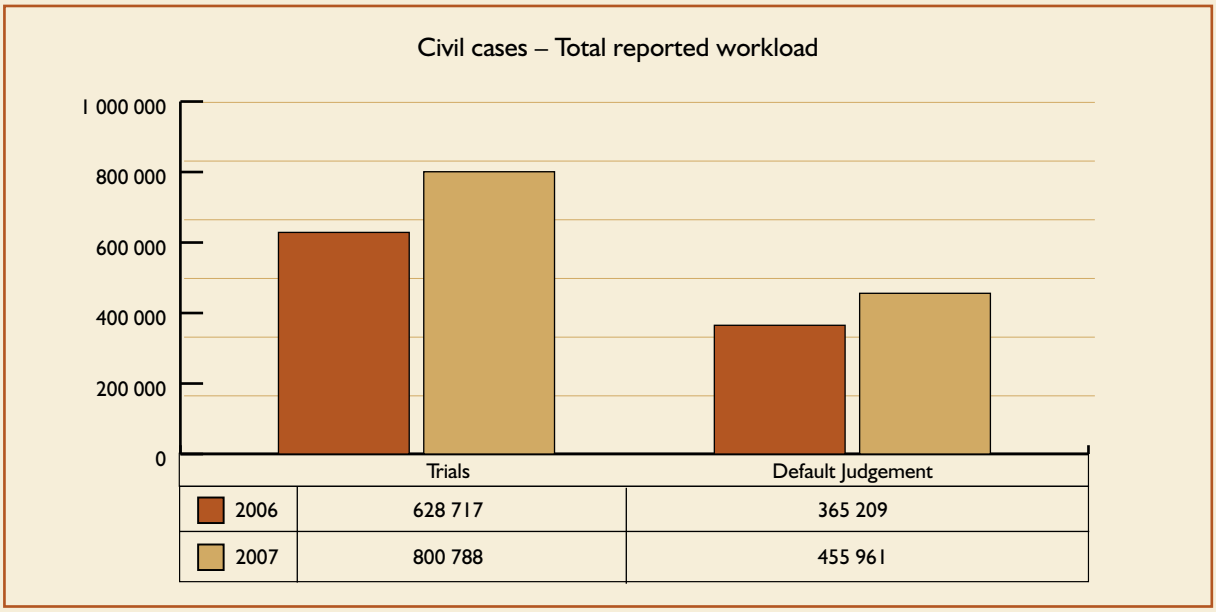


Figure 20: Civil cases – total reported workload

High Courts

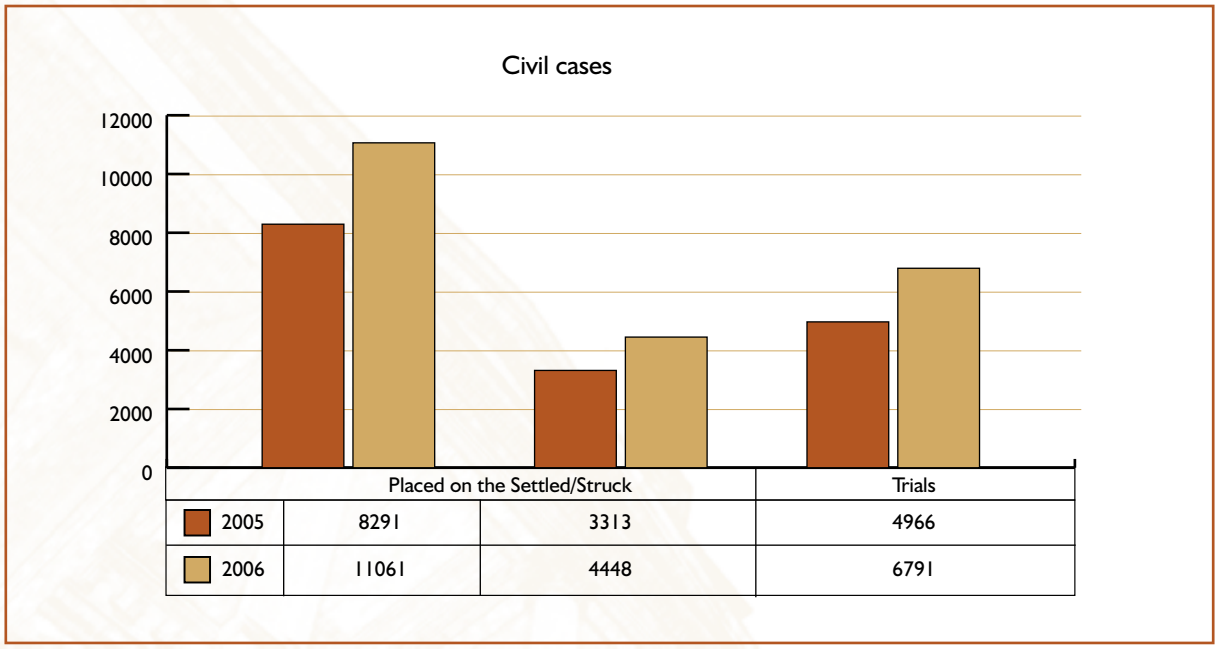


Figure 21: High Court – civil cases

Specialised Courts

Labour and Labour Appeal Courts

The different cases that are lodged with the Labour Courts are reviews, referrals from the CCMA and bargaining councils, enforcements of awards and settlement agreements, direct applications to the court, urgent applications and appeals.

Land Claims Courts (LCC)

Review cases referred to LCC:

Table 11: Land Claims Court: review cases

Eviction orders of Magistrate Courts set aside	7
Reviews dealt with	5
Withdrawn review matter	1
Eviction orders of Magistrates' Courts confirmed by LCC	131
Pending matters	15
TOTAL	**159**

Cases are referred to the LCC in terms of the Restitution Act, 1994 (Act 22 of 1994), Land Reform Act, 1996 (Act 5 of 1966), and Extension of Security of Tenure Act, 1997, (Act 62 of 1997).

Table 12: Restitution cases to Land Claims Court

Judgments/orders	11
Settled	8
Closed	3
Pending	106
TOTAL	**128**

ii) Chief Directorate: Promotion of the rights of vulnerable groups

The purpose of the Chief Directorate: Promotion of the Rights of Vulnerable Groups is to improve the efficiency of the court system for the vulnerable groups. Vulnerable groups include women, children, the elderly and the disabled. The Chief Directorate consists of two directorates, one dealing with child justice and family law and the other dealing with victim support and specialised services.

The Directorate: Child Justice and Family Law is responsible for:

- children awaiting trial and children in conflict with the law;
- children's court matters;
- the implementation of restorative justice;

- child maintenance and access to maintenance services;
- Family Courts;
- domestic violence;
- divorce.

The Directorate: Victim Support and Specialised Services is responsible for:

- victim support services in courts and victim referrals;
- Small Claims Courts;
- Equality Courts;
- Sexual Offences Courts.

The Chief Directorate has noted the deficiencies in its processes of information and knowledge management. It is currently transforming its systems from a manual to a computerised format. This transformation process seeks to identify and resolve challenges relating to the methods of gathering and analysing information about the Chief Directorate's activities.

Child Justice and Family Law

The table below reflects the total number of children in the criminal justice and family law system dealt with during the year 2006/07. The statistics are disaggregated according to provinces and the three seats of the Divorce Courts.

CASES INVOLVING CHILDREN AND FAMILIES

	CRIMINAL WORK		CHILDREN'S COURT		-	MAINTENANCE		DOMESTIC VIOLENCE			DIVORCE	
	Accused under age 18	Appeals of below 18 year-olds	Adoptions dealt with in terms of section 18	Children found in need of care	Children placed in forster care	Maintenance complaints in terms of section 6	Formal maintenance inquiries	Domestic Violence Applications received	Temporary orders issued	Protection orders	Divorce Court: summonses issued	Divorces dealt with by family court
Province												
Eastern Cape	7 485	11	724	4 441	6 568	23 602	11 796	13 903	10 511	5 400	2 860	1 192
Free State	3 136	0	179	1 437	1 961	9 889	5 219	3 594	1 947	2 094	556	133
Gauteng	5 364	18	886	5 991	6 710	43 474	26 615	25 750	16 883	14 861	2 711	6 376
Limpopo Province	3 807	11	195	2 919	3 174	16 436	7 816	8 865	6 156	4 311	669	0
Mpumalanga	3 957	17	194	1 514	1 518	10 132	5 500	6 901	3 914	3 393	396	9
North West	1 231	4	86	859	1 974	10 351	1 795	3 665	1 869	1 981	665	137
Northern Cape	1 950	0	93	413	502	2 763	2 837	1 791	1 030	760	225	1
Western Cape	19 172	29	434	2 250	2 274	29 059	20 216	25 856	15 860	14 715	8 282	6 775
KwaZulu-Natal	3 708	10	966	12 952	10 728	53 120	17 710	29 535	17 254	15 498	11 569	9 237
Total	49 810	100	3 757	32 776	35 409	198 826	101 504	119 860	75 424	63 013	27 933	23 860

Divorce Courts seats	Divorce Summonses Issued
Southern Divorce Court	9 496
Northern Divorce Court	10 913
Central Divorce Court	14 321
Total	34 730

Children awaiting trial and in conflict with the law

The Chief Directorate: Promotion of the Rights of Vulnerable Groups convenes the Intersectoral Child Justice Steering Committee (ISCCJ), which provides support, guidance and direction in addressing the needs of children in conflict with the law in the criminal justice system. The purpose of the ISCCJ is to improve operational effectiveness within the child justice system.

During the year under review, the ISCCJ has achieved the following:

- Regular intersectoral reporting and monitoring;
- Established and strengthened 9 Provincial Child Justice *fora*.
- Established a Children Awaiting Trial Task Team in November 2006, Chaired by the Inspecting Judge of Prisons, to ensure the fast-tracking, monitoring and prioritisation of such cases in the criminal justice system. This has led to a reduction in the percentage of children awaiting trial for more than three months (90 days) from 30% to 26% from November 2006 to May 2007;
- Established a Child Justice Information Task Team Management Team Chaired by the Integrated Justice System, to establish an integrated database on the management of children in conflict with the law. The comparisons needed between financial years, cannot be done for 2006/07, but will only be available during the next financial year, when the child justice information database, will be operational.

The two tables below reflect the number of children awaiting trial in 2006/07.

Children Awaiting Trial in Detention:

Children Awaiting trial in custody of the Department of Correctional Services: unsentenced children as from February 2006 to February 2007

Region	February 2006	March 2006	April 2006	May 2006	June 2006	July 2006	August 2006	September 06	October 2006	December 2006	January 2007	February 2007
KwaZulu-Natal	357	355	335	301	282	292	282	275	271	298	305	299
Eastern Cape	220	218	218	206	252	179	214	246	244	207	247	269
Free State	134	126	116	100	88	99	93	103	110	123	116	131
Gauteng	253	226	229	223	192	213	222	224	211	204	197	189
Limpopo	22	22	19	16	16	23	17	14	16	10	11	19
Mpumalanga	44	44	38	29	33	30	36	25	21	27	24	24
North West	9	8	6	6	6	7	7	8	5	5	2	2
Northern Cape	40	27	24	22	17	15	15	11	7	10	11	10
Western Cape	242	239	259	244	210	203	193	203	165	159	191	222
Total	1 321	1 265	1 244	1 147	1 096	1 061	1 079	1 109	1 050	1 043	1 104	1 165

Children awaiting trial in detention for longer than three months:

	31 January 2007		28 February 2007		14 March 2007		4 April 2007		4 May 2007	
	Awaiting trial	>90 days	Awaiting trial	>90 days	Awaiting trial	>90 days	Awaiting trial	>90 days	Awaiting trial	>90 days
PROVINCE										
Western Cape	185	51	180	45	193	47	248	54	220	52
Northern Cape/Free State	133	43	139	37	139	37	133	31	146	44
Limpopo/Mpumalanga/ North West	37	10	47	15	43	9	51	12	44	14
KwaZulu-Natal	310	90	266	82	258	82	303	86	310	81
Gauteng	192	57	183	51	201	58	184	64	185	68
Eastern Cape	232	62	266	57	257	54	255	61	271	63
TOTAL	1 089	313	1 081	287	1 091	284	1 174	308	1 176	322

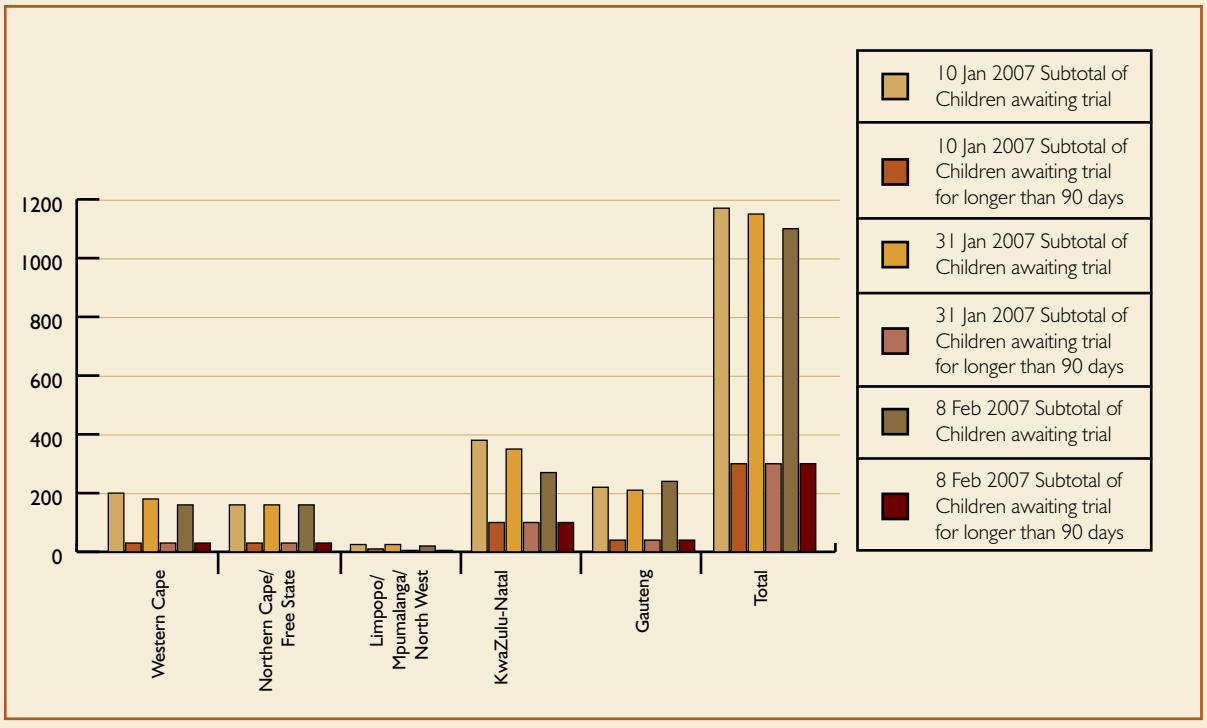


Figure 22: Children awaiting trial in correctional facilities (prisons)

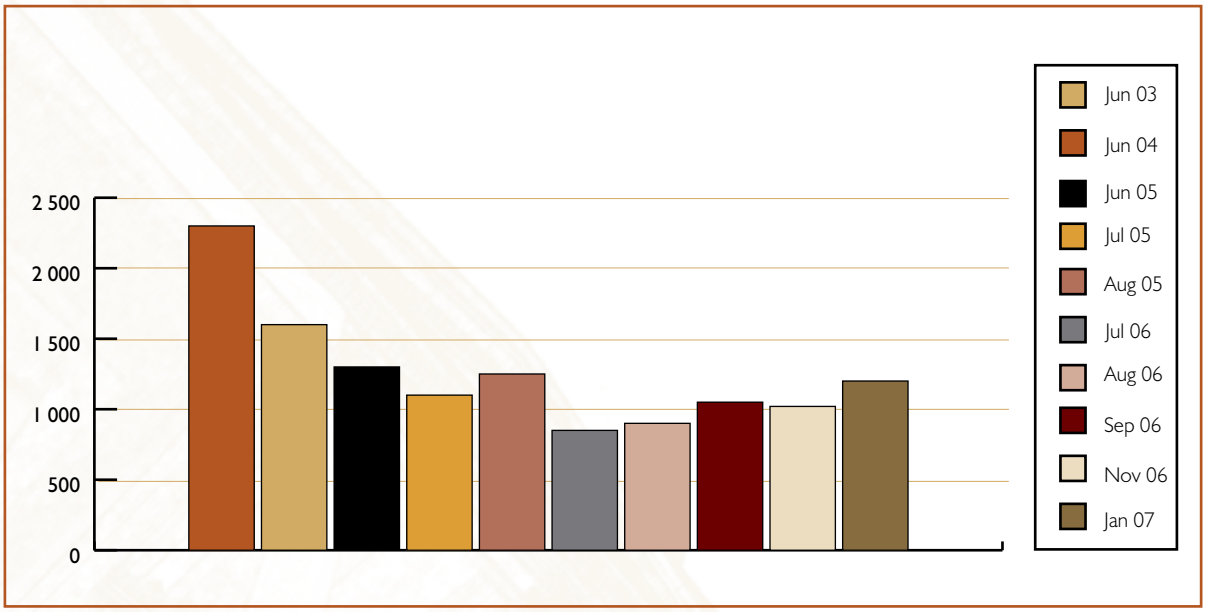


Figure 23: Children on home-based supervision

More children are being diverted into secure care and home-based supervision as is illustrated by the two tables in figure 23, 24 and 25:

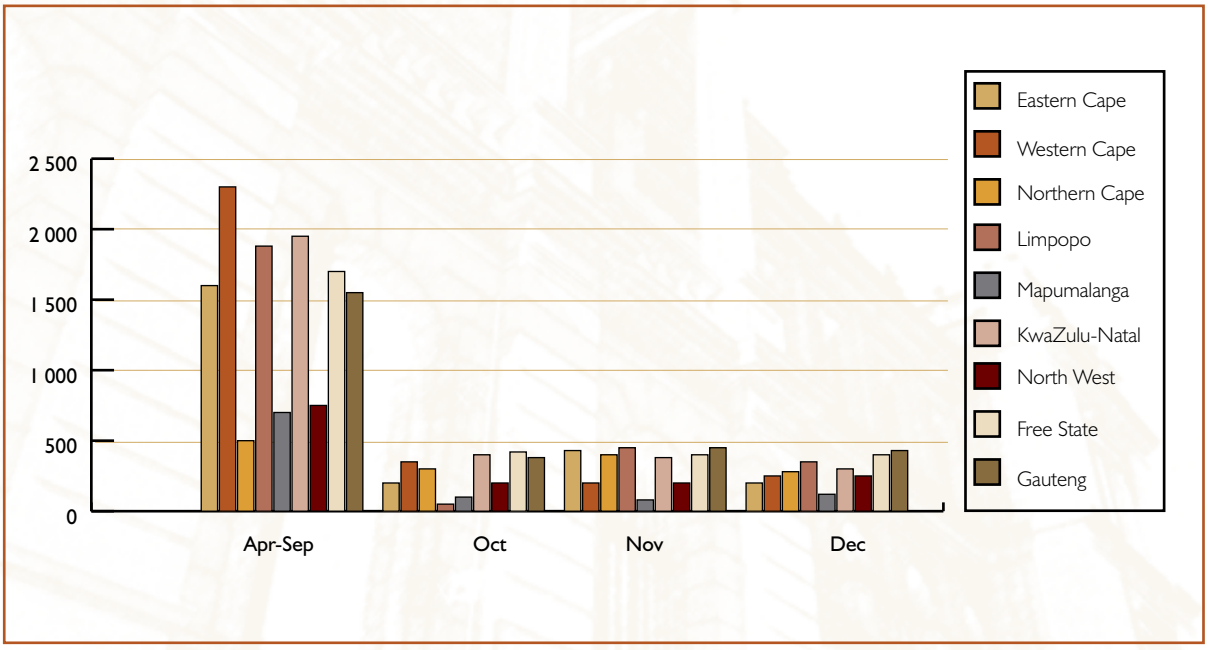


Figure 24: Children on home-based Supervision

Source: Department of Social Development

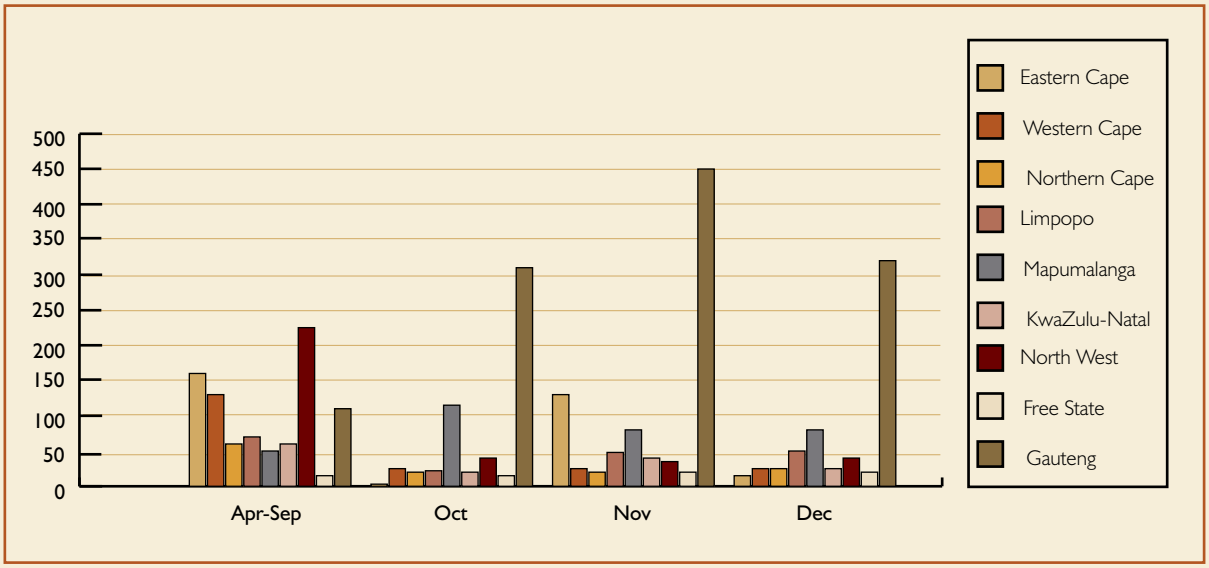


Figure 25: Children in secure care facilities

Children's Courts:

One of the issues identified for urgent attention, was the lack of training among Children's Court clerks and the need for more Children's Courts clerks to enable the implementation of the Children's Act, 2005 (Act No 38 of 2005), once it is put into operation.

Specific emphasis was placed on the finalisation of foster care applications through Children's Courts and 35 409 children were placed in foster care by Children's Courts during 2006/07.

Maintenance and Family Courts

The achievements for the year under review is as follows:

- Managed and coordinated of the implementation of Operation *Isondlo* in the Regions for the improvement of the maintenance system
- Decentralised the ITC Support Service for the tracing of defaulters and beneficiaries on maintenance matters to all the regions
- Facilitated the basic training of maintenance investigators on information access and investigation techniques
- Coordinated and managed the tracing agent project on the finding of defaulters and beneficiaries on maintenance in addressing the backlog of maintenance cases
- Facilitated the appointment of 13 acting Additional Magistrates for Family law streams of maintenance, domestic violence, divorce and the Children's Court
- Facilitated the appointment of 171 maintenance investigators in terms of the Maintenance Act, 1998 (Act 99 of 1998). R56 million was devolved to regions for the compensation of employees for family law sections
- The Minister approved regulations and a circular on the appointment of maintenance investigators in terms of the Maintenance Act.
- Identified and facilitated the creation of 143 additional family posts in the regions to support the initiative of Operation *Isondlo* and devolved R6 million for advertisement and recruitment of additional family law staff

The national maintenance statistics (Operation *Isondlo*)

The statistics depicted below reflect the number of maintenance matters dealt with nationally:

1. Total number of maintenance files	1 473 092
2. Active files	1 177 690
3. Inactive files	1 463 468

The following figures show the number of enquiries finalised and orders served:

1. Enquiries finalised	56 451
2. Applications for new orders	66 924
3. Orders by default	5 680
4. Section 31: finalised	14 952
5. Number of attachment emolument orders	13 554
6. Number of warrants of execution	1 350
7. Attachment of debts	687 442

The following figures show unclaimed amounts and amounts paid to beneficiaries:

8. Total paid to beneficiaries: unclaimed monies	R17 388 167.94
9. Beneficiaries: unclaimed monies	R440 776
10. Unclaimed monies: more than 3 months	R89 184 511.05
11. Beneficiaries: unclaimed monies traced	R175 731
12. Paid to traced beneficiaries: unclaimed monies	R1 739 312.12

The following figures show the number of staff members responsible for maintenance issues nationally:

13. Administrative staff in the section	1 574
14. Maintenance prosecutors in the section	347
15. Maintenance officers in the section	253
16. Maintenance investigators in the section	216
17. Legal interns in the section	90

Small Claims Courts

There are 156 Small Claims Courts established nationally, including the two courts established in 2006/07 – one in Mhala (Limpopo) and the other one in Tulbagh (Western Cape).

The Small Claims Court Act, 1984, (Act 61 of 1984) provides for the establishment of the Advisory Board by the Minister. The Minister appointed members of the Advisory Board for every Small Claims Court established to, among others, recruit and appoint commissioners to ensure that Small Claims Courts function effectively and that matters are heard on time and in suitable courtrooms. The commissioners are presiding officers who preside over Small Claims Courts matters or minor civil disputes that do not exceed the prescribed quantum of the sum of R7 000. Dedicated Small Claims Court Clerks service the Courts to ensure its effective functioning.

The table below shows the total number of advisory board members and commissioners appointed per region in terms of this Act and the number of dedicated clerks.

Province	Number of courts per province	Number of Advisory Board Members appointed	Race and Gender	Number of Commissioners	Race and Gender	Number of dedicated clerks
Mpumalanga	16	2	1 (WF) 1 (BF)	13	6 (WM) 5 (BM)	
North West	18	1	1 (BM)	6	5 (WM) 1 (BM)	10
Gauteng	17			20	13 (WM) 2 (BM) 3 (WF) 2 (IM)	14
Kwa-Zulu Natal	23	5	2 (WM) 2 (BM) 1 (BF)	5		13
Limpopo	17	1	1 (BM)	7		15
Northern Cape	8		1			10
Western Cape	22			14		13
Eastern Cape	20			5		
Free State	18		2		5	
TOTAL	155	9		73		70

WF = white female *BF = black female* *WM = white male* *BM = black male* *IM = indian male*

There are numerous challenges facing Small Claims Courts in terms of human and physical infrastructure. The Department has developed a strategy to transform Small Claims Courts as well as a blue print that outlines the infrastructural requirements as prescribed in terms of the Small Claims Courts Act and the Regulations to ensure that they are accessible, transformed and effective.

Province	Inquiries	Litigants referred to legal assistants	Summonses issued	Trials
Eastern Cape	8 144	416	1 403	1 645
Free State	1 327	884	884	817
Gauteng	46 354	3 203	7 614	9 111
Limpopo Province	6 015	171	2 145	1 615
Mpumalanga	8 112	1 116	5 418	1 013
North West	4 533	141	1 106	861
Northern Cape	716	17	344	383
Western Cape	12 690	603	3 086	2 782
KwaZulu-Natal	20 426	0	6 200	4 685
Total	108 351	6 551	28 200	22 912

Equality Courts

At present 220 Magistrates' Courts are designated as Equality Courts. In addition, all High Courts sit as Equality Courts. A further 146 Equality Courts will be designated by the second quarter of this financial year, thereby ensuring that every magisterial district has an Equality Court. Section 16(4) and 17(3) of the Promotion of Equality and Prevention of Unfair Discrimination Act, 2000, (Act 4 of 2000) as amended, provides that the Director-General shall compile and retain records of all clerks, judges and magistrates who received training on the equality legislation.

In compliance with the legislation, the following statistics has been compiled:

Province	Designated Courts	Judges Trained	Magistrates Trained	Clerks Trained
1. Gauteng	23	34	193	84
2. Mpumalanga	22	0	75	28
3. KwaZulu-Natal	39	10	134	53
4. Western Cape	23	19	51	18
5. Eastern Cape	19	18	30	88
6. Northern Cape	13	3	41	20
7. North West	20	4	62	24
8. Free State	34	13	87	31
9. Limpopo	25	1	59	25
Total	218	129	732	371

The Equality Act was previously only available in English and Zulu, but has since been translated into a further seven official languages, namely Xhosa, Setswana, Sesotho, Ndebele, Afrikaans, Tshivenda and Sepedi. The outstanding two languages, Tsonga and Siswati will be finalised by the end of May 2007. The Chief State Law Adviser was approached regarding publishing the translated Acts in the Government Gazette, once all the translations have been finalised.

The breakdown of the number of statistics recorded per province and per Court:

Name of Province	Number of Cases Reported
1. Gauteng	35
2. Mpumalanga	88
3. KwaZulu-Natal	26
4. Western Cape	15
5. Eastern Cape	3
6. Northern Cape	0
7. North West	2
8. Free State	0
9. Limpopo	0
Total	169

Type of Cases	Total
Racial Discrimination	19
Hate Speech	74
Unfair Discrimination	40
Gender Equality	2
Harassment	32
Humiliated	2
	169

Programme Performance

Service delivery achievements:

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Constitutional Court					
	Case flow management	Percentage of cases on the court roll finalised Case cycle time	80% per year finalised six months from date of enrolment	71.6% (73 of 102) of new cases finalised	
Supreme Court of Appeal					
	Case flow management	Percentage of appeals on the court roll finalised Case cycle time	80% per year finalised six months from date of enrolment	• 52% of overall civil appeal cases finalised (received: 170, finalised: 168, pending: 152) • 85% of civil appeal petitions cases finalised (received: 313, finalised: 339, pending: 87) • 76% of overall criminal appeal cases finalised (received: 28, finalised: 39, pending: 23) • 87% of overall criminal appeal petitions cases finalised (received: 180, finalised: 188, pending: 37)	
High Courts					
	Case flow management	Number of appeals finalised Case cycle time	1 500 finalised 75% of cases must not be older than 6 months	957 cases finalised (total received 1 772; outstanding: 815)	
Specialised Courts					
	Case flow management	Percentage of cases finalised	All cases on outstanding roll and 50% of new cases received	Percentage of cases finalised is 32% (51) (160 cases were received during the past financial year and 68% (109) is outstanding	Reasons for under utilisation are a lack of public awareness and the matters may be better suited to mediation. There is also some uncertainty as to which cases belong in the Equality Court and which belong in the CCMA/Labour Court.
Lower Courts					
	Case flow management	Number of cases finalised Case cycle time	40 per District Court and 15 Regional Court 75% of cases must not be older than six months	Finalised a total of 311 623 cases with a monthly finalisation rate of 31 162 cases per month. This represents on average a rate of 4.8% below target	

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Family Advocate					
	Assistance to the courts in issues relating to children in family matters	High Court custody documentation scrutinised	38 000 documents	13 003 high court, 9 681 divorce court, 13 150 settlement agreements	
		Number of enquiries finalised	8 000 enquiries	• 8 770 enquiries conducted • 6 975 matters finalised	
Magistrate's Commission					
	Appointment of Magistrates and related employment matters	Percentage of Magistrates' employment matters dealt with	90% of new matters received	104 vacant posts of Magistrate (all levels) were advertised during November 2005 and were filled during 2006	The recommendations for the filling of the posts of Regional Court President and Chief Magistrate will be submitted to the Minister during May 2007. The recommendations for the filling of the posts of Regional Magistrate and Senior Magistrate will be submitted to the Minister during June 2007.
		Appointment cycle time	Three months from vacancy advertisement	26 vacant posts of Magistrate were advertised during October 2006	All posts were not filled within six months from vacancy due to the delay caused through litigation by unsuccessful applicants.
Capital Works					
	Adequate and secured court infrastructure	Number of new courts built	15 new courts	Two new facilities and three major renovations	
		Number of courts renovated	130 courts renovated	78 courts renovated	

2.10.3 Programme 3: State Legal Services

Purpose: Provide legal services to government, and facilitate constitutional amendments through developing and promoting appropriate legislation.

Measurable objective: Promote justice and corporate governance through the provision of a legal system and legislative services to the state and the public, and by completing instructions received.

This programme will report on the work of four branches; the Chief Litigation Officer (CLO), State Law Advisor (SLA), Master of the High Court and Legislative and Constitutional Development.

2.10.3.1 Service delivery objectives and indicators:

A. OFFICE OF THE STATE LAW ADVISER

The Office of the Chief State Law Adviser consists of the State Law Advisers and the Legislative Drafting Unit. The Office consists of 35 State Law Advisers and two interns.

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

The provision of effective legal services to the three tiers of government remains a critical problem, given the developmental nature of the South African state.

The office operates on a budget of R22 million. Almost 90% of the budget is allocated to personnel expenditure, which coincides with the fact that the office is service-driven. The relatively small operational budget of 10% is utilised to enable the office to render a professional and efficient service.

i) State Law Advisers

The State law advisers in the Office of the Chief State Law Adviser are tasked with the responsibility of ensuring that the state delivers on its promises, promotes the rule of law and gives effect to the values enshrined in the Constitution.

The state law advisers do this by providing legal advice and guidance to the state on its proposals, legislation and international agreements and by ensuring that potential litigation against the state on constitutional and other legal grounds is reduced considerably. They perform their functions professionally and independently.

The core functions of the State Law Advisers are as follows:

- Writing of opinions
- Scrutiny of all international agreements including extradition agreements
- Scrutiny of draft subordinate legislation e.g. regulations
- Scrutiny of municipal by-laws

In an attempt to extend the services to improve cost-effectiveness, the following services are also rendered by the State Law Advisers:

- Chairing the Tribunal of the South African Veterinary Council
- Serving on a high-profile task team of the Ministry of Defence to assist with the restructuring of the Secretariat and Department of Defence
- Attending the quarterly meetings for legal terminology in African languages. This mainly involves the translation of legal concepts into the local indigenous languages, the goal being to compile a dictionary that will be used in the courts
- Assisting departments in the negotiation of international agreements

In 2006, the State Law Advisers received a total of 578 briefs, consisting of 173 legal opinions, 346 international agreements and 59 draft regulations. A total of 566 briefs were finalised.

The State Attorneys brief the State Law Advisers to render opinions to client departments (with their consent) that would normally be outsourced to private counsel. This process saves a considerable amount of money, which would otherwise have been disbursed to private counsel.

The Office of the Chief State Law Adviser is now rendering its services to municipalities. A project is under way to scrutinise municipal by-laws for compliance with the Constitution and other laws.

ii) Legislative Drafting Unit

The Legislative Drafting Unit is responsible for perusing, developing, drafting, scrutinising and certifying all legislation. In this way, the State Law Advisers make a significant contribution towards the development of our constitutional jurisprudence.

The Drafting Unit continues to train officials from other departments. The key objective is to reduce costs and the state's dependence on private legislative drafters.

In 2006, the Drafting Unit scrutinised a total of 87 Bills, consisting of 49 new Bills and 38 Bills carried forward from 2005. The office certified a total of 31 Bills.

iii) Translation Unit

The Office will also start a translation service to translate Bills tabled in Parliament into all the official languages. It also wants to examine how it can assist in promoting good governance and the rule of law in Africa in accordance with the New Partnership for Africa's Development (NEPAD) principles and the commitments of the African Union.

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Legal Services to the State					
	Legal services	Percentage of opinions, litigation matters, agreements and draft legislation finalised	90% finalised	90%	
	Reduce private sector assistance to government departments	Percentage decrease in requests for private sector services	4% less requests		

B. MASTER OF THE HIGH COURT

Following the appointment of the new Chief Master, the branch reviewed its strategic direction and focus. It adopted a theme: "compliance to compassion". The capacity of the branch was also increased with the advertisement of new posts. The posts are currently being filled. The Department hopes that the focus and increased capacity, coupled with the planned training of staff, will serve to improve the services this branch is delivering, in particular the Guardian's Fund and administration of deceased estates. The branch also secured new accommodation at Mthatha and Pietermaritzburg. There has been consultation with the South African Revenue Service, the Department of Home Affairs, the Association of Trust Companies, the Law Society of South Africa, the Congress of South African Trade Unions and the National Economic Development and Labour Council (NEDLAC) to improve collaboration in the delivery of services.

	DECEASED			INSOLVENCIES		CURATOR	TRUSTS
NAME	Files from Service Points	No of L/E <R125000	Section 18(3) >R125 000	Companies CC	Individuals	FY2006/07	FY2006/07
PRETORIA	8 211	10 744	7 976	1 536	1 099	528	14 453
JOHANNESBURG	20 058	2 555	5 095	411	98	0	0
KIMBERLEY	932	661	1 502	15	24	2	429
BLOEMFONTEIN	6 971	2 765	3 926	77	65	15	1 738
GRAHAMSTOWN	2 061	947	2 868	31	14	112	1 472
PIETERMARITZBURG	5 502	4 077	7 127	108	41	24	1 120
PORT ELIZABETH	282	1 023	2 697	51	25	0	0
DURBAN	7 831	1 301	4 556	63	36	8	0
POLOKWANE	2 671	521	1 542	0	0	0	0
BISHO	562	73	840	0	0	2	2
THOHOYANDO	0	27	577	0	0	0	0
MTHATHA	8 322	212	712	1	0	8	28
MAFIKENG	0	1 018	2 114	13	51	22	96
CAPE TOWN	2 836	5 725	7 027	396	106	479	6 399
TOTAL 2006	63 403	25 924	41 533	3 661		2 209	25 737
2005	47 328	28 543	35 557	5 026		2 945	25 826
2004		30 247	31 539	6 318		574	25 941

Deceased estates

The Master attended to 15 000 more deceased estate matters than the previous year. This is a growth of about 15%. Almost the same number of matters are reported at service points (Magistrate's Offices) than at Master's Offices: a ratio of 50/50. During the previous year, the ratio was 40:60 in favour of Master's Offices. This implies that more people are served closer to their place of residence than before.

Insolvency

The number of reported insolvency matters is declining. About 17% less matters were reported than in the previous year. The challenge, however, is a lack of capacity. There is also no need to regulate the insolvency industry.

Guardian's Fund

The total number of receipts for the Guardian's Fund for the financial year under review was 15 738 valued at R710 million.

That is an increase of 28% in number from the previous financial year. The total number of payments from the Guardian's Fund for the financial year was 52 139 valued at R379 million. That is up 14% in monetary value from the previous financial year.

The Department has always employed a manual system to manage and administer the Guardian's Fund. The branch has recognised the need to automate the activities, and has currently managed to automate much of the activities in Bloemfontein and Kimberley. The rest of the offices will be automated in 2007/08.

Trusts and Curatorship

This area of our operations did not see any significant changes to operations before and the Department maintained the service delivery levels of previous years.

Subprogramme	Outputs	Performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Master of the High Court					
	Supervise the administration of deceased estates, insolvent estates, trusts, curatorships and the Guardian's Fund	Time taken to provide beneficiaries with access to assets, including funds Deceased and insolvency estates case cycle time	Within 60 days of application	On average: Deceased Estates: 16 working days Guardian's Funds: 31 working days Trusts: 14 working days Insolvency: 21 working days	
			• Estates of R50 000 or less completed within four months • Estates of more than R50 000 completed within 10 months	Estates more than R125 000: 25 924 Estates less than R125 000: 104 937	The jurisdiction for small estates is R125 000. The jurisdiction for estates at service points were limited to R50 000 by the Master to limit risk in that environment.

C. LEGISLATIVE AND CONSTITUTIONAL DEVELOPMENT

The branch consists of the following components: Legislative Development, Constitutional Development, the South African Law Reform Commission, and the Rules Board for Courts of Law. These components have the following mandates:

- The investigation, preparation and promotion of primary and subordinate legislation relating to the line functions of the Department
- The promotion, development and administration of the Constitution and its values
- The assistance and protection of relevant Chapter 9 institutions to ensure their independence, dignity and effectiveness
- Research of all branches of the law of South Africa in order to make recommendations for the development, improvement, modernisation or reform thereof
- Provision of a secretarial and research function to the Rules Board for Courts of Law which reviews the rules of court and makes, amends and repeals rules, subject to the approval of the Minister for Justice and Constitutional Development.

i) Chief Directorate: Legislative Development

The Chief Directorate: Legislative Development has, through the legislation it has prepared and promoted, played a role in contributing to the achievement of the Department's strategic goals and objectives, most notably transformation and access to justice. The following achievements are highlighted:

Bills introduced to Parliament:

a) The Repeal of the Black Administration Act and Amendment of Certain Laws Amendment Bill extended the statutory deadline for the repeal of certain provisions of the Black Administration Act, 1927 (Act 38 of 1927), in order to afford the Department an opportunity to develop a policy framework and legislation regulating the judicial functions of traditional leaders. This Bill, which has already been implemented, facilitates transformation.

b) The Regulation of Interception of Communications and Provision of Communication-Related Information Amendment Bill is intended to provide for the electronic capturing of the personal particulars of cell-phone and SIM card holders, and replace the current paper-based system. This Bill will contribute to the fight against serious crime and enhances organisational efficiency. It is receiving the attention of the Portfolio Committee on Justice and Constitutional Development.

c) The South African Judicial Education Institute Bill is intended to regulate the training of judicial officers, which will be undertaken by the institute the Bill intends to establish. This Bill facilitates transformation and is receiving the attention of the Portfolio Committee on Justice and Constitutional Development.

d) Although the **Minister of Home Affairs introduced the Civil Unions Bill into Parliament,** the Department played a leading role in its development and promotion. The Bill, which has already been implemented, makes provision for same-sex marriages. It is transformative in nature and promotes access to justice.

Bills before Parliament:

The following Bills were adapted extensively pursuant to discussions in the Portfolio Committee on Justice and Constitutional Development and with other role-players and submitted again to the Portfolio Committee for further deliberation:

a) **The Criminal Law (Sexual Offences and Related Matters) Amendment Bill** is intended to revise the Sexual Offences Act, 1957 (Act 23 of 1957) in order to bring it in line with the new constitutional dispensation. It is seen as a measure in the fight against violence against women. The Bill, which has been approved by National Assembly, is not only transformative in nature but also facilitates access to justice.

b) **The Judicial Service Commission Amendment Bill** creates a tribunal and sets out procedures to deal with cases of incapacity, gross incompetence or gross misconduct on the part of judges. The Bill contributes significantly to the transformation of the judiciary.

Bills already prepared and almost ready for introduction into Parliament with the view to their promotion during 2007:

a) **The Criminal Law (Sentencing) Amendment Bill** is intended to address certain practical problems relating to the prescribed minimum sentencing legislation, as provided for in the Criminal Law Amendment Act, 1997, (Act 105 of 1997) while retaining the principles underpinning this Act. In particular, it aims to expedite the finalisation of serious criminal cases, to punish offenders of certain serious crimes appropriately and to eliminate the secondary victimisation of complainants, especially female children in rape cases, which has developed in some courts. The Bill not only enhances organisational efficiency, but also promotes access to justice. It has been approved by Cabinet.

b) **The Reform of Customary Law of Succession Bill** is intended to bring the Customary Law of Succession into line with the Constitution, thereby eliminating unfair discrimination in that area of the law. Existing legislation has already been declared to be unconstitutional by the Constitutional Court. This Bill, which is transformative in nature, will also promote access to justice and contribute to gender equality, allowing more women and children to share directly in the proceeds of deceased estates.

c) **The Jurisdiction of Regional Courts Amendment Bill** is intended to confer civil jurisdiction on Regional Courts, as well as jurisdiction to deal with family issues which are currently dealt with by the Divorce Courts established under section 10 of the Administration Amendment Act, 1929 (Act 9 of 1929). Access to justice is the primary objective of this Bill, but it also facilitates transformation and enhances organisational efficiency.

d) **A Judicial Matters Amendment Bill**, amending numerous Acts of Parliament that are administered by the Department in order to address problems identified in practice, was prepared. Its focus is largely enhancing on organisational efficiency.

e) **The Constitution Thirteen Amendment Bill** is intended to re-enact provisions of the Constitution dealing with provincial boundaries that have been declared unconstitutional by the Constitutional Court.

f) **The Magistrates' (Appointments) Amendment Bill** is intended to regulate anew the appointment procedure of Magistrates in order to ensure its alignment with the appointment of judges. It will contribute to the transformation of the judiciary.

g) Because there have been instances where court orders have not been complied with by the state, the State Liability Amendment Bill is intended to ensure that Government departments do comply with court orders made against them, particularly court orders with financial implications. Access to justice will be promoted.

h) **The Magistrates' Courts Amendment Bill** is intended to prohibit the disposal of immovable property of indigent persons in certain circumstances, eg sales in execution in respect of low-cost housing (RDP Houses) as a result of insignificant debts. The Bill will promote access to justice.

Subordinate legislation prepared or finalised:

- Five proclamations and supporting documents were prepared, referring matters to the Special Investigating Unit under the Special Investigating Units and Special Tribunals Act, 1996, for investigation.
- Regulations in terms of sections 5 and 7 of the Maintenance Act, 1998, relating to maintenance investigators, were prepared and published.
- Regulations in terms of the Promotion of Access to Information Act, 2000, providing for offences and the tabling of reports in Parliament relating to the training curriculum of presiding officers, were prepared and published.
- Practical Guidelines required by the Protected Disclosures Act, 2000, were prepared and submitted to Parliament. They have been approved by the National Assembly, but still need to be approved by the National Council of Provinces.
- A Code of Good Administrative Conduct, as envisaged in the Promotion of Administrative Justice Act, 2000, was prepared.
- Regulations under the Promotion of Access to Information Act, 2000, relating the voluntary disclosure of records, were prepared.
- Directives envisaged in the Regulation of Interception of Communications and Provision of Communication-Related Information Act, 2002, were prepared for promulgation by the Department of Communications.

ii) South African Law Reform Commission

Project 25: Statutory law revision

The focus of the statutory law revision investigation is the constitutionality of legislation and the repeal of redundant provisions. The project has been endorsed by Cabinet and enjoys the highest priority. Statutes of the following government departments are being analysed to determine which are redundant, obsolete or unconstitutional: the departments of Agriculture (112 statutes), Transport (218 statutes); National Treasury (620 statutes), Public Works (67 statutes), Trade and Industry (220 statutes), Justice and Constitutional Development (385 statutes). A discussion paper on the Review of the Interpretation Act 33 of 1957 was published for general information and comment in October 2006.

Project 121: Consolidated Legislation pertaining to International Co-operation in Civil Matters

A final report containing recommendations and draft legislation was submitted to the Minister in January 2007.

Project 130: Stalking

A final Report containing recommendations and draft legislation was submitted to the Minister in November 2006.

Details regarding the functioning of the South African Law Reform Commission can be obtained from its own annual report, which is published separately.

iii) Rules Board for Courts of Law

The Rules Board for Courts of Law embarked on a review of sheriff's and attorney's fees to ensure a fair and equitable fee structure. The Rules Board also embarked on a project to simplify court procedures to ensure the speedy resolution of disputes.

The Rules Board formulated a project plan and embarked on a pilot project for the review of the civil justice system to improve the effectiveness and efficiency of the system. Research topics were allocated to researchers in terms of the project plan. The Rules Board conducted a comparative study of methodology employed in other countries which conducted reviews of their civil justice systems. A concept paper on the review of the civil justice system has also been submitted to the Department for consideration.

The Rules Board approved amendments to the following rules during 2006:

- Rule 63 of the High Court Rules to provide for authentication of documents executed outside the country
- Rule 3(1) of the Circuit Court Rules
- Rule 38 of the High Court Rules
- Rule 46(3)(b) of the High Court Rules
- Rule 22 of the Magistrates Court Rules.

iv) Chief Directorate: Constitutional Development

The Chief Directorate: Constitutional Development has, through its various projects, played a role in contributing to the achievement of the Department's strategic goal and objectives relating to "transforming justice, state and society".

The relevant strategic objectives are as follows:

(a) Develop and implement a programme that gives effect to the Constitution and its values.

The following achievements have contributed to this strategic objective:

- Finalised the Department's input to the APRM and participated in seminars on the APRM. Interacted with the Country Review Team of the APRM on Theme 1: Democracy and Good Political Governance of the Country Self-Assessment Report (CSAR) of the APRM
- Formed part of the government drafting team in developing the programme of action required by the APRM
- Conducted constitutional research on various issues pertaining to the Constitution, such as South Africa's constitutional obligations in relation to refugees and other types of migrants and the death penalty
- Updated the Handbook on the Constitution of the Republic of South Africa, 1996
- Coordinated preparations for the 10th anniversary of the Constitution
- Prepared background paper for the Presidency on the 10th Anniversary of the Constitution
- Held seminars on Constitutional Court judgment the purpose of which were mainly to raise the level of awareness on the Constitution and its values.

In order to facilitate the implementation of constitutionally mandated legislation (Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act 4 of 2000) (PEPUDA), and the Promotion of Administrative Justice Act, 2000 (Act 3 of 2000) (PAJA)), the Chief Directorate performed the following activities:

- Conducted a baseline study, aimed at evaluating PAJA compliance, in the Master's Office, and submitted a report on findings to the Chief Master
- Conducted PAJA awareness training in the different spheres of government
- Made a presentation on the PAJA to the South African Local Government Association (SALGA) working group, and councillors recommended that a pilot be identified in each province and not just the North West to enable all provinces to move at the same pace with the PAJA implementation
- Establish a partnership with the head of SALGA to discuss the way forward in local government in respect of implementing the PAJA
- Convened a national interdepartmental PAJA meeting that is aimed to discuss the successes and challenges experienced with the PAJA implementation process
- Made a presentation on the PAJA implementation initiatives undertaken thus far to the Portfolio Committee on Public Service and Administration.

(b) Assist and protect state institutions that strengthen constitutional democracy

- In achieving this objective, a notice of invitation for the nomination of candidates for the Commission on Gender Equality was published in the media and Government Gazette. Additionally, the international comparative desktop study on the National human rights institutions of certain countries across the world has been finalised. The request for assistance from the Public Protector regarding the operational problems in the Office of the Public Protector was also facilitated. The Department's submission to the *Ad Hoc* Committee on the Review of Chapter 9 Institutions and Associated Institutions was prepared.

Sub-programme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Legislation and Constitutional Development					
	Legislation	Number of draft bills introduced and acts implemented	11 draft bills	Five Bills and rules introduced and tabled: (i) Repeal of the Black Administration Act and Amendment of Certain Laws Amendment Bill (ii) Regulation of Interception of Communications and Provision of Communication-Related Information Amendment Bill (iii) South African Judicial Education Institute Bill (iv) Rules in terms of the Promotion of Administrative Justice Act, 2000	The preparation and introduction of draft Bills are dependent on the Department's legislative programme, which is determined in line with government's priorities. Most of the Bills and subordinate legislation that are prepared are complex and comprehensive in nature, involving time-consuming preparatory procedures and consultation. The current service delivery indicator does not allow for a true reflection of the work undertaken by the DoJ&CD. The number of Bills and subordinate legislation prepared and at an advanced stage are also mentioned below: (i) The Department was largely responsible for the preparation, introduction and promotion of the Civil Union Act, although it was introduced into Parliament by the Minister of Home Affairs.
				(v) Rules in terms of the Promotion of Access to Information Act, 2000 Acts implemented: Section 5 of the Maintenance Act, 1998, dealing with maintenance investigators	(ii) The Criminal Law (Sexual Offences and Related Matters) Amendment Bill was adapted extensively, approved by Cabinet and submitted to the Portfolio Committee to continue deliberations. This Bill was discussed for virtually the entire second half of 2006 by the Portfolio Committee. (iii) The Bill creating a mechanism to deal with complaints against judges (the Judicial Service Commission Amendment Bill) was adapted extensively, approved by Cabinet and submitted to the Portfolio Committee to continue deliberations.
					(iv) Practical Guidelines required in terms of the Protected Disclosures Act, 2000, were prepared and submitted to Parliament. (v) A number of sets of regulations were finalised and promulgated.

Sub-programme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Legislation and Constitutional Development					
	Promotion of the Constitution and its values	Number of events that promote the Constitution and its values	• One national conference • Three seminars	• Africa Regional Conference on Advancing Gender Justice in Conflict-Affected Countries held • Conducted two seminars on Constitutional Court judgments, which were well attended by various role-players in the field of constitutional law. The Chief Directorate coordinated one seminar with the South African Human Rights Commission on the Fourie judgment	
	Research publications	Number of research documents submitted to the South African Law Reform Commission for consideration and approval	Ten research documents per year	Seven research documents for the 2006/07 financial year	• Seven posts of Senior State Law Adviser (researchers) were advertised on 5 August 2006. The interview panel found that there were only five suitable candidates. Two posts were filled on 1 September 2006 and three posts were filled on 1 October 2006. On 1 November 2006 one of the researchers was transferred to the Regional Office in the Eastern Cape at her own request, resulting in three vacant posts of Senior State Law Adviser. The three vacant posts will be readvertised in April 2007. • The investigation into statutory law revision is one of considerable magnitude. It requires the scrutiny of all post-1910 legislation for purposes of identifying unconstitutional, redundant and obsolete provisions. The importance and magnitude of Project 25 (Statutory law revision) necessitated a reprioritisation of the SALRC's law reform programme and a reallocation of the SALRC's human resources. As researchers become available, they are allocated to the statutory law revision project • Most of the SALRC's investigations are very complex in nature and necessitate an international perspective. In other investigations an entire branch of the law is examined and revised.

D. STATE LITIGATION UNIT

The State Litigation Unit was established to focus primarily on state litigation. The Chief Litigation Officer (CLO) was appointed during the current financial year to provide strategic leadership to this unit. The CLO is currently in the process of improving the capacity of her office to increase its efficiency in handling litigation on behalf of client departments throughout the country.

To give effect to the creation of additional capacity in the unit, a pilot project to establish In-house counsel in Pretoria, Johannesburg and Cape Town is currently under way. In this project, a total of 50 advocates posts were approved for appointment in the three jurisdictions mentioned above.

This year, the CLO's office opened the Kimberley State Attorneys' offices to resolve the problems of proximity of services. Prior to the opening of these offices, services were rendered by the Bloemfontein State Attorneys' offices, situated about 160 kilometres away from the clients. This office brought services close to the Northern Cape client departments.

The State Attorneys' offices have also gained access to on-line publication services to enable efficient research and case preparations for litigation. The 80 percent target set for accessing on-line publications was exceeded by 10 percent. The SAS system, which is an electronic case and diary management system, was also installed in the Kimberley and Thohoyandou offices. The system has been rolled out to all other offices in the country.

The finalisation of litigation matters is currently at a slow rate. The targets of finalising litigation matters, as well as reducing private sector assistance to government departments, are practically not feasible because of external factors that influence their achievement. The volume of litigation, its allocation on the court roll and the readiness of the parties to proceed with and finalise matters involving the state are all external factors that are beyond the control of State Attorneys. This also applies to the target set for the Department's Law Enforcement Unit which deals with the reduction of state litigation.

There has also been an improvement in the race and gender balances in briefing counsel. The number of black counsel that have been briefed has steadily increased in all offices. This comes as a result of the transformative initiatives undertaken by the Department to ensure empowerment opportunities for the previously disadvantaged professional:

Race and gender percentage are as follows:

White male	33%
White female	6%
Black male	46%
Black female	15%

The CLO office is currently improving its systems and processes to gather data in order to improve efficiency in its business. The office is now better positioned to understand its spending on different provinces and departments:

Spending for the year under review was as follows:

Province	Amount
Eastern Cape	R 52 601 860.52
Free State and Northern Cape	R 10 865 329.02
Gauteng	R 17 338 270.81
KwaZulu-Natal	R 7 621 472.30
Limpopo	R 6 092 724.05
Mpumalanga	R 5 701 414.68
North West	R 4 207 055.12
Western Cape	R 2 037 702.50
TOTAL	R 106 465 829.00

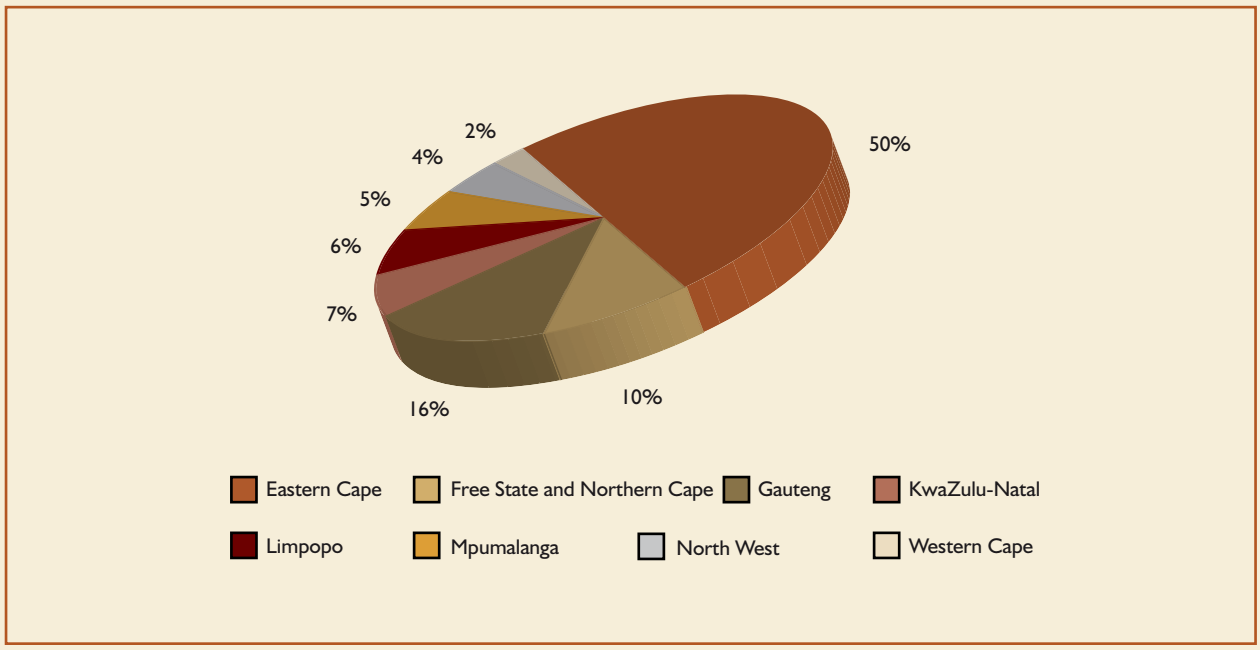


Figure 26: Legal expenses - Provincial governments

Sub-programme	Outputs	Outputs performance measures/service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Chief Litigation Unit					
	Approval of the Chief Litigation Unit structure	Existence of a Litigation Unit structure	Creation of a Litigation Unit structure by 31st December 2006	Structure proposed but not yet approved	Impacted by slow HR processes
	Strengthening of capacity in State Attorney's offices	Decrease private briefs to private practitioners by 31 March 2007.	25% decrease in the briefing of private practitioners	Not achieved	Delay caused by lack of accomodation
			Existence of approved State Advocate posts	Not achieved	
	Design a format for an outreach programme	Design a format for an outreach programme by 31st March 07	Draft outreach programme available for internal circulation for discussion	Not achieved	Target not achieved due to inadequate capacity

2.10.4 Programme 4: National Prosecuting Authority (NPA)

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

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

Details regarding this programme performance can be obtained from the separate annual report published for the National Prosecuting Authority.

The annual financial statements of the NPA are included in Part 4 (b) of this report. Consolidated financial statements are included in Part 4 (c).

2.10.5 Programme 5: Auxiliary and Associated Services

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

Measurable objective: Support the national crime prevention strategy and guarantee the independence and integrity of the administration of justice, by providing vulnerable groups with additional legal services and advice which meet public assistance and awareness campaign targets.

2.10.5.1 Service delivery objectives and indicators:

i) Information and Systems Management (ISM)

The e-Justice Programme has evolved into the Modernisation Programme. The primary projects for the period under review were as follows:

a) e-Scheduler:

The Department is currently rolling out the e-Scheduler solution to a total of 436 identified sites. The regional breakdown of this is as follows:

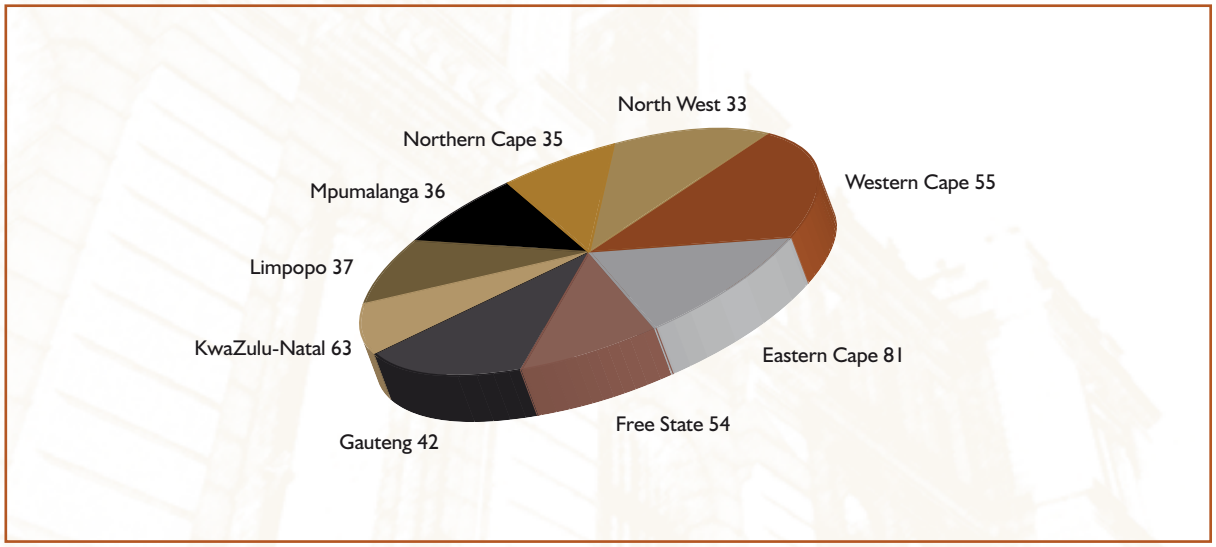


Figure 27: Roll-out of e-Scheduler

This module allows courts to do the registration and electronic scheduling of court cases and extract information relating to court performance and case statistics. The e-Scheduler has been enhanced to also accommodate the requirements of Regional Courts. A total of 334 users were trained in the use of the application.

b) Digital nervous system (DNS):

The 2006/2007 financial year saw the successful completion of the DNS III project, which sought to provide connectivity to smaller remote sites that were previously overlooked in terms of technological advancement. The project included the provision of ICT infrastructure, hardware, various applications and IT literacy training. The roll-out of basic ICT infrastructure and services through the DNS IIII project brought the total number of sites networked to date to 529. This constitutes 94% of the sites countrywide.

c) Justice deposit account system:

The solution was rolled out to three sites identified by *Special Assignment* as hot spots of non-service delivery. The fourth site is a work in progress. All nine regions are currently in the process of rolling out the solution to regional sites. The JDAS V3 is also in the process of being migrated to the V4 solution, which allows for additional functionality. The following was achieved:

- Successful completion and closure of the DNS III project (connectivity and hardware)
- Successful roll-out of the e-Scheduler solution to identified sites (the e-Scheduler system has been implemented in 436 Courts, totaling a number of 3 389 users)
- Successful roll-out of the JDAS solution to identified sites
- The development of the scanning solution and the integration thereof into the Integrated Case Management Solution. The roll-out of this module of the Integrated Case Management Solution is scheduled to kick off in the new financial year.
- The development of phase I of the IADE solution comprising of the registration of Estates and the scanning solution

ii) The Truth and Reconciliation Commission (TRC) Unit

In keeping with the Presidential mandate given on 15 April 2003 in Parliament, the Truth and Reconciliation Commission Unit was established with a view to audit, monitor and coordinate the implementation of the TRC recommendations and render victim support services.

During the period under review, significant progress was made in staffing the unit.

In addition to monetary reparations, ie the interim and once-off individual grants that were paid to TRC-identified victims through the President's Fund, reparations as recommended by the TRC and endorsed by government, also include reparations of a non-monetary nature, as follows:

a) Symbols and monuments

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

b) Medical benefits and other forms of social assistance

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

c) Rehabilitation of communities

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

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

The unit's achievements during the period under review include the following:

- A progress report on government's implementation of the TRC recommendations was compiled and updated to give effect to the TRC recommendation that regular reporting to Cabinet and Parliament must be done.
- The Exhumation Policy on Missing Person Cases reported to the TRC was drafted in conjunction with service providers such as the National Prosecuting Authority, the South African Police Service and the Freedom Park Trust. The finalisation of this policy will facilitate the drafting of regulations in terms of the Promotion of National Unity and Reconciliation Act, 1995 (Act No 34 of 1995) .
- The unit coordinated the handover ceremonies and reburials of the remains of persons exhumed by the Missing Persons Task Team in the National Prosecuting Authority. This included assistance to the families to ensure that they receive grief counselling and apply for reparation grants and special pension benefits.

- Interaction between government role-players and certain NGOs, CBOs and Victim Support Groups took place with a view to identify problem areas, enhance cooperation and coordinate activities.
- Victims' requests for assistance in respect of, for instance, education and housing, were processed on a daily basis.
- The necessary processes were followed to facilitate the drafting of regulations to enable access to the monies in the President's Fund in accordance with the Act. Ministerial approval is awaited in this respect. The remaining monies in the fund will be used for reparation purposes in respect of symbols and monuments, medical benefits and other forms of social assistance and community rehabilitation.

Institutions reporting to the Minister

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

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

Public entities reporting to the Minister

- Special Investigating Unit
- Legal Aid Board

2.10.5.1 Service delivery achievements:

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Information and systems Management (ISM)					
National Crime Prevention Strategy	IT resources	Number of users to receive infrastructure	100% of users	Achieved.	
		Number of users connected to the network	All users at implemented sites	15 000 connected	
Judicial Service Commission					
	Appointment of judges	Percentage of vacancies filled	100% filled		
Office for the Control of Interception and Monitoring of Communication					
	Control of interception and monitoring of communication	Number of applications and directions considered	300 applications and directions		
Commission on Gender Equality					
	Gender awareness programmes	Percentage of individual complaints oncluded	60% conclude		
	Evaluation: monitoring and research arising from complaints	Number of sectoral monitoring and research project reports	15 projects		

Subprogramme	Outputs	Performance measures/ service delivery indicators	Actual performance against target		
			Target	Actual	Motivation
Special Investigating Unit					
	Investigation of maladministration and corruption	Number of civil and criminal cases, disciplinary proceedings and other remedial actions	10,000 actions		
	Litigation to recover government property or money or prevent losses	Savings and recoveries	R100 million		
		Value of theft and losses prevented	R1.25 billion		
Legal Aid Board					
	Legal representation for the indigent	Number of cases finalised	250 000 cases		
		Percentage decline in criminal cases being heard without representation	10% fewer unrepresented cases		
Public Protector					
	Investigation of complaints	Number of Investigations finalised per investigator	144 cases per investigator		
President's Fund					
	Payment of reparations to victims/ survivors of gross human rights violations	Once-off grant of R30 000 as final reparation to those individuals or survivors identified by RC	To pay 6 837 beneficiaries	Paid 15 610 beneficiaries a total of R519 million.	• Beneficiaries could not be reached for banking details due to poor addresses • Relocation from given addresses • Beneficiaries deceased after receiving urgent interim reparations (efforts are being made to locate the next of kin)
South African Human Rights Commission					
	Publication distribution	Percentage increase in distribution of publications	Increase by at least 10%, especially in rural communities		
	Investigation of complaints	Percentage increase in complaints resolved	50% increase		

Part 3

Report of the Audit Committee

Report of the Audit Committee

for the year ended 31 March 2005

We are pleased to present our report for the financial year ended 31 March 2007.

Audit Committee members and attendance

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

Name of member	Number of meetings attended
Stewart Patterson (Chairperson)	7
Cedric Boltman	7
Ntombi Langa-Royds	5
Motsamai Karedi	7
Andrew Sefala (removed 19 January 2007)	1

Ms Catharina Sevillano-Barredo, a chartered accountant (SA), joined the Audit Committee on 29 May 2007.

The chairperson was scheduled to retire along with standing members on 31 August 2005. In order to retain continuity and experience the Accounting Office extended his contract for a further period. The Audit Committee Charter has been amended to provide scope for this exception.

Audit Committee responsibility

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

The effectiveness of internal control

The system of internal control was not entirely effective during the year under review as compliance with prescribed policies and procedures were lacking in certain instances. During the year under review, several instances of non-compliance were reported by internal and external auditors that resulted from a breakdown in the functioning of controls.

Internal audit revealed major breakdowns in policies and procedures as well as instances of corruption in the human resources and procurement functions.

Common causes of significant findings reported by internal audit were:

- over-riding of controls by management;
- lack of skills training or inadequate training;
- lack of supervision and discipline;
- lack of capacity due to vacancies;
- inadequate facilities; and
- inadequate security.

Contributory reasons for these are, in certain instances, a lack of sufficiently laid-down policies and guidelines and inadequately developed systems. There are also a number of manual-based systems which are unable to process high volumes of data.

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

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

The quality of in year management and monthly/quarterly reports submitted in terms of the PFMA.

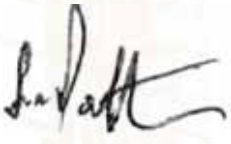
The Audit Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer and the Department during the year under review.

Evaluation of financial statements

The Audit Committee has:

- reviewed and discussed with the Auditor-General and the Accounting Officer the audited annual financial statements to be included in the annual report;
- reviewed the Auditor-General's management letter and management response thereto; and
- reviewed significant adjustments resulting from the audit;

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



SA Patterson
Chairperson of the Audit Committee
16 August 2007

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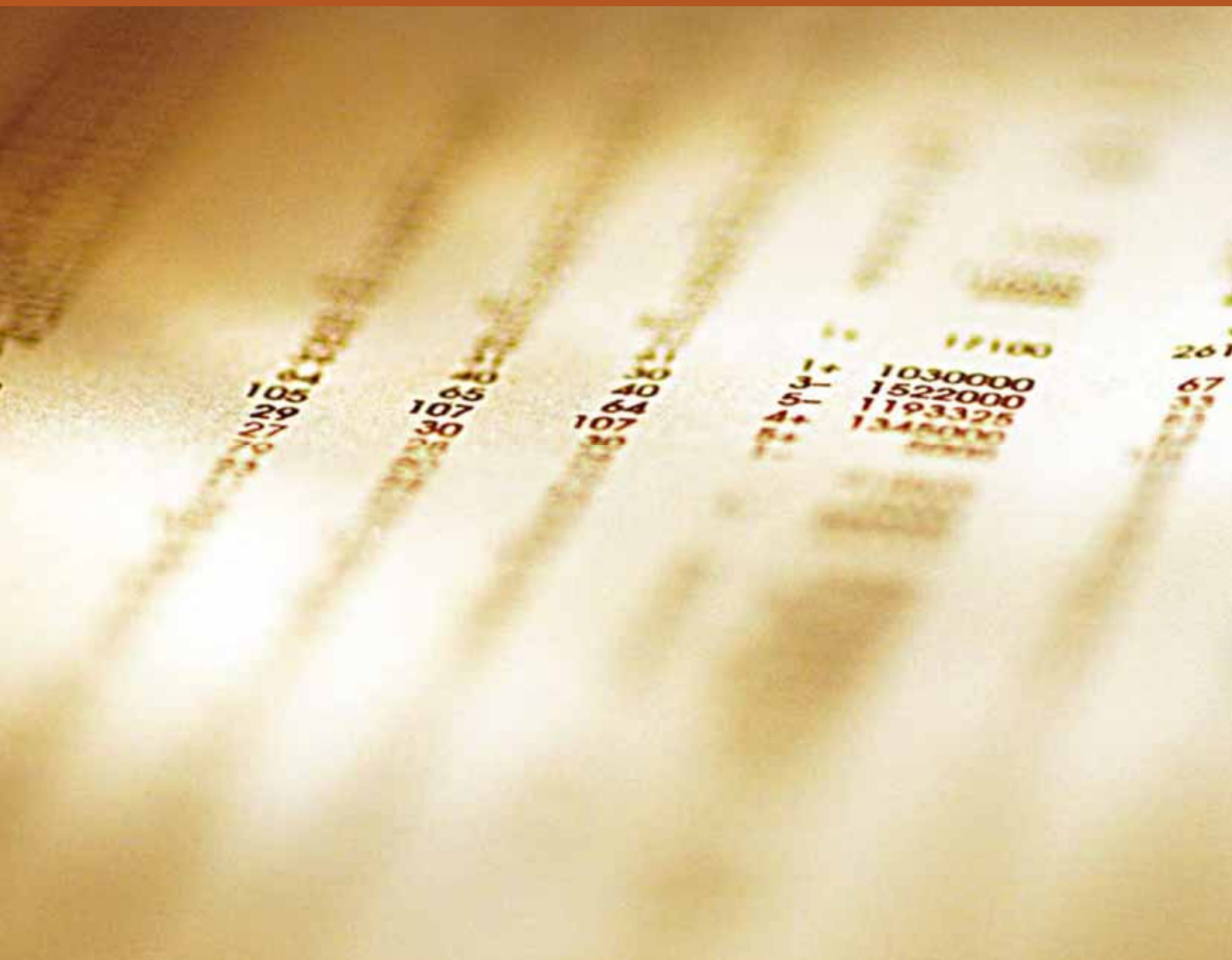
Part 4a

Annual Financial Statements



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Part 4a: Report of the Accounting Officer

for the year ended 31 March 2007

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

1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

1.1 Voted funds received by the Department

Although the Appropriation Act indicates a total budget of R6 478 647 000 for the vote, the financial statements reflect only R4 893 562 000. The discrepancy of R1 585 085 000 is due to the fact that the amount appropriated for the National Prosecuting Authority (NPA) is reported on in the financial statements of the NPA as was the case last year.

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

The spending of the R4 893 562 000 can be illustrated as follows:

	2006/07	2005/06
	R'000	R'000
Total amount appropriated	4,893,562	3,738,043
Less total expenditure	4,469,462	3,483,318
Underspent	**424,100**	**254,725**
Percentage under spent	**8.7%**	**6.8%**

As part of the Budget Management Framework, quarterly budget review meetings are held and chaired by me as Accounting Officer. During the second-quarter budget review, it became evident that due to the non-filling of vacancies, we were faced with significant underspending during this financial year.

I therefore embarked on a budget reprioritisation process, according to which identified budget underspending was reallocated to unfunded priority areas within applicable limitations set by the PFMA and National Treasury Regulations.

The following budget reallocations were approved:

Branch/programme	Project	Amount
Court Services	Upgrading of infrastructure at courts and regions: • Air-conditioning for court rooms countrywide • Office furniture and equipment • Dictaphones, laptops, scanners • Vehicles • Fast-tracking of facilities management by Department of Public Works (Day-to-day maintenance, access to court buildings and NPA offices for people with disabilities) • 30 Mobile homes utilised for different courts country wide • Update of libraries at Magistrate Courts and High Courts	 R12.6 million R22.1 million R69 million R18 million R263 million R3 million R38.5 million
Justice College	Additional legal courses for magistrates, prosecutors and other legal personal on recent developments.	R5.7 million

Part 4a: Report of the Accounting Officer

for the year ended 31 March 2007

Branch/programme	Project	Amount
Masters	Upgrading of infrastructure at all Magistrates' Offices: • Office accommodation • Scanners • Office equipment	R11.7 million
Chief Financial Officer	Guardian's Fund Accounting Turnaround Project	R7.6 million
Chief Litigation Officer	• Office equipment and furniture • Backlog on performance awards	R1.5 million
Human Resource Management	• Training courses on performance management and job evaluation • HIV test kits • Appointment of an employee wellness service provider	R13.2 million
Office of the Director-General	Workshop for Legal Service Sector Charter, National Disability Framework and SA Law Reform Project.	R5.1 million

Graphic illustration of departmental expenditure per programme and economic classification:

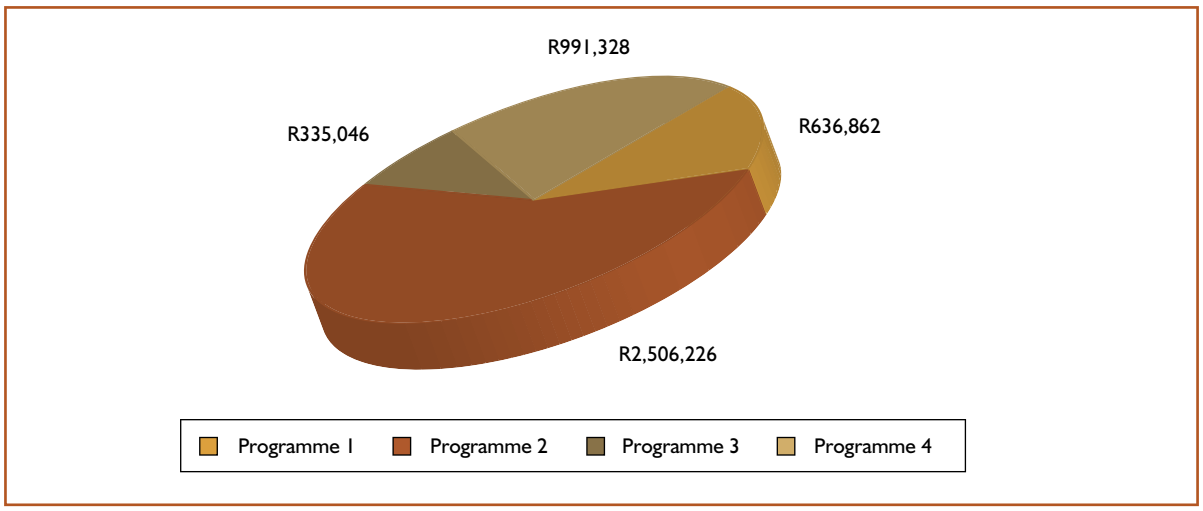

Figure 28: Expenditure per programme

Part 4a: Report of the Accounting Officer

for the year ended 31 March 2007

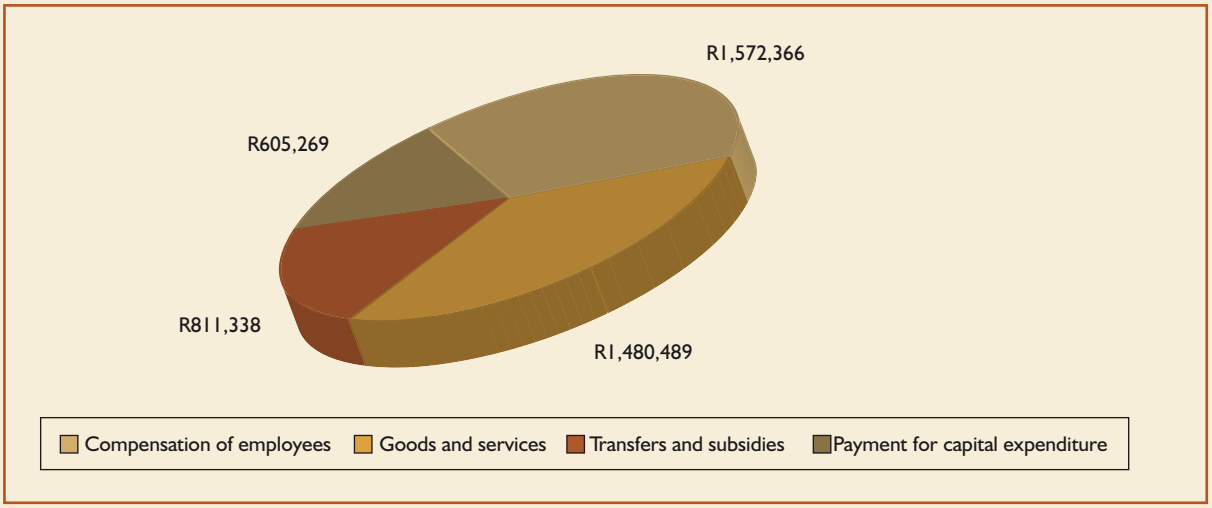

Figure 29: Expenditure per economic classification

With effect from 1 April 2006, accommodation-related costs have been devolved by the national Department of Public Works (DPW) to the client departments. As a result of this arrangement, the following items reflect a major increase since the 2005/06 financial year:

Note 6: Goods and services

	2006/07	2005/06	Percentage increase
	R'000	R'000	
Leases	241 415	25 829	93.5%
Municipal services	83 076	-	100.0%

In absence of the lease contracts and accurate information from DPW, the future accommodation charges have not been included in the operating leases (Note 24).

Statutory appropriation (Judges' and Magistrates' salaries and allowances)

There was an increase of 26% on the statutory grant, while the statutory expenditure increased with 6%. The increase in the grant was not sufficient to cover the overspending.

	2006/07	2005/06
	R'000	R'000
Total amount appropriated	1 071 056	849 977
Less total expenditure	1 099 289	1 040 097
Overexpenditure to be funded by National Treasury	**(28 233)**	**(190 120)**

Part 4a: Report of the Accounting Officer

for the year ended 31 March 2007

The shortfall has been addressed in the Medium-Term Expenditure Framework (MTEF). The allocation for the next three financial years is as follows:

2007/08: R 1 263 518

2008/09: R1 339 329

2009/10: R1 419 689

Revenue

	2006/07	2005/06
	R'000	R'000
Opening balance	11 548	21 410
Revenue generated	312 661	317 432
Total revenue generated	**324 209**	**338 824**
Less revenue paid to SARS	319 439	327 294
Surplus to be surrendered to SARS	**4 770**	**11 548**

Eighty percent of the disclosed revenue constitutes money receipted in the Third-Party Funds (formerly referred to as Monies in Trust) bank accounts and paid into the Department's Paymaster-General Account for transfer to the National Revenue Fund.

As part of the Public-Private-Partnership (refer to paragraph 6 ***infra***), the regularity framework governing different types of monies paid into courts and Masters' Offices were reviewed. As a result of the review, the Department received a qualified audit report for the 2005/06 financial year. In 2006/07 the matter was further pursued and a legal opinion was obtained from the State Law Advisers. The legal opinion confirmed that the money receipted in Monies in Trust does not constitute Departmental revenue.

Funds not received *via* the budget process

In July 2003, Cabinet recognised that one of the biggest challenges facing government was the modernisation and integration of the criminal justice system. A special programme, namely the Integrated Justice System (IJS), was established in the security cluster.

The aim of programme is to integrate the management of cases and offenders by the four departments in the cluster. The departments would be supported by the necessary enabling technologies.

Safety and Security was identified as the administrating department and an amount of R43 363 423 (2005/06: R178 000 00) was allocated to their budget.

Departments within the cluster incur expenditure *via* a suspense account, through the normal procurement processes and claim it back from the Department of Safety and Security. These claims are submitted to the IJS Committee for approval and reimbursement.

Part 4a: Report of the Accounting Officer

for the year ended 31 March 2007

2. SERVICES RENDERED BY THE DEPARTMENT

2.1 Tariff policy

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

2.2 Free services

The administration of Third-Party Funds (Monies in Trust) is currently being done free of charge. Should a fee be charged, it would yield significant revenue. Other free services include the following:

The Presiding Officers at Small Claims Courts are normally lawyers or retired magistrates

- Law lecturers render a free service at Magistrates' Courts.
- A number of free services relating to activities in the Masters' Offices include the following:
  - Estate duty taxation
  - Administration services
  - Archive services
  - Inspection services
- Various legal and financial services are rendered by the Department on behalf of other government departments (all spheres of government) in terms of the cooperative requirements of the Constitution of South Africa. Legal services entail the scrutiny of international agreements, including extradition agreements, scrutiny of draft subordinate legislation, writing of legal opinions and secondment of staff on a part-time basis to assist other departments.
- Transcription records are provided free of charge to litigants for purposes of challenging the outcome of cases. Should a fee be charged, it would yield significant revenue.
- Legal advice, counselling and mediation services are offered at family courts by Family Advocates, Family counsellors and maintenance investigators.

3. CAPACITY CONSTRAINTS

Vacant posts and skills shortages covering a broad spectrum of specialisation in the various branches and regions continued to affect the Department's operations and have adversely affected the service delivery capacity of the department.

Part 4a: Report of the Accounting Officer

for the year ended 31 March 2007

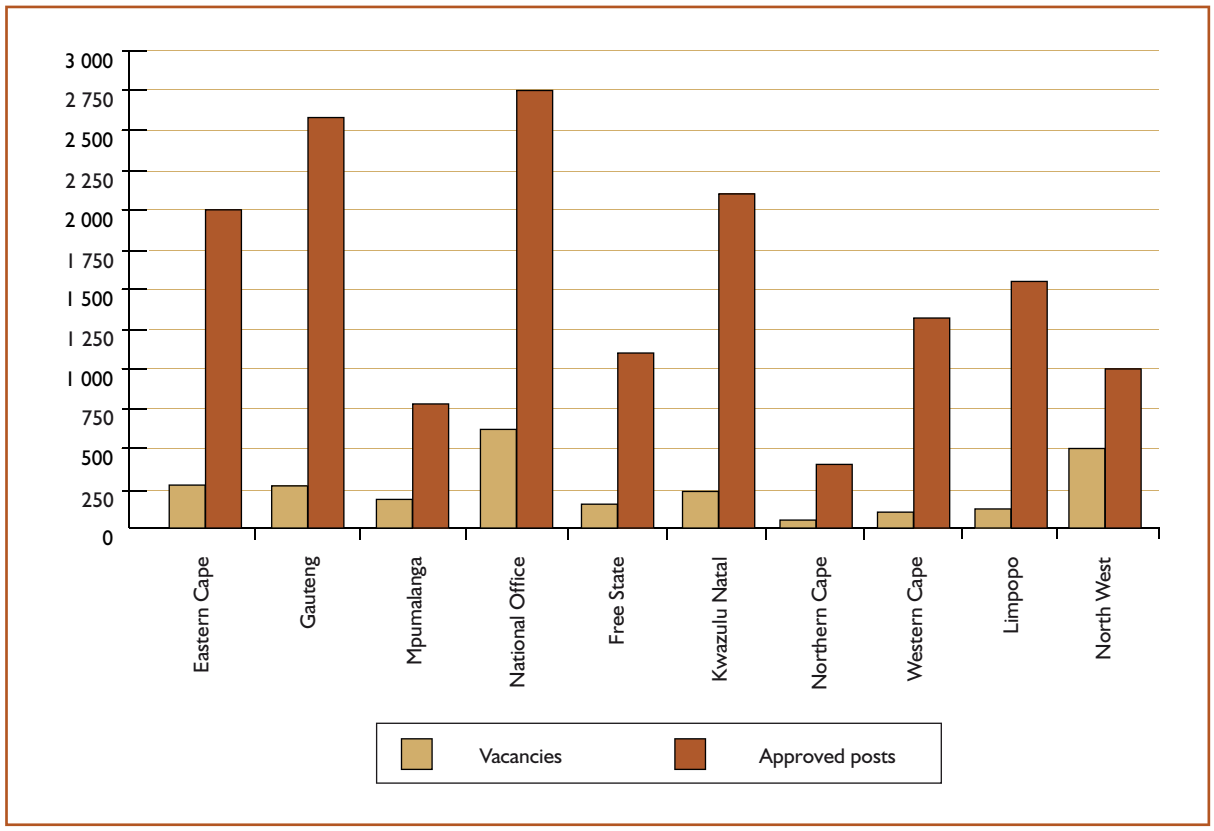

Figure 30: Vacancies in the Regions

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

4. UTILISATION OF DONOR FUNDS

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

	2006/07	2005/06
	R'000	R'000
Assistance rolled over from previous year	24 827	45 549
Grants received during the financial year	52 310	23 772
Total amount received	77 137	69 321
Less total expenditure	39 594	44 494
Closing balance	**37 543**	**24 827**

Part 4a: Report of the Accounting Officer

for the year ended 31 March 2007

Donor	Project	Short Description	Analysis of factors contributing to effective / ineffective utilisation thereof
Denmark	Training of Maintenance Officers	Training of Maintenance Officers on the content of the Maintenance Act, 1998	Project finalised in 2005/06 financial year. The surplus amount of R1 710 176.56 was paid back to the donor on 29 August 2006.
British High Commission	Development of a training programme for Magistrates on international human rights standards and principles for Magistrates in South Africa.	Development of a training programme on international human rights standards and principles.	Project finalised in 2005/06 financial year. The surplus amount of R195 875.64 was paid back to the donor on 28 August 2006.
United Nations Children's Fund	Funding of consultation process: Discussion Paper on the Trafficking in Persons	Providing an opportunity to interested parties to discuss the Commission's preliminary recommendations as set out in the Discussion Paper and draft Bill on Trafficking in Persons.	Six provincial one-day workshops were held. The workshops were attended by officials from relevant government departments, NGOs, academics, lawyers and other persons and institutions who made a meaningful contribution to the Commission's process of law reform. The surplus amount of R62 329.69 was paid back to the RDP account on 14 November 2006.
Sweden	Restorative Justice Material and Child Justice Project	Providing assistance to the Department with the improvement of the criminal justice system in relation to children's issues, and developing adequate responses to young offenders with a view to ensuring that the best interest of the child is protected. The restorative justice material developed was mainly in relation to children's issues.	Monthly intersectoral meetings and training/ workshops were coordinated for the Magistracy and Legal Aid Board on restorative justice, non-custodial sentences and child justice issues. Awareness material was developed and distributed, and a pilot project was launched on the preliminary inquiry at Bloemfontein/Mangaung One-Stop Child Justice Centre. Various workshops were held on child justice information management and children awaiting trail. Nine meetings were held in the Provinces to workshop the National Interim Protocol on the Management of Children Awaiting Trial and the strengthening or establishment of nine provincial child justice fora. The objective of preparing for implementation of the Child Justice Bill (B49 of 2002), could only take place partially, as the Child Justice Bill has not been passed as an Act by Parliament. A well-structured and cocoordinated child justice system was established with the assistance of donor funds.

Donor	Project	Short Description	Analysis of factors contributing to effective / ineffective utilisation thereof
Ireland	Masters' Project	The project supports the Department of Justice and Constitutional Development in its efforts to re-engineer all of the business processes (deceases estates, etc) in the Masters' Offices and in a selection of Magistrates' Courts to ensure access to justice for all, especially to the disadvantaged and the rural poor, and to eliminate malpractices and promote transparency and accountability.	Participation in the project by all stakeholders, seamless integration with other systems such as e-Scheduler, user acceptance of standardised processes in all courts, appropriate change management and adequate infrastructure.
European Union	Sectoral Budget Support	The long-term objective of the programme is to contribute to the democratisation of South African society, as well as towards poverty alleviation in the marginalised groups of our society.	43 % of the total budget was spend as per E-justice 2006/2007 programme plan. The ineffective expenditure of 57% is a result of the extended project life cycle across the 2007/08 financial year.

5. TRANSFER PAYMENTS TO PUBLIC ENTITIES AND CONSTITUTIONAL INSTITUTIONS

The Department of Justice and Constitutional Development made transfer payments to public entities and constitutional institutions. Refer to Annexure 1B.

5.1 Public Entities

In terms of the PFMA, the Accounting Officer has certain responsibilities prior to the transfer of funds to a public entity which are as follows:

- Section 38(i)(j) requires a written assurance from the entity that effective, efficient and transparent financial management and internal controls are implemented prior to the transfer of funds.

  Written assurance was obtained in April 2006. The content of the assurance was verified against the 2005/06 audit results and internal audit findings for 2006/07.

- National Treasury Regulation 26.1 and 30.2.1 further requires quarterly reporting by entities.

  Quarterly reporting was a prerequisite for the continued transfer of funds to public entities.

- According to Section 38(i)(j), the lack of assurance by public entities puts a responsibility on the transferring department by introducing conditions of transfer, and follow-up of these conditions. If continuous non-compliance with conditions is identified, the transferring department has the remedy to withheld transfer payment.

The Accounting Officer's responsibilities were executed for the 2006/07 financial year and there was no need to withhold the transfer payment from the Public Entities.

The following amounts were transferred to the public entities under the control of the Department:

Name of Entity	Amount Transferred
	R'000
Special Investigating Unit	55,582
Legal Aid Board	501,409

Refer to Part 2 par 2.8 of the annual report for details regarding the objectives of the Public Entities.

Constitutional institutions

Section 38(i)(j) is not applicable to the constitutional institution and therefore the controls by the department as per the PFMA and Treasury Regulation cannot be enforced.

These constitutional institutions obtained their independence from section 181(2) of the Constitution. In terms of section 181(5) of the Constitution they are only accountable to the National Assembly.

The following amounts were transferred to the Constitutional institutions under the control of the Department:

Name of Institution	Amount Transferred
	R'000
South African Human Rights Commission	49,220
Commission on Gender Equality	37,757
Public Protector	67,784
Represented Political Parties' Fund	79,385

Refer to Part 2 par 2.8 of the annual report for details regarding the objectives of the Constitutional Institutions.

6. PUBLIC-PRIVATE PARTNERSHIPS (PPP)

Management of Monies in Trust (bail, maintenance, court fines, payments into court, estates and guardian funds)

The Department has a huge turnover in Third-Party Funds per annum through its cash halls. A weak financial management system, fraud and corruption in a largely manual, paper-based transaction environment that is prone to human error characterises the Third-Party Funds environment. Cash halls lack the security required to protect monies and staff, as well as the systems required to accurately account for these financial transactions. Maintenance service delivery generally remains unacceptably low and is mostly restricted to the physical presence of beneficiaries or their duly appointed representatives at their Court/points of jurisdiction.

The current manual system is open to fraud, corruption and human error. These manual records are easily lost or destroyed, either by accident or wilfully, and records can also easily be altered. The Department has undertaken many staff training initiatives. The current manual system does not provide for a central information database and consequently consolidated macro-information is the result of an annual extensive data-gathering exercise and is not available to assist with day-to-day management. The envisaged new technologically enabled system will provide up-to-date financial management reports.

The implementation of the envisaged new operating model is progressing in line with the defined Public-Private Partnership (PPP) model and accordingly certain elements have been implemented while others await the finalisation of the appointment of a PPP partner and the subsequent provision by the partner of specialist systems and services.

Part 4a: Report of the Accounting Officer

for the year ended 31 March 2007

Due to the critical nature of the management of Monies in Trust Public-Private Partnership (PPP) and its positive impact on the service delivery to the public and other stakeholders, the Request for proposal (RFP) documentation was well researched and scrutinised by the Department, the National Treasury's PPP Unit and the PPP Transaction Advisor Consortium (Ernst & Young) as to service delivery needs, skills capacity-building, affordability and risk transfer. The RFP was issued on 6 October 2006 and the closing date for the submission of tenders was 5 February 2007.

Four tenders from bidding consortiums were received. The Department is currently fast-tracking the evaluation of the tenders. Current worst-case scenario estimates suggest contract finalisation and signature before the end of November 2007, with full implementation by August 2008. Specified new systems should be delivered for implementation by February 2008. The above estimates are subject to the detail contained in the tenders submitted. This tender documentation is extensive and it will take a few months to fully verify, analyse and finalise the preferred bidder.

The new system will see maintenance beneficiaries receive their funds through a secure, fast and auditable system within normal bank transfer time periods. Maintenance beneficiaries will receive SMS notification of payments into their bank accounts. With a central database and a general ledger, the management of Monies in Trust will be enabled for the first time in decades. Currently the manual system does not enable the consolidation and reconciliation of data which, at times, relate to payments made to courts that are not traceable to the persons that made the payments nor are these payments that amount to large sums of money traceable to beneficiaries, as the payments are posted to the courts without attached documentation. Often these "unclassified" monies are received by Magistrates' Offices in rural and other low-income areas. The MMT PPP systems currently being evaluated will resolve this problem and ensure that all beneficiaries receive all monies due to them.

After implementation of the MMT PPP, significant enhancements in the capacity of the courts to track defaulters will be made which will result in the delivery of a major contribution to poverty alleviation by the DoJ&CD.

Consistent with the aims of National Treasury, the MMT PPP project proposes a solution according to which private sector skills and systems infrastructure are leveraged to assist the Department in overcoming the gap between the *status quo* and the required levels of service and accountability as it relates to these Monies held in Trust. The PPP structure is expected to ensure the transfer of skills and capacity back to the Department over the project term (envisaged to be a minimum of six years). It is envisaged that the private party will train and transfer the necessary skills to the appropriate Department employees, so that the Department is in a position to manage the MMT solution on its own after expiry of the contract.

The challenge of providing a financially sound convenient and affordable service relating to the management of Third-Party Funds (Monies in Trust) has existed for decades. The department is confident that the last few years have seen the development of a conceptual solution that is affordable and which mitigates the substantial risks associated with this functionality. In the short term, it is envisaged that a private sector partner will be appointed and that, with the capacity of this new partner, the Department will be in a position to resolve the challenges mentioned earlier.

7. CORPORATE GOVERNANCE ARRANGEMENTS

The Accounting Officer is responsible for the governance of the Department. A framework of corporate governance has been developed to facilitate processes of governance in the Department. There are different structures of governance that are already operating in the Department to enhance good governance; more structures are being established for further improvement in this regard.

7.1 Powers, roles and responsibilities of EXCO members

The Deputy Directors-General, the Chief Operations Officer and the Chief Financial Officer of the Department are the members of Executive Committee (EXCO) that is chaired by the Accounting Officer. The powers, roles and responsibilities of EXCO members are derived from the following:

- The Public Finance and Management Act, (PFMA) encompassing the National Treasury Regulations
- The Protocol on Corporate Governance in the Public Sector
- The King II Report on Corporate Governance

The EXCO members have the overall responsibility for ensuring that the Department has an appropriate system of controls, financial and other. They are also responsible for ensuring that proper accounting records are kept, which disclose, with accuracy and any time, the financial position of the Department and ensure that the annual financial statements comply with relevant applicable standards such as Generally Recognised Accounting Practice (GRAP) and Treasury regulations.

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Fraud policies

The EXCO members are also responsible for the prevention and detection of fraud and other irregularities. During the year under review, the Anti-Fraud and Corruption Plan was developed and approved. The plan is now being implemented. The Department subscribes to National Anti-Corruption Hotline, where matters of fraud and corruption may be reported in strict confidentiality by any member of the public. In line with the Public Sector Anti-Corruption Strategy, which emphasises the need for comprehensive fraud and corruption prevention measures as the first line of defence against corruption, the Department initiated the discussions with the National Intelligence Agency (NIA) to get NIA and the Department to enter into a memorandum of understanding (MOU) for the security vetting of the Department's personnel. The MOU will serve as a NIA delegation of its vetting mandate to the Department so as to reduce the vetting backlog and fast-track the process of vetting.

Risk Management Strategy

The EXCO members introduced a formal risk management process to assess the Department's risks and implement risk management strategies. During the year under review the approved risk management structure was populated and the approved Risk Management Policy and Strategy are being implemented. A comprehensive operational risk assessment process was conducted at the Department's Regional Offices, with all managers participating in identifying, assessing and developing plans to address significant risks that could negatively affect the achievement of the set objectives for the period under review. The plans were integrated into the risk plans developed at the national office. The strategic risks was identified and management processes to mitigate these risks are ongoing. All managers in the Department participated in the process of risk management.

Internal Audit and Audit Committee

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

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

The Audit Committee comprise members drawn from outside the public service. The Chairman of the Audit Committee, Mr Patterson, served on the Audit Committee for longer than the required time frames. Mr Patterson has been retained for continuity's sake, due to the fact that senior executives in the Department are new and that the Department is undergoing realignment. The Audit Committee meets regularly and has unrestricted access to information and personnel in the Department.

8. DISCONTINUED ACTIVITIES AND NEW ACTIVITIES

None.

9. ASSET MANAGEMENT

Progress

In 2005/06 the asset register was compiled by means of an asset take-on process. The opening balance as disclosed in notes 29 and 30 is as the result of a asset take-on. Asset values reflected were arrived at by means of a fair valuation process.

The conditions of the assets were determined. Based on the condition of the asset and the market-related price per asset the value was determined.

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

In the 2006/07 financial year, the update of the moveable asset register received increasing attention. Directives were issued and circulated to all offices in the Department. Verification processes and the annual stock taking were executed under the supervision of appointed asset controllers and verification teams. The Regional Heads were tasked to report on the status of the assets.

Measures were put in place to enforce users to utilise the Justice Yellow Pages (JYP) supply chain management and asset management tool. This procurement tool, when utilised optimally, automatically updates the asset register with the required information. Corrective measures were enforced where the JYP tool was utilised incorrectly. Continuous training was provided when and where the need occurred.

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for the year ended 31 March 2007

As a result of the verification and stocktaking processes, assets not captured with the initial take-on, were identified, captured and valued. Where possible, the fair valuation process was adopted, but there are still some assets (antiques and assets procured on the Provisioning Administration System (PAS) and thereafter on the Financial Management System (FMS) classified with R1 values.

Asset management units and asset management teams

The Department has established an Asset Management Unit under the auspices of its Subdirectorate: Procurement and has completed its Asset Management Policy, which is contained in the Departmental Financial Instructions (DFI).

Minimum requirements

The Department complies with the following minimum requirements from 1 April 2006 ie as new assets are captured:

1. Acquisition • Acquisition date • Name of supplier • Goods received note and • Purchase order	2. Identification • Manufacturers name • Model number • Bar code
3. Accountability • Purchasing segment/allocation	4. Performance • Asset classification/group • Residual value • Warranty indicator
5. Disposal • Current condition • Residual value	6. Accounting • Fair value on existing and • Purchase cost on new
7. Depreciation • Cumulative • Current year • Residual	8. Management Responsibility • User department • Custodian PERSAL Number • Cost centre

10. INVENTORIES AT YEAR END

Province	Amount	Consumables	Stationery and printing
	R'000	R'000	R'000
Gauteng	3,288	272	3,016
Western Cape	2,284	8	2,276
Eastern Cape	1,842	2	1,840
Northern Cape	51	-	51
Free State	812	4	808
North West	1,621	4	1,617
Limpopo	1,022	2	1,020
KwaZulu-Natal	2,774	56	2,718
Mpumalanga	1,068	5	1,063
National office	373	11	362
Total	**15,135**	**364**	**14,771**

Part 4a: Report of the Accounting Officer

for the year ended 31 March 2007

11. EVENTS AFTER THE REPORTING DATE

None.

12. PERFORMANCE INFORMATION

Section 40(3)(a) of the PFMA requires the Department to report on its performance against predetermined objectives.

The information relating to the performance against predetermined objectives is subject to audit by the Auditor-General in terms of section 20(2)(c) of the Public Audit Act, 2004 (Act 25 of 2004) (PAA). Section 13 of the PAA requires the Auditor-General to determine the standards to be applied in performing such audits. The Auditor-General adopted a phased-in approach for compliance with the relevant section of the PAA until the necessary standards have been determined and the environment promotes a state of readiness for providing assurance.

In the 2005/06 financial year, the Auditor-General reported as follows on the Department's readiness to provide the performance information:

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

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

To improve performance reporting and measurement, the Strategy Unit's activities were documented to detail performance measurement cycles and quarterly reporting time frames.

A tool on the Medium-Term Strategic Framework, key performance indicators (KPI) was developed in collaboration with branches. The tool is designed to monitor the progress on the implementation of the Medium-Term Strategic Framework by analysing the delivery of targets.

13. STANDING COMMITTEE ON PUBLIC ACCOUNTS (SCOPA) RESOLUTIONS

The SCOPA resolutions - first report, 2002 was adequately addressed by the Department. In the period subsequent to the SCOPA resolutions, the Department introduced action plans to resolve matters reported on by the Auditor-General.

The following provides an indication of the Department's progress in resolving matters as reported on by the Auditor-General:

Areas reported on by the Auditor-General	03/04	04/05	05/06	06/07	Comment
Suspense accounts	EOM	EOM	-	-	Amounts in the suspense accounts in respect of the agency services decreased significantly over the last few years 2004/05 – R260,351,991 2005/06 – R136,342,115 2006/07 – R 92,251,047
Fixed assets	EOM	EOM	-	Q	Complete JYP asset register since 2005/06 as a result of the asset take-on.
Leave entitlement	EOM	-	-	-	
Housing guarantees	EOM	-	-	-	
Monies in Trust deficit	EOM	EOM	EOM	EOM	

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Areas reported on by the Auditor-General	03/04	04/05	05/06	06/07	Comment
Financial management– Human Resources	EOM	EOM	EOM	-	
Donor funding	EOM	-	-	-	
Non-compliance with Treasury Regulation 8.2.3	EOM	-	-	-	
Inventory and Policy on Software	-	-	EOM	-	New requirement
Receivable for departmental revenue i.r.o Third-Party Fund	-	-	Q	Q	New requirement
Budget reprioritisation	-	-	EOM	-	
Performance information	-	-	EOM	EOM	New requirement

Legend: EOM – Emphasis of matter, Q – Qualification

Outstanding SCOPA resolutions

Included in the Statement of Financial Performance is an amount of R186 million in respect of unauthorised expenditure from previous financial years. The Department appeared before SCOPA on the unauthorised expenditure.

Included in the unauthorised expenditure is an amount of R47 million that was approved in the Finance Act, (Act 2 of 2007). The approval was for funding from the National Revenue Fund. Since the Act was only assented on 31 March 2007, the Department could not request the funding from the National Revenue Fund to clear the unauthorised expenditure by year end.

For the remainder of the amount (R139 051 670.37), SCOPA required additional information from the Department on 4 October 2004 to make the necessary recommendation to Parliament in terms of section 34(1) and (2) of the PFMA. Although the required information was submitted, no further feedback was received.

Approval

The Annual Financial Statements set out on pages 106 to 147 have been approved by the Accounting Officer.

Adv Menzi Simelane
ACCOUNTING OFFICER
31 May 2007

Part 4a: Report of the Auditor-General

for the year ended 31 March 2007

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF THE DEPARTMENT OF JUSTICE AND CONSTITUTIONAL DEVELOPMENT FOR THE YEAR ENDED 31 MARCH 2007

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Department, which comprise the statement of financial position as at 31 March 2007, appropriation statement, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 106 to 141.

Responsibility of the accounting officer for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting and in the manner required by the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA), Auditor-General Audit Circular 1 of 2007. This responsibility includes:

   - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
   - selecting and applying appropriate accounting policies; and
   - making accounting estimates that are reasonable in the circumstances.

Responsibility of the Auditor-General

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996, read with section 4 of the Public Audit Act, 2004 (Act 25 of 2004), my responsibility is to express an opinion on these financial statements based on my audit.

4. I conducted my audit in accordance with the International Standards on Auditing, read with General Notice 647 of 2007, issued in Government Gazette No 29919 of 25 May 2007.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

6. An audit also includes evaluating the:

   - appropriateness of accounting policies used;
   - reasonableness of accounting estimates made by management; and
   - overall presentation of the financial statements.

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

Basis of accounting

8. The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as set out in the accounting policy 1.1 to the financial statements.

Basis for qualified opinion

9. **Third-Party Funds (formerly referred to as Monies in Trust)**

   In the course of administrating justice, the department established the Third-Party Funds, which act as a conduit for the receipt and payment of funds on behalf of other parties and the state (eg bail, maintenance money, various types of fines, payments to court and legal costs).

   The Department maintains a separate set of financial statements for Third-Party Funds; however, there is no defining legislation that governs the existence, processes and operations of the Third-Party Funds as a separate entity. The funds are directly related to the activities of the department though court processes as a result of its mandate.

   The National Treasury in its letter to the department dated 15 August 2007 directed that the department should account for the Third-Party Funds in the financial statement as follows:

   - Money collected on behalf of third parties or that has not been forfeited to the state yet, should be reflected as a liability in the statement of financial position.

- Money that is due to the National Revenue Fund, to the extent that it has not been paid over yet, should be reflected as a liability in the statement of financial position.
- The balance as per the bank statement in respect of the separate account opened, should be reflected on the statement of financial position.
- Money received on behalf of the National Revenue Fund should be reflected as departmental revenue in the statement of financial performance.

The department has however totally excluded the liability and the bank balance relating to Third-Party Funds in the financial statements.

The financial statements are therefore materially misstated as the liability and bank balance related to Third Party Fund were not accounted for.

10. **Asset management**

The following deficiencies, among others, were identified mainly due to ineffective asset management:

- The asset register was not updated with all additions for the year
- We could not obtain the asset register that agrees to the closing balance stated in note 29
- Adjustments to the opening balance were based on an asset count performed in the regions. The asset count was not sufficient, as the existence of the assets in the regions could not in all instances be verified and asset could not in all instances be traced to the asset register.

I am therefore unable to confirm the completeness, existence of assets and accuracy of the closing balance of the assets as disclosed in note 29 to the annual financial statements.

Qualified opinion

11. In my opinion, except for the effects of the matters described in the basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of the Department as at 31 March 2007 and its financial performance and cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury of South Africa, as set out in the accounting policy 1.1 to the financial statements and in the manner required by the PFMA.

Emphasis of matters

I draw attention to the following matters:

12. **Potential claims against the department**

The lack of an effective and efficient financial management system over Third-Party Funds resulted in the department being unable to quantify with certainty the exact liability and potential claims against the department in respect of Third-Party Funds, as discribed in note 20 to the financial statements.

Other Matters

I draw attention to the following matters that are ancillary to my responsibilities in the audit of the financial statements:

13. **Information system matters**

General controls review on the computer environment revealed that:

- the Information Technology (IT) security policy and change control procedures for the Justice Yellow Pages procurement system (JYP) have not yet been formally approved and the draft policy and procedures were found to lack certain critical elements such as physical security of resources and emergency procedures;
- changes to systems were not always subjected to comprehensive user testing before being migrated to the live production environment;
- a disaster recovery plan had not been developed for the information systems environment of the department;
- user account management procedures had not been formally established for the network and application environments. The informal processes followed were found to have various weaknesses such as:
  - user access were not periodically checked with the users' job responsibilities;
  - access request forms were not always completed correctly and/or fully; and
  - users were not forced to change their passwords regularly.
- newly appointed consultants were not always required to obtain security clearance to access critical systems or to sign confidentiality agreements; and
- certain IT posts had been vacant for some time. This has resulted in staff having to perform incompatible functions due to staff shortages.

Part 4a: Report of the Auditor-General

for the year ended 31 March 2007

14. Material non-compliance with applicable legislation

- Public Service Regulations

  Public Service Regulation Part X 3.C requires that every designated employee, shall not later than 30 April each year, declare and submit their interest. The declarations of the designated employees of the department were not submitted to the Department of Public Service and Administration within the required timeframes.

15. Material corrections made to the financial statements submitted for audit

The financial statements submitted for audit on 31 May 2007 were significantly revised in respect of the following misstatements identified during the audit. The necessary corrections have been made to the financial statements:

- Claims against the state amounting to R2 billion were previously not disclosed in note 20 to the financial statements
- Accruals amounting to R11 million were previously not disclosed in note 22 to the financial statements
- Commitments amounting to R20 million were incorrectly disclosed in note 21 to the financial statements
- Asset less than R5 000 amounting to R202 million were previously not disclosed in note 29 to the financial statements
- Tangible and intangible assets received in terms of the Integrated Justice System Cluster Programme amounting to R24 million and R8 million respectively were previously not disclosed in note 29 and 30 to the financial statements
- Finance leased assets amounting to R58 million were previously not disclosed in note 29 to the financial statements.

16. Investigation into awarding of contract to a supplier

Emanating from a request from the Department, the Auditor-General is currently conducting a special audit into the procurement process followed by the Department in awarding of a contract to a supplier. The results of the special audit will be reported to management separately.

17. Value for money matters

The Department did not have a Human Resources plan, required by the Public Service Regulation Part III, B.2 that define the posts necessary to perform the relevant functions, based on the strategic plan of the Department.

Despite the Department's efforts in filling in the vacancies by advertising and filling in certain vacancies, the high occurrence of staff turnover and the inability of the Department to fill the vacancies have resulted in a vacancy rate of 23% as at the end of the financial year. The high vacancy rate, especially in key positions, could result in the Department not being able to effectively deliver on its operations.

18. Delay in finalisation of audit

Due to the national public sector strike action during June 2007 the Auditor-General had to delay the finalisation of affected departments. As a result, the Auditor-General's consistency review process of the audit reports could only be conducted subsequent to 31 July 2007, the consequence of which was a delay in the finalisation of the audit of this Department for the 2006/07 financial year.

Other reporting responsibilities

Reporting on performance information

19. I have audited the performance information as set out on pages 9 to 82.

Responsibility of the accounting officer for the Department

20. The accounting officer has additional responsibilities as required by section 40(3)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the department.

Responsibility of the Auditor-General

21. I conducted my engagement in accordance with section 13 of the Public Audit Act, 2004 (Act 25 of 2004) read with General Notice 646 of 2007 (directive on auditing of performance information), issued in Government Gazette 29919 of 25 May 2007.

22. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate audit evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

23. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the audit findings reported below.

Part 4a: Report of the Auditor-General

for the year ended 31 March 2007

Audit findings

24. Lack of reporting on predetermined objectives in annual report

We draw attention to the fact that the Department has not reported on all the predetermined objectives as required by section 40(3)(a) of the PFMA.

25. Lack of sufficient audit evidence

We were unable to obtain all the quarterly reports as required by the Treasury Regulation 5.3.1.

APPRECIATION

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

S Cele
FOR AUDITOR-GENERAL
Pretoria
20 August 2007

AUDITOR-GENERAL

Part 4a: Accounting Policies

for the year ended 31 March 2007

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations.

1. PRESENTATION OF THE FINANCIAL STATEMENTS

1.1 Basis of preparation

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

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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

1.5 Comparative figures - Appropriation Statement

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

2. REVENUE

2.1 Appropriated funds

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

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

Unexpended appropriated funds are surrendered to the National Revenue Fund. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is paid into the National Revenue Fund when received, unless otherwise stated. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position. Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

2.2.1 Sales of goods and services other than capital assets

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

2.2.2 Fines, penalties & forfeits

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

2.2.3 Interest, dividends and rent on land

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

2.2.4 Sale of capital assets

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

2.2.5 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are

Part 4a: Accounting Policies

for the year ended 31 March 2007

recognised as revenue in the statement of financial performance on receipt of the funds.

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

2.2.6 Gifts, donations and sponsorships (transfers received)

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

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

2.3 Local and foreign aid assistance

Local and foreign aid assistance is recognised as revenue when notification of the assistance is received from the National Treasury or when the Department directly receives the cash from the donor(s).

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

The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the statement of financial performance. The value of the assistance expensed prior to the receipt of the funds is recognised as a receivable in the statement of financial position

Inappropriately expensed amounts using local and foreign aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

3. EXPENDITURE

3.1 Compensation of employees

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

All other payments are classified as current expense.

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

3.1.1 Short-term employee benefits

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

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

3.1.2 Long-term employee benefits

3.1.2.1 Termination benefits

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

3.1.2.1 Post employment retirement benefits

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

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

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the statement of financial performance when the payment is effected on the system (by no later than 31 March of

Part 4a: Accounting Policies

for the year ended 31 March 2007

each year). The expense is classified as capital if the goods and services were used for a capital project or an asset of R5000 or more is purchased. All assets costing less than R5000 will also be reflected under goods and services.

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.4 Financial transactions in assets and liabilities

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

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

3.5 Unauthorised expenditure

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

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

3.6 Fruitless and wasteful expenditure

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

3.7 Irregular expenditure

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

3.8 Transfers and subsidies

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

3.9 Expenditure for capital assets

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

4. ASSETS

4.1 Cash and cash equivalents

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

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

4.2 Prepayments and advances

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

4.3 Receivables

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

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

4.4 Asset Registers

Assets are recorded in an asset register, at cost, on receipt of the item. Cost of an asset is defined as the total cost of acquisition. Assets procured in previous financial periods, may be stated at fair value, where determinable, or R1, in instances where the original cost of acquisition or fair value cannot be established. No revaluation or impairment of assets is currently recognised in the asset register. Projects (of construction/development) running over more than one financial year relating to assets, are only brought into the asset register on completion of the project and at the total cost incurred over the duration of the project.

Notes 29 and 30, reflect the total movement in the asset register of assets with a cost equal to and exceeding R 5 000 (therefore

Part 4a: Accounting Policies

for the year ended 31 March 2007

capital assets only) for the current financial year. The movement is reflected at the cost as recorded in the asset register and not the carrying value. Depreciation is not recognised in the financial statements under the modified cash basis of accounting. The opening balance reflected on Notes 29 and 30 will include items procured in prior accounting periods and the closing balance will represent the total cost of the register for capital assets on hand.

5. LIABILITIES

5.1 Payables

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

5.2 Lease commitments

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

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

5.3 Accruals

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

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

5.4 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the department; or

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

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

Contingent liabilities are included in the disclosure notes.

5.5 Commitments

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

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

6. NET ASSETS

6.1 Recoverable revenue

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

Part 4a: Appropriation Statements

for the year ended 31 March 2007

Appropriation per programme

	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	717,732		(62,852)	654,880	621,636	33,244	94.9%	373,411	324,300
Transfers and subsidies	4,778		72	4,850	4,824	26	99.5%	760	760
Payment for capital assets	53,169		726	53,895	10,402	43,493	19.3%	5,352	5,352
2. Court Services									
Current payment	2,221,294		(251,897)	1,969,397	1,925,824	43,573	97.8%	1,612,481	1,612,481
Transfers and subsidies	1,218		6,496	7,714	7,335	379	95.1%	9,840	9,840
Payment for capital assets	526,101		330,500	856,601	573,067	283,534	66.9%	566,482	370,385
3. State Legal Services									
Current payment	374,071		(33,638)	340,433	323,735	16,698	95.1%	289,384	289,384
Transfers and subsidies	5,863		1,131	6,994	8,042	(1,048)	115.0%	8,774	8,774
Payment for capital assets	5,820		1,648	7,468	3,269	4,199	43.8%	10,486	1,436
4. Auxiliary and Associated Services									
Current payment	180,500		1,160	181,660	181,660	-	100.0%	129,331	128,866
Transfers and subsidies	791,139		-	791,139	791,137	2	100.0%	703,823	703,821
Payment for capital assets	14,900		3,631	18,531	18,531	-	100.0%	27,919	27,919
Subtotal	4,896,585	-	(3,023)	4,893,562	4,469,462	424,100	91.3%	3,738,043	3,483,318
Statutory appropriation									
Current payment	1,071,056		-	1,071,056	1,062,385	8,671	99.2%	818,308	1,008,428
Transfers and subsidies	-		-	-	36,904	(36,904)	0.0%	31,669	31,670
Payment for capital assets	-		-	-	-			-	-
Total	5,967,641	-	(3.023)	5,964,618	5,569,751	395,867	93.4%	4,588,020	4,523,416
Reconciliation with Statement of Financial Performance									
Add:									
Prior year unauthorised expenditure approved with funding				-				-	
Departmental receipts				312,661				317,432	
Local and foreign aid assistance received				52,310				23,772	
Actual amounts per Statements of Financial Performance (Total revenue)				**6,329,589**				**4,929,224**	
Add:									
Local and foreign aid assistance					39,594				44,494
Prior year unauthorised expenditure approved					-				-
Prior year fruitless and wasteful expenditure authorised									
Actual amounts per Statements of Financial Performance (total expenditure)					**5,608,345**				**4,567,910**

Part 4a: Appropriation Statements

for the year ended 31 March 2007

Appropriation per economic classification

	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	1,726,248		(130,118)	1,596,130	1,572,366	23,764	98.5%	1,360,772	1,357,995
Goods and services	1,767,349		(219,645)	1,547,704	1,477,956	69,748	95.5%	999,432	952,633
Financial transactions in assets and liabilities	-		2,536	2,536	2,533	3	99.9%	44,403	44,403
Transfers and subsidies									
Provinces and municipalities	1,566		-	1,566	1,127	439	72.0%	4,237	4,237
Departmental agencies and accounts	795,110		-	795,110	795,109	1	100.0%	703,814	703,812
Foreign governments and international organisations	3,644		-	3,644	4,724	(1,080)	129.6%	4,106	4,106
Households	2,678		7,699	10,377	10,378	(1)	100.0%	11,040	11,040
Payments for capital assets									
Buildings and other fixed structures	305,836		284,997	590,833	328,936	261,897	55.7%	302,975	291,312
Machinery and equipment	282,394		42,141	324,535	255,207	69,328	78.6%	306,811	113,327
Software and other intangible assets	11,760		9,367	21,127	21,126	1	100.0%	453	453
Total	4,896,585	-	(3,023)	4,893,562	4,469,462	424,100	91.3%	3,738,043	3,483,318

Statutory Appropriation

Details of direct changes against the National/Provincial Revenue Fund	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Judges' salaries	234,149		-	234,149	269,333	(35,184)	115.0%	849,977	1,040,097
Magistrates' salaries	836,907		-	836,907	829,956	6,951	99.2%	-	-
Total	1,071,056	-	-	1,071,056	1,099,289	(28,233)	102.6%	849,977	1,040,097

Part 4a: Appropriation Statements

for the year ended 31 March 2007

Programme 1: Administration

Programme per subprogramme	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Minister									
Current payment	887		362	1,249	1,249	-	100.0%	858	858
1.2 Deputy Minister									
Current payment	721		(492)	229	228	1	99.6%	808	808
1.3 Management									
Current payment	48,472		(9,820)	38,652	38,652	-	100.0%	53,555	53,555
Transfers and subsidies	21		66	87	83	4	95.4%	69	69
Payment for capital assets	3,029		(1,155)	1,874	1,874	-	100.0%	1,010	1,010
1.4 Corporate Services									
Current payment	357,870		(55,438)	302,432	278,996	23,436	92.3%	318,190	269,079
Transfers and subsidies	4,757		6	4,763	4,741	22	99.5%	691	691
Payment for capital assets	50,140		1,881	52,021	8,528	43,493	16.4%	4,342	4,342
1.5 Property Management									
Current payment	309,782		-	309,782	299,978	9,804	96.8%	-	-
1.6 Special Function: Authorised Losses									
Current payment	-		2,536	2,536	2,533	3	99.9%	-	-
Total	775,679	-	(62,054)	713,625	636,862	76,763	89.2%	379,523	330,412

Part 4a: Appropriation Statements

for the year ended 31 March 2007

Programme 1: Administration

Economic Classification	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	193,303		(38,447)	154,856	146,893	7,963	94.9%	152,407	149,630
Goods and services	524,429		(26,941)	497,488	472,207	25,281	94.9%	221,004	174,670
Financial transactions in assets and liabilities	-		2,536	2,536	2,533	3	99.9%	-	-
Transfers and subsidies to:									
Provinces and municipalities	128		-	128	104	24	81.3%	470	470
Departmental agencies and accounts	3,972		-	3,972	3,972	-	100.0%	-	-
Households	678		72	750	750	-	100.0%	290	290
Payment for capital assets									
Machinery and equipment	52,284		1,445	53,729	10,237	43,492	19.1%	5,253	5,253
Software and other intangible assets	885		(719)	166	166	-	100.0%	99	99
Total	775,679	-	(62,054)	713,625	636,862	76,763	89.2%	379,523	330,412

Part 4a: Appropriation Statements

for the year ended 31 March 2007

Programme 2: Court Services

Programme per subprogramme	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Constitutional Court									
Current payment	43,957		(17,524)	26,433	26,433	-	100.0%	20,999	20,999
Transfers and subsidies	43		-	43	10	33	23.3%	135	135
Payment for capital assets	850		(115)	735	734	1	99.90%	2,263	2,263
2.2 Supreme Court of Appeal									
Current payment	13,749		(1,904)	11,845	11,844	1	100.0%	11,114	11,114
Transfers and subsidies	12		-	12	3	9	25.0%	61	61
Payment for capital assets	338		(173)	165	165	-	100.0%	116	116
2.3 High Courts									
Current payment	152,276		60,656	212,932	212,932	-	100.0%	195,311	195,311
Transfers and subsidies	82		299	381	405	(24)	106.3%	1,098	1,098
Payment for capital assets	3,164		(1,465)	1,699	1,699	-	100.0%	1,308	1,308
2.4 Specialised Courts									
Current payment	20,474		328	20,802	20,802	-	100.0%	18,723	18,723
Transfers and subsidies	28		1	29	8	21	27.6%	29	29
Payment for capital assets	199		(97)	102	102	-	100.0%	1,030	1,030
2.5 Lower Courts									
Current payment	1,719,055		(268,832)	1,450,223	1,406,652	43,571	97.0%	1,145,669	1,145,669
Transfers and subsidies	886		6,103	6,989	6,713	276	96.1%	7,294	7,294
Payment for capital assets	216,757		8,169	224,926	203,290	21,636	90.4%	237,381	55,342
2.6 Family Advocates									
Current payment	55,976		(11,685)	44,291	44,291	-	100.0%	31,692	31,692
Transfers and subsidies	24		42	66	62	4	93.9%	734	734
Payment for capital assets	780		(323)	457	457	-	100.0%	1,810	1,810
2.7 Magistrate's Commission									
Current payment	5,319		(624)	4,695	4,694	1	100.0%	5,138	5,138
Transfers and subsidies	5		2	7	5	2	71.4%	10	10
Payment for capital assets	10		(10)	-	-	-	0.0%	33	33
2.8 Government Motor Transport									
Payment for capital assets	28,863		(4,590)	24,273	24,273	-	100.0%	10,272	10,272
2.9 Capital Works									
Payment for capital assets	268,134		317,421	585,555	323,658	261,897	55.3%	302,975	288,917

Part 4a: Appropriation Statements

for the year ended 31 March 2007

Programme 2: Court Services

Programme per subprogramme	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.10 Administration of Courts									
Current payment	210,488		(12,312)	198,176	198,176	-	100.0%	139,432	139,432
Transfers and subsidies	138		49	187	129	58	69.0%	479	479
Payment for capital assets	7,006		11,683	18,689	18,689	-	100.0%	9,294	9,294
2.11 Special Function: Authorised Losses									
Current payment	-		-	-	-	-	-	44,403	44,403
Total	2,748,613	-	85,099	2,833,712	2,506,226	327,486	88.4%	2,188,803	1,992,706

Programme 2: Court Services

Economic Classification	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	1,236,574		(76,758)	1,159,816	1,159,816	-	100.0%	972,004	972,004
Goods and services	984,720		(175,139)	809,581	766,011	43,570	94.6%	596,074	596,074
Financial transactions in assets and liabilities	-		-	-	-	-	0.0%	44,403	44,403
Transfers and subsidies to:									
Provinces and municipalities	1,218		-	1,218	825	393	67.7%	2,998	2,998
Departmental agencies and accounts	-		-	-	-	-	0.0%	(8)	(8)
Foreign governments and international organisations	-		-	-	11	(11)	0.0%	83	83
Households	-		6,496	6,496	6,497	(1)	100.0%	6,767	6,767
Payment for capital assets									
Buildings and other fixed structures	305,836		284,997	590,833	328,936	261,897	55.7%	302,975	291,312
Machinery and equipment	215,390		31,774	247,164	225,526	21,638	91.2%	263,187	78,753
Software and other intangible assets	4,875		13,729	18,604	18,604	-	100.0%	320	320
Total	2,748,613	-	85,099	2,833,712	2,506,226	327,486	88.4%	2,188,803	1,992,706

Part 4a: Appropriation Statements

for the year ended 31 March 2007

Programme 3: State Legal Services

Programme per subprogramme	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Legal Services to the State									
Current payment	173,086		(2,930)	170,156	154,355	15,801	90.7%	141,823	141,823
Transfers and subsidies	3,751		244	3,995	5,058	(1,063)	126.6%	4,370	4,370
Payment for capital assets	1,199		(90)	1,109	1,110	(1)	100.1%	5,598	479
3.2 Legislation and Constitutional Development									
Current payment	44,012		(14,048)	29,964	29,964	-	100.0%	29,042	29,042
Transfers and subsidies	21		429	450	441	9	98.0%	426	426
Payment for capital assets	921		(529)	392	393	(1)	100.3%	382	382
3.3 Masters of the High Court									
Current payment	156,973		(16,660)	140,313	139,416	897	99.4%	118,519	118,519
Transfers and subsidies	2,091		458	2,549	2,543	6	99.8%	3,978	3,978
Payment for capital assets	3,700		2,267	5,967	1,766	4,201	29.6%	4,506	575
Total	**385,754**	**-**	**(30,859)**	**354,895**	**335,046**	**19,849**	**94.4%**	**308,644**	**299,594**

Programme 3: State Legal Services

Economic Classification	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	295,958		(15,084)	280,874	265,073	15,801	94.4%	235,805	235,805
Goods and services	78,113		(18,554)	59,559	58,662	897	98.5%	53,579	53,579
Transfers and subsidies to:									
Provinces and municipalities	219		-	219	198	21	90.4%	768	768
Foreign governments and international organisations	3,644		-	3,644	4,713	(1,069)	129.3%	4,023	4,023
Households	2,000		1,131	3,131	3,131	-	100.0%	3,983	3,983
Payment for capital assets									
Machinery and equipment	5,820		1,600	7,420	3,221	4,199	43.4%	10,452	1,402
Software and other intangible assets	-		48	48	48	-	100.0%	34	34
Total	385,754	-	(30,859)	354,895	335,046	19,849	94.4%	308,644	299,594

Part 4a: Appropriation Statements

for the year ended 31 March 2007

Programme 4: Auxiliary and Associated Services

Programme per subprogramme	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Judicial Service Commission									
Current payment	1,120		(150)	970	970	-	100.0%	1,067	1,036
Payment for capital assets	12		(12)	-	-	-	0.0%	-	-
4.2 Office for the Control of Interception and Monitoring of Communication									
Current payment	569		(469)	100	100	-	100.0%	538	145
Transfers and subsidies	1		-	1	-	1	0.0%	1	-
4.3 South African Human Rights Commission									
Transfers and subsidies	49,220		-	49,220	49,220	-	100.0%	41,774	41,774
4.4 Commission on Gender Equality									
Transfers and subsidies	37,757		-	37,757	37,757	-	100.0%	26,469	26,469
4.5 Special Investigating Unit									
Transfers and subsidies	55,582		-	55,582	55,582	-	100.0%	48,851	48,851
4.6 Legal Aid Board									
Transfers and subsidies	501,409		-	501,409	501,409	-	100.0%	453,208	453,208
4.7 Public Protector									
Current payment	-		520	520	520	-	100.0%	610	610
Transfers and subsidies	67,784		-	67,784	67,784	-	100.0%	58,628	58,628
4.8 National Crime Prevention Strategy									
Current payment	178,811		1,259	180,070	180,070	-	100.0%	127,116	127,075
Payment for capital assets	14,888		3,643	18,531	18,531	-	100.0%	27,919	27,919
4.9 President's Fund									
Transfers and subsidies	1		-	1	-	1	0.0%	1	-
4.10 Represented Political Parties Fund									
Transfers and subsidies	79,385		-	79,385	79,385	-	100.0%	74,891	74,891
Total	986,539	-	4,791	991,330	991,328	2	100.0%	861,073	860,606

Part 4a: Appropriation Statements

for the year ended 31 March 2007

Programme 4: Auxiliary and Associated Services

Economic Classification	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	413		171	584	584	-	100.0%	556	556
Goods and services	180,087		989	181,076	181,076	-	100.0%	128,775	128,310
Transfers and subsidies to:								-	-
Provinces and municipalities	1		-	1	-	1	0.0%	1	1
Departmental agencies and accounts	791,138		-	791,138	791,137	1	100.0%	703,822	703,822
Payment for capital assets									
Machinery and equipment	8,900		7,322	16,222	16,223	(1)	100.0%	27,919	27,919
Software and other intangible assets	6,000		(3,691)	2,309	2,308	1	100.0%	-	-
Total	985,539	-	4,791	991,330	991,328	2	100.0%	861,073	860,606

Part 4a: Notes to the Appropriation Statements

for the year ended 31 March 2007

1. DETAILS OF TRANSFERS AND SUBSIDIES AS PER APPROPRIATION ACT (AFTER VIREMENT):

Detail of these transactions can be viewed in note 8 (transfers and subsidies) and Annexure 1 (A-G) to the Annual Financial Statements.

2. DETAILS 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. DETAILS ON FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES:

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

4. EXPLANATIONS OF MATERIAL VARIANCES FROM AMOUNTS VOTED (AFTER VIREMENT):

4.1 Per Programme

	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a percentage of Final Appropriation
	R'000	R'000	R'000	R'000
Programme 1	713,625	636,862	76,763	10.8%

Budgeted funds remained unspent mainly due to:

- Vacant posts not being filled
- Claims for property managements not being received from DPW
- Underspending of Capital Expenditure due to orders not being delivered

Programme 2	2,833,712	2,506,226	327,486	11.6%

Budgeted funds remained unspent mainly due to:

- Underspending of Current and Capital Expenditure due to orders not being delivered
- Capital Works projects not being finalised

Programme 3	354,895	335,046	19,849	5.6%

Budgeted funds remained unspent mainly due to:

- Vacant posts not being filled
- Underspending of Capital Expenditure due to orders not delivered

Per Economic classification

	2006/07	2005/06
	R'000	R'000
Current payment:		
Compensation of employees	23,764	2,777
Goods and services	69,748	46,799
Financial transactions in assets and liabilities	3	-
Transfers and subsidies:		
Provinces and municipalities	439	-
Departmental agencies and accounts	1	2
Foreign governments and international organisations	(1,080)	-
Households	(1)	-
Payments for capital assets:		
Buildings and other fixed structures	261,897	11,663
Machinery and equipment	69,328	193,484
Software and other intangible assets	1	-

Part 4a: Statement of Financial Performance

for the year ended 31 March 2007

	Note	2006/07 R'000	2005/06 R'000
REVENUE			
Annual appropriation	1	4,893,562	3,738,043
Statutory appropriation	2	1,071,056	849,977
Departmental revenue	3	312,661	317,432
Local and foreign aid assistance	4	52,310	23,772
TOTAL REVENUE		**6,329,589**	**4,929,224**
EXPENDITURE			
Current expenditure			
Compensation of employees	5	2,634,751	2,366,423
Goods and services	6	1,477,956	952,633
Financial transactions in assets and liabilities	7	2,533	44,403
Local and foreign aid assistance	4	39,594	44,494
Total current expenditure		**4,154,834**	**3,407,953**
Transfers and subsidies	8	**848,242**	**754,865**
Expenditure for capital assets			
Buildings and other fixed structures	9	328,936	291,312
Machinery and equipment	9	255,207	113,327
Software and other intangible assets	9	21,126	453
Total expenditure for capital assets		**605,269**	**405,092**
TOTAL EXPENDITURE		**5,608,345**	**4,567,910**
		721,244	361,314
SURPLUS/(DEFICIT) FOR THE YEAR		**721,244**	**361,314**
Reconciliation of Surplus/(Deficit) for the year			
Voted Funds	14	395,867	64,604
Departmental Revenue	15	312,661	317,432
Local and foreign aid assistance	4	12,716	(20,722)
SURPLUS/(DEFICIT) FOR THE YEAR		**721,244**	**361,314**

Part 4a: Statement of Financial Position

as at 31 March 2007

	Note	2006/07 R'000	2005/06 R'000
ASSETS			
Current assets		424,153	371,889
Unauthorised expenditure	10	185,617	185,617
Cash and cash equivalents	11	2,698	2,541
Voted funds to be received from National Revenue Fund	14	65,610	-
Prepayments and advances	12	2,189	1,994
Receivables	13	168,039	181,737
TOTAL ASSETS		**424,153**	**371,889**
LIABILITIES			
Current liabilities		415,117	362,949
Voted funds to be surrendered to the Revenue Fund	14	-	64,604
Departmental revenue to be surrendered to the Revenue Fund	15	4,770	11,548
Bank overdraft	16	368,351	260,776
Payables	17	4,453	1,194
Local and foreign aid assistance repayable	4	218	-
Local and foreign aid assistance unutilised	4	37,325	24,827
TOTAL LIABILITIES		**415,117**	**362,949**
NET ASSETS		**9,036**	**8,940**
Represented by:			
Recoverable revenue		9,036	8,940
TOTAL		**9,036**	**8,940**

Part 4a: Statement of Changes in Net Assets

for the year ended 31 March 2007

	Note	2006/07	2005/06
		R'000	R'000
Recoverable revenue			
Opening balance		8,940	8,450
Transfers		96	490
Debts recovered (included in departmental revenue)		(2,764)	-
Debts raised		2,860	490
Closing balance		9,036	8,940
Total		**9,036**	**8,940**

Part 4a: Cash Flow Statements

for the year ended 31 March 2007

	Note	2006/07 R'000	2005/06 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		5,868,112	4,929,224
Annual appropriated funds received	1.1	4,432,085	3,738,043
Statutory appropriated funds received		1,071,056	849,977
Departmental revenue received		312,661	317,432
Local and foreign aid assistance received	4	52,310	23,772
Net (increase)/decrease in working capital		16,762	110,757
Surrendered to Revenue Fund		(384,043)	(279,234)
Current payments		(4,154,834)	(3,407,953)
Transfers and subsidies paid		(848,242)	(754,865)
Net cash flow available from operating activities	18	**497,755**	**597,929**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets		(605,269)	(405,092)
Net cash flows from investing activities		**(605,269)**	**(405,092)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		96	490
Net cash flows from financing activities		**96**	**490**
Net increase/(decrease) in cash and cash equivalents		(107,418)	193,327
Cash and cash equivalents at the beginning of the period		(258,235)	(451,562)
Cash and cash equivalents at end of period	19	**(365,653)**	**(258,235)**

Part 4a: Notes to the Annual Financial Statements

for the year ended 31 March 2007

1. ANNUAL APPROPRIATION

1.1 Annual Appropriation

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

	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Appropriation received 2005/06
	R'000	R'000	R'000	R'000
Programme 1	713,625	713,625	-	379,523
Programme 2	2,833,712	2,372,235	461,477	2,188,803
Programme 3	354,895	354,895	-	308,644
Programme 4	991,330	991,330	-	861,073
Total	**4,893,562**	**4,432,085**	**461,477**	**3,738,043**

An amount of R391,168,000 will be rolled over.

2. STATUTORY APPROPRIATION

	2006/07	2005/06
	R'000	R'000
Judges' and Magistrates' salaries	1,071,056	849,977
Total	**1,071,056**	**849,977**
Actual Statutory Appropriation received	1,071,056	849,977

3. DEPARTMENTAL REVENUE

Description

	Note	2006/07	2005/06
		R'000	R'000
Sales of goods and services other than capital assets	3.1	9,941	14,639
Fines, penalties and forfeits		262,616	192,642
Interest, dividends and rent on land	3.2	13,036	88,498
Financial transactions in assets and liabilities	3.3	27,068	21,653
Total revenue collected		312,661	317,432
Departmental revenue collected		**312,661**	**317,432**

3.1 Sales of goods and services other than capital assets

	2006/07	2005/06
	R'000	R'000
Sales of goods and services produced by the department	9,935	14,626
Sales by market establishment	9,935	14,626
Sales of scrap, waste and other used current goods	6	13
Total	**9,941**	**14,639**

Part 4a: Notes to the Annual Financial Statements

for the year ended 31 March 2007

3.2 Interest, dividends and rent on land and buildings

	2006/07	2005/06
	R'000	R'000
Interest	13,036	88,498
Total	13,036	88,498

3.3 Financial transactions in assets and liabilities

Nature of recovery

	2006/07	2005/06
	R'000	R'000
Other Receipts including Recoverable Revenue	27,068	21,653
Total	27,068	21,653

4. LOCAL AND FOREIGN AID ASSISTANCE

4.1 Assistance received in cash from the Reconstruction and Development Programme (RDP)

	2006/07	2005/06
	R'000	R'000
Foreign		
Opening Balance	24,827	45,549
Revenue	52,310	23,772
Expenditure	39,594	44,494
Current	39,594	44,494
Closing Balance	37,543	24,827
Total assistance		
Opening Balance	24,827	45,549
Revenue	52,310	23,772
Expenditure	39,594	44,494
Current	39,594	44,494
Closing Balance	37,543	24,827
Analysis of balance		
Local and foreign aid unutilised	37,325	24,827
Local and foreign aid payable to RDP fund/donors	218	-
Closing balance	37,543	24,827

Part 4a: Notes to the Annual Financial Statements

for the year ended 31 March 2007

5. COMPENSATION OF EMPLOYEES

5.1 Salaries and Wages

	2006/07	2005/06
	R'000	R'000
Basic salary	1,849,700	1,677,281
Performance award	21,507	23,623
Service-based	8,538	6,229
Compensative/circumstantial	14,565	15,266
Periodic payments	21,589	17,912
Other non-pensionable allowances	415,904	357,440
Total	**2,331,803**	**2,097,751**

5.2 Social contributions

	2006/07	2005/06
	R'000	R'000
5.2.1 Employer contributions		
Pension	204,746	176,807
Medical	97,783	91,474
UIF	4	5
Bargaining Council	414	385
Official unions and associations	1	-
Insurance	-	1
Total	**302,948**	**268,672**
Total compensation of employees	**2,634,751**	**2,366,423**
Average number of employees	15,925	14,800

Part 4a: Notes to the Annual Financial Statements

for the year ended 31 March 2007

6. GOODS AND SERVICES

	Note	2006/07 R'000	2005/06 R'000
Advertising		19,210	8,130
Attendance fees (including registration fees)		2,340	1,716
Bank charges and card fees		1,509	1,128
Bursaries (employees)		2,556	5,159
Communication		101,566	92,966
Computer services		160,114	81,879
Courier and delivery services		1,021	989
Tracing agents and debt collections		229	85
Drivers' licences and permits		136	76
Entertainment		5,598	2,223
External audit fees	6.1	16,208	13,389
Equipment less than R5 000		40,392	14,978
Freight service		479	237
Honoraria (voluntary workers)		-	1
Inventory	6.2	108,909	53,862
Legal fees		36,787	37,097
Maintenance, repairs and running costs		34,206	31,054
Medical services		27,392	27,732
Municipal services		83,076	-
Leases		241,415	25,829
Personnel agency fees		-	(12)
Photographic services		35	13
Plant flowers and other decorations		282	214
Printing and publications		14,776	16,788
Professional bodies and membership fees		379	4,221
Resettlement costs		9,645	7,058
Roadworthy tests		1	-
Subscriptions		453	617
Storage of furniture		875	1,006
System access fees		-	(1)
Owned leasehold property expenditure		114,450	71,437
Translations and transcriptions		35,539	44,580
Transport provided as part of the departmental activities		21	12
Travel and subsistence	6.3	232,817	189,954
Venues and facilities		10,452	6,621
Protective, special clothing and uniforms		1,387	323
Training and staff development		7,787	5,183
Witness and related fees		36,117	35,858
Total		**1,477,956**	**952,633**

Part 4a: Notes to the Annual Financial Statements

for the year ended 31 March 2007

6.1 External audit fees

	2006/07	2005/06
	R'000	R'000
Regulatory audits	15,600	12,413
Performance audits	42	946
Other audits	566	30
Total	**16,208**	**13,389**

6.2 Inventory

	2006/07	2005/06
	R'000	R'000
Construction work in progress	4	-
Domestic consumables	387	528
Food and food supplies	-	97
Fuel, oil and gas	-	3
Other consumables	14	178
Parts and other maintenance material	406	106
Sport and recreation	-	(9)
Stationery and printing	108,098	52,959
Total	**108,909**	**53,862**

6.3 Travel and subsistence

	2006/07	2005/06
	R'000	R'000
Local	227,973	185,221
Foreign	4,844	4,733
Total	**232,817**	**189,954**

7. FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES

	Note	2006/07	2005/06
		R'000	R'000
Material losses through criminal conduct		1,155	92
Theft	7.4	1,058	-
Other material losses	7.1	97	92
Other material losses written off	7.2	407	31,295
Debts written off	7.3	971	13,016
Total		**2,533**	**44,403**

Part 4a: Notes to the Annual Financial Statements

for the year ended 31 March 2007

7.1 Other material losses

		2006/07 R'000	2005/06 R'000
Incident	Disciplinary Steps taken/ Criminal proceedings		
Cheque Fraud	Guardian Fund cheque fraudulently deposited and cashed.		
	The loss was reported and investigated by the SAPS	97	92
Total		**97**	**92**

7.2 Other material losses written off

	2006/07 R'000	2005/06 R'000
Irrecoverable losses	-	31,295
Lost of documentation	32	-
Arbitration – civil actions	238	-
Damage to vehicles	61	-
State money – shortages	76	-
Total	**407**	**31,295**

7.3 Debts written off

	2006/07 R'000	2005/06 R'000
Nature of debts written off		
Staff debts (prescribed staff debts)	971	2,225
Other	-	10,791
Total	**971**	**13,016**

7.4 Detail of theft

	2006/07 R'000	2005/06 R'000
Burglaries	976	-
Theft	82	-
Total	**1,058**	**-**

8. TRANSFERS AND SUBSIDIES

	Note	2006/07 R'000	2005/06 R'000
Provinces and municipalities	*Annexure 1A*	1,963	7,381
Departmental agencies and accounts	*Annexure 1B*	795,109	703,812
Foreign governments and international organisations	*Annexure 1C*	4,724	4,106
Households	*Annexure 1D*	46,446	39,566
Total		**848,242**	**754,865**

Part 4a: Notes to the Annual Financial Statements

for the year ended 31 March 2007

9. EXPENDITURE FOR CAPITAL ASSETS

		2006/07	2005/06
		R'000	R'000
Buildings and other fixed structures	29	328,936	291,312
Machinery and equipment	29	255,207	113,327
Software and other intangible assets		21,126	453
Computer software	30	21,126	453
Total		**605,269**	**405,092**

10. UNAUTHORISED EXPENDITURE

10.1 Reconciliation of unauthorised expenditure

	2006/07	2005/06
	R'000	R'000
Opening balance	185,617	185,617
Unauthorised expenditure awaiting authorisation / funding	185,617	185,617

10.2 Analysis of current unauthorised expenditure

Incident	Disciplinary steps taken/criminal proceedings	2006/07
		R'000
In 1999/2000 the State Tender Board directives were not adhered to with the appointment of advocates for the Office of the Investigation of Serious Economic Offences.	Approved as a direct charge against the National Revenue Fund on 31 March 2007. Awaiting the funding from National Treasury.	2,294
In 1999/2000 Donor Funds were accounted for against the vote.	Approved as a direct charge against the National Revenue Fund on 31 March 2007. Awaiting the funding from National Treasury.	117
In 1999/2000 the State Tender Board directives were not adhered to for the procurement of furniture and equipment.	Approved as a direct charge against the National Revenue Fund on 31 March 2007. Awaiting the funding from National Treasury.	110
In 1999/2000 personnel expenditure increased without the prior approval of National Treasury.	Additional information submitted to Parliament on 4 October 2004. Awaiting final recommendation by SCOPA.	5,200
In 1999/2000 the State Tender Board directives not adhered to by the Witness Protection Unit.	Additional information submitted to Parliament on 4 October 2004. Awaiting final recommendation by SCOPA.	844
In 1999/2000 overspending occurred on Voted Funds.	Approved as a direct charge against the National Revenue Fund on 31 March 2007. Awaiting the funding from National Treasury.	43,521
In 2000/01 the State Tender Board directives were not adhered to by the NPA.	Approved as a direct charge against the National Revenue Fund on 31 March 2007. Awaiting the funding from National Treasury.	523
In 2001/02 overspending occurred on a programme.	Additional information submitted to Parliament on 4 October 2004. Awaiting final recommendation by SCOPA.	23,885
In 2002/03 overspending occurred on Voted Funds.	Additional information submitted to Parliament on 4 October 2004. Awaiting final recommendation by SCOPA.	109,123
Total		**185,617**

Part 4a: Notes to the Annual Financial Statements

for the year ended 31 March 2007

11. CASH AND CASH EQUIVALENTS

	2006/07	2005/06
	R'000	R'000
Cash on hand	2,698	2,541
Total	**2,698**	**2,541**

12. PREPAYMENTS AND ADVANCES

	2006/07	2005/06
	R'000	R'000
Travel and subsistence	2,189	1,994
Total	**2,189**	**1,994**

13. RECEIVABLES

					2006/07	2005/06
	Note	Less than one year	One to three years	Older than three years	Total	Total
		R'000	R'000	R'000	R'000	R'000
Private enterprises	13.1	747	-	-	747	1,788
Staff debtors	13.2	3,706	5,249	9,380	18,335	18,316
Other debtors	13.3	3,972	7,992	9,805	21,769	18,445
Intergovernmental receivables	*Annexure 4*	114,798	10,961	1,429	127,188	143,188
Total		**123,223**	**24,202**	**20,614**	**168,039**	**181,737**

13.1 Private enterprises

	2006/07	2005/06
	R'000	R'000
VAT Clearing Account	747	1,788
Total	**747**	**1,788**

13.2 Staff Debtors

	2006/07	2005/06
	R'000	R'000
In-Service Debt	7,264	8,350
Out of Service Debt	11,071	9,966
Total	**18,335**	**18,316**

Part 4a: Notes to the Annual Financial Statements

for the year ended 31 March 2007

13.3 Other debtors

	2006/07	2005/06
	R'000	R'000
Disallowance accounts	20,982	17,809
Salary suspense accounts	787	636
Total	**21,769**	**18,445**

14. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

	Notes	2006/07	2005/06
		R'000	R'000
Opening balance		64,604	(48,060)
Transfer from Statement of Financial Performance		395,867	64,604
Voted funds not requested/not received	14.1	(461,477)	-
Paid during the year		(64,604)	48,060
Closing balance		**(65,610)**	**64,604**

	2006/07	2005/06
	R'000	R'000
14.1 Voted funds not requested/not received		
Funds to be rolled over	391,168	-
Funds not to be requested	70,309	-
	461,477	-

15. DEPARTMENTAL REVENUE TO BE SURRENDERED TO THE REVENUE FUND

	2006/07	2005/06
	R'000	R'000
Opening balance	11,548	21,410
Transfer from Statement of Financial Performance	312,661	317,432
Paid during the year	(319,439)	(327,294)
Closing balance	**4,770**	**11,548**

16. BANK OVERDRAFT

	2006/07	2005/06
	R'000	R'000
Consolidated Paymaster-General Account	368,351	260,776
Total	**368,351**	**260,776**

Part 4a: Notes to the Annual Financial Statements

for the year ended 31 March 2007

17. PAYABLES – CURRENT

Description	Notes	30 days	30+ days	2006/07 Total	2005/06 Total
		R'000	R'000	R'000	R'000
Amounts owing to other entities	Annex 5	2,716	-	2,716	6,369
Clearing accounts	17.1	1,389	41	1,430	1,194
Other payables	17.2	3,023	-	3,023	-
Total		**7,128**	**41**	**7,169**	**7,563**

17.1 Clearing accounts

	2006/07	2005/06
	R'000	R'000
Salary Control Accounts	1,320	1,109
Overseas maintenance	110	85
Total	**1,430**	**1,194**

17.2 Other payables

	2006/07	2005/06
	R'000	R'000
NPA virement still to be paid	3,023	-
Total	**3,023**	**-**

18. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

	2006/07	2005/06
	R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance	721,244	361,314
Add back non-cash/cash movements not deemed operating activities	(223,489)	236,615
(Increase)/decrease in receivables – current	13,698	141,675
(Increase)/decrease in prepayments and advances	(195)	1,016
(Increase)/decrease in other current assets	-	157
Increase/(decrease) in payables – current	3,259	(32,091)
Expenditure on capital assets	605,269	405,092
Surrenders to Revenue Fund	(384,043)	(279,234)
Voted funds not requested/not received	(461,477)	-
Net cash flow generated by operating activities	**497,755**	**597,929**

Part 4a: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2007

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

	2006/07	2005/06
	R'000	R'000
Consolidated Paymaster-General account	(368,351)	(260,776)
Cash on hand	2,698	2,541
Total	**(365,653)**	**(258,235)**

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

20. CONTINGENT LIABILITIES

		Note	2006/07	2005/06
Liable to	**Nature**		R'000	R'000
Motor vehicle guarantees	Employees	Annexure 3A	679	435
Housing loan guarantees	Employees	Annexure 3A	18,150	24,776
Claims against the department		Annexure3B	2,371,278	2,078,509
Other departments (interdepartmental unconfirmed balances)		Annexure 5	4,137	5,164
Total			**2,394,244**	**2,108,884**

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

Pending lawsuits: 551 civil actions (2005/06: 374) are pending against the Minister and/or the Department. The outcomes of these civil actions are uncertain as they have not been finalised.

Housing loan, guarantees: The Department is of the opinion that, due to the continuous increases in property market values, the risk of the housing loans' collateral (which is covered by employees' pension benefits) not being honoured is minimal.

21. COMMITMENTS

	2006/07	2005/06
	R'000	R'000
Current expenditure		
Approved and contracted	86,144	95,470
Approved but not yet contracted	6,261	1,445
	92,405	**96,915**
Capital expenditure		
Approved and contracted	324,721	52,177
Approved but not yet contracted	1,799	154,067
	326,520	206,244
Total Commitments	**418,925**	**303,159**

Part 4a: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2007

22. ACCRUALS

Listed by economic classification	30 Days	30+ Days	2006/07 Total	2005/06 Total
	R'000	R'000	R'000	R'000
Compensation of employees	2,148	241	2,389	165
Goods and services	33,620	4,007	37,627	26,175
Transfers and subsidies	-	1	1	53
Buildings and other fixed structures	-	-	-	2
Machinery and equipment	2,812	560	3,372	4,471
Total	**38,580**	**4,809**	**43,389**	**30,866**

		2006/07	2005/06
		R'000	R'000
Listed by programme level			
Programme 1: Administration		3,036	12,522
Programme 2: Administration of Courts		35,382	16,077
Programme 3: State Legal Services		1,346	2,224
Programme 4: Auxiliary Associated Services		3,625	43
		43,389	30,866
Confirmed balances with other departments	Annex 5	2,716	6,369
		2,716	**6,369**

23. EMPLOYEE BENEFITS

	2006/07	2005/06
	R'000	R'000
Leave entitlement	45,485	31,837
Thirteenth cheque	76,814	69,717
Performance awards	20,127	20,481
Capped leave commitments	198,552	195,327
Total	**340,978**	**317,362**

24. LEASE COMMITMENTS

24.1 Operating leases

2006/2007	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000
Not later than one year	-	-	-	-
Later than one year and not later than five years	-	-	2,191	2,191
Later than five years	-	-	-	-
Total present value of lease liabilities	**-**	**-**	**2,191**	**2,191**

Part 4a: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2007

24.2 Finance leases

2006/2007	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000
Not later than one year	-	-	18,760	18,760
Later than one year and not later than five years	-	-	12,601	12,601
Later than five years	-	-	29,247	29,247
Total present value of lease liabilities	**-**	**-**	**60,608**	**60,608**
Analysis				
Condoned	-	-	60,608	60,608
Not condoned	-	-	-	-
Total	**-**	**-**	**60,608**	**60,608**

2005/2006	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000
Not later than one year	-	-	17,932	17,932
Later than one year and not later than five years	-	-	38,081	38,081
Later than five years	-	-	6,430	6,430
Total present value of lease liabilities	**-**	**-**	**62,443**	**62,443**
Analysis				
Condoned	-	-	62,443	62,443
Not condoned	-	-	-	-
Total	**-**	**-**	**62,443**	**62,443**

25. RECEIVABLES FOR DEPARTMENTAL REVENUE

	2006/07	2005/06
	R'000	R'000
Fines, penalties and forfeits	-	6,107
Interest, dividends and rent on land	* 358	14,087
Other	^ 92,039	-
Total	**92,397**	**20,194**

* In the financial year ended 31 March 2003, the Department provided R94,814,520 to SITA to fund the development of a virtual private network (VPN). This payment was, in consultation with National Treasury and the Auditor-General, recorded as an expense in the financial year ended 31 March 2003. In terms of the agreement signed on the transfer of funds, the DoJ&CD would earn interest on the outstanding amount. SITA would repay the capital amount outstanding by providing services which would be set off against the outstanding capital amount.

Part 4a: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2007

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

Outstanding capital at the end of the year	166
Interest outstanding from SITA to be repaid to the Revenue Fund	358
Expenses set off against capital during the year	19 959

^ Unauthorised expenditure (R46,565) was approved on 31 March 2007 in the Finance Act, 2007 (Act No 2 of 2007), but the Department has not received the funds from the National Revenue Fund.

Donor funding – grants to the amount of R36,840 (European Union) and R8,634 (Ireland) is still available in the RDP Fund, but not requested as at 31 March 2007.

26. IRREGULAR EXPENDITURE

26.1 Reconciliation of irregular expenditure

	2006/07	2005/06
	R'000	R'000
Opening balance	54,360	54,360
Add: Irregular expenditure – current year	23,437	-
Irregular expenditure awaiting condonement	**77,797**	**54,360**
Current expenditure	77,797	54,360

26.2 Irregular expenditure

Incident	Disciplinary steps taken/criminal proceedings	2006/07	2005/06
		R'000	R'000
Personnel expenditure increased without obtaining National Treasury approval.	Applied for condonation from National Treasury.	54,360	54,360
Non-compliance with Treasury Regulations occurred in the procurement of services.	Official dismissed.	349	-
Non-compliance with Treasury Regulations occurred in the procurement of services.	Official received final written warning.	13,241	-
Non-compliance with Treasury Regulations in the procurement of services.	None – in progress.	85	-
Non-adherence to Public Service Regulations occurred.	None – in progress.	284	-
Non-compliance with Treasury Regulations occurred in the procurement of services.	Forensic investigation done. Official suspended.	9,478	-
		77,797	54,360

In addition to the above is an amount of R5.5 million relating to the previous year's irregular expenditure that remains under investigation at year end.

Part 4a: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2007

27. KEY MANAGEMENT PERSONNEL

	Number of Individuals	2006/07	2005/06
		R'000	R'000
Officials			
Level 15 to 16	14	10,177	12,508
Total		**10,177**	**12,508**

28. PROVISIONS

	2006/07	2005/06
	R'000	R'000
Potential irrecoverable debts		
Staff debtors	1,845	3,689
Other debtors	1,270	-
Total	**3,115**	**3,689**

29. TANGIBLE CAPITAL ASSETS

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2007

	Opening balance	Current year Adjustments to prior-year balances	Additions	Disposals	Closing Balance
	Cost	Cost	Cost	Cost	Cost
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**342,856**	**(64,925)**	**258,313**	**622**	**510,776**
Transport assets	25,179	(4,625)	27,575	-	48,129
Computer equipment	110,010	(19,618)	179,559	592	269,359
Furniture and office equipment	207,667	(40,682)	51,179	30	218,134
TOTAL TANGIBLE ASSETS	**342,856**	**(64,925)**	**258,313**	**622**	**535,622**

The assets reflected above constitute assets above R5,000 (major assets) as required by the accounting policy on asset registers. The Department also keep record of assets less than R5,000 (minor assets). The complete JYP asset register (minor and major assets) consists of 425,069 assets. The value of the minor assets is estimated at R202 million.

The JYP asset register excludes leased assets. A separate register is kept for assets. Leased assets amount to R58 million, which represent the present value of minimum lease payment.

Part 4a: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2007

29.1 Additions to Tangible Capital Assets per Asset Register for the year ended 31 March 2007

	Cash	Non-cash	(Capital Work in Progress current costs)	Received current, not paid(Paid current year, received prior year)	Total
	Cost	Fair Value	Cost	Cost	Cost
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	**328,936**	**-**	*** (328,936)**	**-**	**-**
Dwellings	4,052	-	(4,052)	-	-
Non-residential buildings	324,884	-	(324,884)	-	-
MACHINERY AND EQUIPMENT	**255,207**	**3,106**	**-**	**-**	**258,313**
Transport assets	49,315	^ (21,740)	-	-	27,575
Computer equipment	154,713	" 24,846	-	-	179,559
Furniture and office equipment	51,179	-	-	-	51,179
TOTAL	**584,143**	**3,106**	**(328,936)**	**-**	**258,313**

" Assets i.r.v the Integrated Justice System

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

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

29.2 Disposals of Tangible Capital Assets per Asset Register for the year ended 31 March 2007

	Sold (Cash)	Non-cash	Total cost	Cash received Actual
	Cost	Fair value	Cost	Cost
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	-	622	622	-
Computer equipment	-	592	592	-
Furniture and office equipment	-	30	30	-
TOTAL	**-**	**622**	**622**	**-**

Part 4a: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2007

29.3 Movement in Tangible Capital Assets per Asset Register for the year ended 31 March 2006

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	342,856	-	-	342,856
Transport assets	25,179	-	-	25,179
Computer equipment	110,010	-	-	110,010
Furniture and office equipment	207,667	-	-	207,667
TOTAL TANGIBLE ASSETS	342,856	-	-	342,856

30. INTANGIBLE CAPITAL ASSETS

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2007

	Opening balance	Current Year adjustments to prior year balances	Additions	Disposals	Closing balance
	Cost	Cost	Cost	Cost	Cost
	R'000	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	453	518	28,959	-	29,930
TOTAL INTANGIBLE ASSETS	453	518	28,959	-	29,930

30.1 Additions to Intangible Capital Assets per Asset Register for the year ended 31 March 2007

	Cash	Non-cash	(Capital Work in Progress current costs)	Received current, not paid(Paid current year, received prior year)	Total
	Cost	Fair Value	Cost	Cost	Cost
	R'000	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	21,126	7,833	-	-	28,959
TOTAL	21,126	-	-	-	28,959

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

Part 4a: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2007

30.2 Movement in Intangible Capital Assets per Asset Register for the year ended 31 March 2006

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	453	-	-	453
TOTAL	**453**	**-**	**-**	**453**

Part 4a: Annexures to the Financial Statements

for the year ended 31 March 2007

ANNEXURE 1A

STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2005/06
	Amount	Roll Overs	Adjustments	Total Available	Actual Transfer	Percentage of Available funds Transferred	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Total Available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Regional Services – Council levies	-	-	-	-	1,963	-	-	-	-	7,381
	-	**-**	**-**	**-**	**1,963**	**-**	**-**	**-**	**-**	**7,381**

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2005/06
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Percentage of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Human Rights Commission	49,220	-	-	49,220	49,220	100.0%	41,774
Legal Aid Board	501,409	-	-	501,409	501,409	100.0%	453,208
Special Investigating unit	55,582	-	-	55,582	55,582	100.0%	48,851
Commission on Gender Equality	37,757	-	-	37,757	37,757	100.0%	26,469
Public Protector	67,784	-	-	67,784	67,784	100.0%	58,628
Representative Political Parties Fund	79,385	-	-	79,385	79,385	100.0%	74,883
Educ,Train & Dev Prac Sec E&T Auth	3,972	-	-	3,972	3,972	100.0%	-
	795,109	**-**	**-**	**795,109**	**795,109**	**100.0%**	**703,813**

ANNEXURE 1C

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE		2005/06
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Percentage of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Subscription Fees: Unidroit	201	-	-	-	201	100.0%	318
Subscription Fees: Hasue Convention	455	-	-	-	455	100.0%	378
Subscription Fees: International Criminal Court	4,068	-	-	-	4,068	100.0%	3,410
	4,724	**-**	**-**	**-**	**4,724**	**100.0%**	**4,106**

Part 4a: Annexures to the Financial Statements

for the year ended 31 March 2007

ANNEXURE 1D

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2005/06
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Percentage of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Household: Employee social benefit	49,292	-	-	49,292	49,292	100.0%	39,390
Household: Claims against the state	-	-	-	-	-	-	170
Household: *Ex gratia* payments	154	-	-	154	154	100.0%	1
Household: state vehicles and car rental	-	-	-	-	-	-	5
	46,446	**-**	**-**	**46,446**	**46,446**	**100.0%**	**39,566**

ANNEXURE 1E

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2006/07	2005/06
		R'000	R'000
Received in cash			
City of Cape Town	Funding of Municipal Courts	1,046	-
		1,046	-
Received in kind	Office furniture and equipment	-	70
		1,046	**70**

Part 4a: Annexures to the Financial Statements

for the year ended 31 March 2007

ANNEXURE 1F

STATEMENT OF LOCAL AND FOREIGN AID ASSISTANCE RECEIVED

Name of donor	Purpose	Opening Balance	Revenue	Expenditure	Closing Balance
		R'000	R'000	R'000	R'000
Received in cash					
Denmark	Training of Maintenance Officers on the content of the Maintenance Act	1,710	-	1,710	-
British High Commission	Development of a training programme for Magistrates in South Africa on International human rights standards and principles	196	-	196	-
Commission of European Community	Sectoral budget support	9,596	52,150	27,424	34,322
Irish Masters	Masters' Office project	11,676	-	8,673	3,003
Irish Citizen's Advice Desk	Citizen's Advice Desk	72	-	72	-
Netherlands	Sectoral Budget support	251	-	251	-
Sweden	Improvement of the criminal justice system in relation to children issues and development of adequate responses to young offenders	1,326	-	1,108	218
United Nations Children's Fund (UNICEF)	Funding of consultation process: Discussion Paper on Tafficking in Persons	-	160	160	-
Subtotal		**24,827**	**52,310**	**39,594**	**37,543**

ANNEXURE 1G

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE FOR THE YEAR ENDED 31 MARCH 2007

NATURE OF GIFT, DONATION OR SPONSORSHIP	2006/07	2005/06
	R'000	R'000
Made in kind		
Donation of old computers to schools	5,026	-
	5,026	-
TOTAL	**5,026**	**-**

Part 4a: Annexures to the Financial Statements

for the year ended 31 March 2007

ANNEXURE 3A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2007 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2006	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Currency revaluations	Closing balance 31 March 2007	Guaranteed interest for year ended 31 March 2007	Realised losses not recoverable
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles								
Stannic		-	435	529	285	-	679	-	-
		-	435	529	285	-	679	-	-
	Housing								
Standard Bank		-	4,331	125	1,289	-	3,167	-	-
Nedbank Limited		-	2,479	35	859	-	1,655	-	-
Firstrand Bank Limited FNB		-	2,368	157	804	-	1,721	-	-
ABSA		-	7,843	238	2,404	-	5,677	-	-
Peoples Bank Incorporate		-	650	-	76	-	574	-	-
Nedbank Ltd Corporation		-	1,780	-	662	-	1,118	-	-
First Rand Bank Ltd		-	1,184	55	418	-	821	-	-
Old Mutual Bank		-	2,710	15	565	-	2,160	-	-
Other		-	1,431	48	222	-	1,257	-	-
		-	24,776	673	7,299	-	18,150	-	-
Total		**-**	**25,211**	**1,202**	**7,584**	**-**	**18,829**	**-**	**-**

Part 4a: Annexures to the Financial Statements

for the year ended 31 March 2007

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2007

Nature	Opening Balance 01/04/2006	Liabilities incurred during the year	Liabilities paid/ cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Claims against the Department					
Cost	300	-	-	-	300
Damages	342,780	152,433	61,949	-	433,264
Defamation	585	1,450	-	-	2,035
Interest Pension benefits	-	697	-	-	697
Malicious prosecution	1,644,966	115,154	7,195	-	1,752,925
Salary deduction	-	2	-	-	2
Salary dispute	-	13	-	-	13
Service rendered	3	392	16	-	379
Spilled legal costs	-	2	2	-	-0
Uniform rules of Court	-	21,970	-	-	21,970
Unjustified enrichment	15	-	-	-	15
Unlawful arrest	42,668	21,226	4,402	-	59,492
Unlawful detention	27,170	58,270	600	-	84,840
Other	20,022	2,775	7,995	-	14,802
	2,078,509	**374,928**	**82,159**	**-**	**2,371,278**
Total	**2,078,509**	**374,928**	**82,159**	**-**	**2,371,278**

Part 4a: Annexures to the Financial Statements

for the year ended 31 March 2007

ANNEXURE 4

INTERGOVERNMENT RECEIVABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2007	31/03/2006	31/03/2007	31/03/2006	31/03/2007	31/03/2006
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
National Departments	43,023	46,051	8,182	5,166	51,205	51,217
Eastern Cape	17,007	32,034	1,906	17,070	18,913	49,104
Free State	396	1,444	-	636	396	2,080
Gauteng	6,529	6,254	1,354	1,652	7,883	7,906
KwaZulu-Natal	1,181	3,974	14	169	1,195	4,143
Mpumalanga	3,687	3,569	557	543	4,244	4,112
Northern Cape	759	1,880	-	391	759	2,271
Limpopo	3,489	10,147	456	1,069	3,945	11,216
North West	1,222	2,846	982	1,704	2,204	4,550
Western Cape	934	1,174	531	801	1,465	1,975
National Departments PACE	34,459	-	-	3,981	34,459	3,981
Agency services control Account	-	-	42	293	42	293
Salary: Recoverable	2	-	476	340	478	340
Total	**112,688**	**109,373**	**14,500**	**33,815**	**127,188**	**143,188**

ANNEXURE 5

INTERGOVERNMENT PAYABLES

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2007	31/03/2006	31/03/2007	31/03/2006	31/03/2007	31/03/2006
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
National Treasury	-	62	-	-	-	62
Transport (GG)	2,716	6,307	-	5,164	2,716	11,471
Health	-	-	4,137	-	4,137	-
Total	**2,716**	**6,369**	**4,137**	**5,164**	**6,853**	**11,533**

Part 4b

National Prosecuting Authority

4b

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Part 4b: Report of the Accounting Officer

for the year ended 31 March 2007

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

1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

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

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

The NPA has continued to operate on the same basis with respect to its relationship with the Department of Justice and Constitutional Development (DoJ&CD) during the year under review. This means that, with respect to all NPA business units, excluding the DSO, the CEO of the NPA operates as the Accounting Officer on the basis of a delegation of authority from the Director-General of the DoJ&CD. With respect to the DSO, the CEO of the NPA operates as the Accounting Officer in terms of the provisions of the NPA Amendment Act of 2001.

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

Highlights of the financial position

	2006/07	2005/06
	R'000	R'000
Adjusted appropriation	1,582,062	1,354,810
Virement from DoJ&CD	3,023	92,881
Final Appropriation	**1,585,085**	**1,447,691**
Less: Total expenditure	1,535,754	1,399,923
Variance	**49,331**	**47,768**

A saving of R 46.5 million is attributed to unpaid invoices currently under dispute with a service provider. An application was made for a rollover of these funds. As this matter was not settled during the current year, these funds will be returned to National Treasury.

It is important to note that with respect to budgetary matters, the NPA does not administer the full budget for lower court prosecutors. It still only administers the personnel budget. The administration of the remainder of this budget remains with the DoJ&CD. This is an issue that needs to be resolved along with accountability and reporting between the NPA and the department as prosecutors continue to complain about poor service delivery of non-personnel related items.

Funds not received via the budget process

A special programme, namely the Integrated Justice System (IJS), has been established within the security cluster with the Department of Safety and Security identified as the administering department. An amount of R 213 million was allocated to their budget in respect of the year under review.

Departments within this cluster incur expenditure which is then recorded in a temporary suspense account. Through the normal procurement process these expenditure are submitted to the IJS Committee for approval and then claimed back from the Department of Safety and Security.

As a result of this process the NPA received an amount of R17,440,130 from the Department of Safety and Security in respect of expenditure on services and capital assets. These assets are recorded in the departmental assets register.

The Criminal Assets Recovery Account (CARA)

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

2. SERVICES RENDERED BY THE NPA

The NPA's vision is "Justice in our society so that people can live in freedom and security"

The mission statement of the NPA is :-

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

The services rendered by the NPA are described broadly below:

- Public Prosecution co-ordinates and assists prosecutions in both the high courts and lower courts.
- The Witness Protection programme co-ordinates the safekeeping and protection of witnesses in certain serious cases.
- Special Operations, comprising the Directorate of Special Operations (also known as the Scorpions) together with the Asset Forfeiture Unit, deal with serious organised crime and the proceeds there from.
- Corporate Services renders the following services to the operational units:-
  - Finance and Procurement Management Services,
  - Human Resource Management and Development Services,
  - Information Management Services,
  - Research and Policy Management Services,
  - Security Services,
  - Communication Services,
  - Strategy and Risk Management Services, and
  - Integrity Management Services.

2.1 Inventories

A stock take was conducted on the 31 March 2007, and the value thereof was established at R 230,760.00 . The basis of the valuation was invoice cost.

3. CAPACITY CONSTRAINTS

a) Directorate of Special Operations (DSO)

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

This has once again resulted in insufficient operational staff to conduct investigations, insufficient administrative staff to properly support the DSO and insufficient prosecutors to appear in court. The National Director of Public Prosecutions decided during the year under review that a separate administration be established for the DSO, in line with the general outcome of Cabinet resolutions on the Khampepe Commission into the location and mandate of the DSO.

To the end, Mr. Brian Graham was appointed on a contract basis as Chief Financial Officer for the DSO. A number of administrative posts for the DSO have been created and advertised. These appointments will provide leadership in establishing proper reporting and systems procedures for the DSO.

Permission has also been obtained from National Treasury to open a separate bank account for the DSO. A submission was made to National Treasury for the listing of the DSO as a public entity. This submission has not yet received a response from National Treasury.

Part 4b: Report of the Accounting Officer

for the year ended 31 March 2007

b) Sexual Offences and Community Affairs (SOCA)

Once again the major constraints experienced by this unit are as follows:

- The continued reliance on donor funding for critical projects such as the Thuthuzela Care Centres; and
- The absence of a provincial presence due to human resource constraints which limits the unit's ability to monitor and evaluate implemented initiatives, projects and policies.

c) Asset Forfeiture Unit

A major constraint that the unit continues to experience is the lack of experienced and skilled human resource capacity to deal with complex cases together with an inadequate budget for legal and other professional services:-

- Once again additional funds were requested through the MTEF process. This unit was partially successful in obtaining funds for additional posts and professional services.
- A focussed recruitment campaign to attract skilled investigators and advocates, combined with intensive training and the development for all staff continued.
- Additional funds were received from the Criminal Assets Recovery Account to fund some of its training and professional services requirements. The indications are positive that the unit will again receive additional funds in the new financial year.

d) Witness Protection Unit (WPU)

The WPU is also facing staff shortages. However, the long outstanding matter of the transfer of the SAPS members assigned to the unit has now been resolved and the transfer of these individuals will become a reality in the new financial year with the allocation of additional funding from National Treasury.

The unit faces budgetary constraints to fund important aspects of its work such as the After-Care program which seeks to assist witnesses after they exit the program.

e) Corporate Services (CS)

The CS unit continues to battle to keep pace with the growing size and complexity of operational units. The NPA has received substantial additional funding for prosecutors and other core staff and this has meant that CS has prioritised the filling of posts for operational units, at its own cost. This, together with the high turnover of staff and key management in CS, has meant that CS has failed to grow at the required level to ensure it can service operational units at the required standard.

An additional capacity constraint affecting not only CS but all units in the NPA, is the capacity required to spend the additional funding allocated to the NPA. Particular projects and efforts have been put in place but operational units battle to prioritise time for recruitment efforts and keep pace with the growing demand for core services. One of the key challenges the NPA faces in the new financial year is to ensure it spends the additional funds allocated by National Treasury.

It is also becoming abundantly clear that the NPA's non-personnel budget requires additional funding for centralised items such as fleet services, accommodation, information technology, training and development and security services. A substantial growth in these budget items is required over the next few years to ensure that Corporate Services is able to provide operational units with the support they require.

With respect to the capital budget, despite repeated attempts to reach some agreement with DoJ&CD, the NPA has been largely unsuccessful in obtaining sufficient funding for new accommodation projects. Some additional funds were repriotised and allocated to the NPA in the last few days of the financial year but these are not adequate to cover the growing needs of the NPA for adequate facilities and accommodation.

f) General

The general capacity constraints described above fall into three major areas :

- A general inability to attract and retain staff and managers with the necessary skills and experience.
- This lack of capacity in turn creates a vicious circle and an inability to speed up recruitment efforts and spend additional funds allocated to the organisation.
- A budget that is not yet sufficiently balanced with high personnel expenditure and which in turn is not supported by the required goods and services and capital budget.

Part 4b: Report of the Accounting Officer

for the year ended 31 March 2007

4. UTILISATION OF DONOR FUNDS

Below is an exposition of projects funded through donations during the current financial year -

Donor	Project	Short description
USAID	Specialist Prosecutors	To empower prosecutors and other role players with specialised knowledge and skills to better handle cases of sexual and domestic violence through multidisciplinary training community outreach and research programmes.
W K Kellog Foundation	Thuthuzela Project	To manage care centres for victims of child abuse and rape, training and development and public education.
UNICEF	Sexual offences	To manage care centres for victims of child abuse and rape, training and development and public education.
Vodacom	Thuthuzela Project	To establish, renovate and launch sexual offences courts.
SARS	SARS Tax Unit	To assist the NPA in establishing a tax unit.
Business Against Crime (BAC)	RJ Hillhouse	To collaborate and coordinate in the preparation for prosecutions.
Greece	Thuthuzela Project	To manage care centres for victims of child abuse and rape, training and development and public education.
Royal Danish Commission	Ndabezitha Project	To resolve domestic violence in rural communities.
Woolworths	Sexual Offences Courts	To develop a child friendly environment.
Foundation for Human Rights	Missing Persons Task Team	Implementation of the recommendation of the Truth and Reconciliation Commission (TRC) regarding missing persons.

Please refer to Annexure 1D of the Annual Financial Statements for further details in this regard.

5. CORPORATE GOVERNMENT ARRANGEMENTS

Governance & Enterprise Risk Management

The NPA has made progress in the area of governance and enterprise risk management in the year under review. It continues to be guided by the governance model developed as part of NPA Strategy 2020. The necessary progress in establishing a Governance Centre in the year under review was however not made due to internal debates about the macro-structure of the NPA currently being reviewed as part of the Serurubele Transformation project.

This in turn impacted on the capacity of the Office of the CEO to implement new governance processes. Despite this, progress has been made in the development of a governance calendar which is expected to become fully functional in 2007/08.

The NPA has also continued to prioritise its work on enterprise risk management. All business units are expected to identify and manage risks as part of their annual business plans. Reporting on business unit performance includes reporting on the management of these risks.

The NPA EXCO also set up an enterprise performance sub-committee in the 2006/07 which reviewed business plans of units on a quarterly basis. More information on the work of this committee appears elsewhere in this report.

Integrity Management Unit (IMU)

The Integrity Management unit was extremely busy in 2007/08. The unit continued its work in two critical areas, namely, integrity promotion and combating of integrity breaches. The unit completed a number of highly sensitive internal investigations in the organisation in the past year. At the same time, and perhaps more importantly, it has made strides in 2007/08 in its efforts to prevent integrity breaches. This work culminated in the holding of a conference for the Senior Managmeent Service in March 2007 and the launching of an Integrity Resource or handbook at the same conference.

The unit has also embarked on the profiling of the SMS leadership in the organisation to bolster the work of vetting of personnel, to ensure that the NPA is able to intervene timeously should any "red flags" or warning signs be picked up in the profiling process. It is evident from some high profile cases currently receiving attention in the media, that the initial vetting process does not necessarily identify integrity risks in new personnel recruited and that more often than not, it is only after the individual has been in the employ of the organisation for a period of time that integrity is challenged. It is thus important that the NPA, assisted by the IMU, can track the profiles of its management cadres.

The unit also completed a culture survey during the year under review and is playing a leading part in the transformation project's ongoing work to develop a set of shared values for the organisation.

Security and Risk Management Unit (S&RM)

The S&RM unit plays a critical role in the NPA's overall risk management efforts. Its two critical areas of work in this regard are with respect to vetting of personnel and providing threatened employees with protection as and when required.

Whilst the National Intelligence Agency (NIA) is responsible for issuing of security clearance certificates, this unit plays an important role in gathering of all relevant information to speed up the process at NIA. An improvement of 36% was achieved in its compliance with personnel vetting requirements in the year under review. The NPA has achieved a 74% level of compliance. This is still not high enough for an organisation like the NPA but represents a siginificant improvement given capacity constraints at NPA.

S&RM has also continued to provide threatened employees with protection in terms of the NPA's Employee Protection Policy. Protection to the value of R3,2m was provided to employees in the year under review. This will continue to be a key part of the NPA's risk management strategy given the number of high profiles cases currently under investigation.

Internal Audit and Audit Committee

The Internal Audit Unit conducted two reviews of the operations of the department's operations under the direction of the Chief Audit Executive (CAE) based at the DoJ&CD.

The Audit Committee, which operates in terms of its own charter, continued to hold quarterly meetings with the Internal Audit Unit, Executive Management and the External Auditors. With the exception of the Chairman, new independent members are appointed annually to serve on this Committee. Individual members of the Audit Committee are required to declare any interest at each meeting in order to avoid conflict of interest and to date no conflict of interest has been declared.

In order to ensure continuity of this committee, the charter has been amended to enable the services of the Chairman to be retained on an indefinite basis.

The Internal Audit Unit's primary responsibility is to provide assurance on risk management, control and governance processes. This unit continues to report significant findings emanating from the audit process to management and the Audit Committee. Management in turn continues to address significant issues raised by the Internal Audit Unit in order to enhance the risk management and governance processes within the NPA.

The Internal Audit Unit of the NPA was integrated into the Internal Unit of the DoJ&CD during the year in order to optimise the utilisation of auditing resources under the control of the Chief Audit Executive. This arrangement has however not proved successful and the CEO has raised repeated concerns with the Chief Audit Executive and the Director-General about the general lack of progress reporting to the CEO. NPA management has also complained about the standard of audit reports on their respective units. Internal auditing services for the NPA will need to be comprehensively reviewed in 2007/08.

Budget Control

The NPA EXCO has set up a Budget Sub-Committee which held quarterly Budget Review meetings with the heads of all business units. During these reviews the heads of the business units presented their budget performance and provided reasons for either over or under spending of the funds allocated to them. These reviews allow the business units the opportunity to explain to the Budget Committee why funds projected for certain major projects have not been spent. Management then reprioritises available funding to other projects during the financial year.

6. ASSET MANAGEMENT

Asset management was given high priority during this financial year. All new acquisitions of assets were bar-coded and captured onto Excel spread sheets on a national basis and verified. The P2P asset management system was suspended due to the fact that National

Part 4b: Report of the Accounting Officer

for the year ended 31 March 2007

Treasury had not given its written consent to the utilisation of the system, and these records have been transferred to the Logis asset management system.

The information disclosed in note 26 is derived as a result of the completion of this exercise. Asset values reflected were arrived at by means of a fair valuation process.

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

The condition of the asset was linked to it's perceived remaining life and the value was based on it's condition and the market related price per asset :-

- Good condition 75% of current new value.
- Satisfactory condition 50% of current new value
- Poor condition 25% of current new value.

7. PERFORMANCE INFORMATION

The NPA adopted a new process and template for performance progress reporting against annual business plans to support the execution of the NPA Strategy 2020, annual plans and strategic initiative projects. This was a brand new approach for the organisation and teething problems were to be expected. However, significant progress has been made this year to ensure horizontal and vertical integration of annual plans, as well as to stabilise and consolidate enterprise performance progress monitoring and reporting, thus putting performance reporting on a decent footing. Business units reported progress on their performance against annual business plans and strategic projects on a quarterly basis to EXCO and its Enterprise Performance Management sub-committee. The annual business plans of units as well as their performance progress reports, outputs and statistics were submitted to Internal Audit for independent verification of the integrity of the performance information and reports submitted, and to recommend on improvements in controls to bolster performance information and reporting. The quarterly review process by EXCO and its sub-committee, as well as by business unit heads and management committees further served to interrogate performance information and reports submitted, to provide guidance on corrections to be made and improvements to be made to ensure integrity of reports and information. The NPA is confident that the integrity of this process has improved each quarter as the organisation became more familiar with what is required and understanding of the progress reporting process and template improved. The NDPP, CEO, EXCO members, unit heads and the Executive Manager: Strategy & Risk are all committed to, and makes serious effort, ensuring understanding of and compliance with the enterprise performance process of the NPA. Particular emphasis is placed on the verifiability and accuracy of performance data and outputs reported. This process of review by EXCO and its sub-committee, as well as at business unit level, was fairly rigorous and was experienced by all to be of considerable value to enhance performance and accountability. The NPA aims to finalise the design and development of support technology to enhance the accessibility, timeliness, verifiability and availability of performance information.

8. SCOPA RESOLUTIONS

During the 2006/07 financial year the NPA did not receive any SCOPA resolutions and the NPA has not been notified by SCOPA of any related queries.

9. INFORMATION TECHNOLOGY AND MOTOR VEHICLE LEASING ARRANGEMENTS

An amount of R64,167,709 for lease payments was disclosed as irregular expenditure in the previous year and R38,996,022 in the current financial year. Payments constituted information technology and motor vehicle leasing arrangements concluded in terms of a master rental agreement and structured as an operating lease. This arrangement was vetted by the State Attorney and agreed to by National Treasury.

These leases were entered into after much analysis, and after the input by National Treasury, gave rise to a saving over the lease term. Clearly management felt that securing this saving was in the best interest of the NPA.

However, in the opinion of the Auditor-General this transaction constituted a finance lease. As the NPA was unable to secure a written confirmation from National Treasury confirming their agreement to the classification of this transaction as an operating lease, it was decided to revise the annual financial statements in terms of the Auditor-General's recommendation.

During the current year National Treasury issued a practice note dated 5th December 2006, whereby finance leases may now be entered into subject to certain conditions. As this condonation

Part 4b: Report of the Accounting Officer

for the year ended 31 March 2007

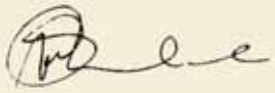
was issued late in the current financial year, this lease has again been reported as a finance lease.

Application will be made to management of the DoJ&CD during the current financial year to have this expenditure currently designated as irregular expenditure, condoned and written off.

Approval

The Annual financial statements set out on pages 164 to 191 have been approved by the Accounting Officer.

Marion Sparg
Chief Executive Officer: NPA
Date: 31/05/2007



Adv: M Simelane
Director-General: DoJ&CD
Date: 31/05/2007

Part 4b: Accounting Policies

for the year ended 31 March 2007

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act.

1. PRESENTATION OF THE FINANCIAL STATEMENTS

1.1 Basis of preparation

The financial statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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

1.5 Comparative figures - Appropriation Statement

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

2. REVENUE

2.1 Appropriated funds

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

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

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

2.2 Departmental revenue

All departmental revenue is paid into the National/Provincial Revenue Fund when received, unless otherwise stated. Amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position. Amounts receivable at the reporting date are disclosed in the disclosure notes to the Annual financial statements.

2.2.1 Tax revenue

Tax revenue consists of all compulsory unrequited amounts collected by the Department in accordance with laws and or regulations (excluding fines, penalties & forfeits).

Tax receipts are recognised in the statement of financial performance when received.

2.2.2 Sales of goods and services other than capital assets

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

2.2.3 Fines, penalties & forfeits

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

Part 4b: Accounting Policies

for the year ended 31 March 2007

2.2.4 Interest, dividends and rent on land

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

2.2.5 Sale of capital assets

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

2.2.6 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds.

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

Forex gains are recognised on payment of funds.

2.2.7 Gifts, donations and sponsorships (transfers received)

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

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

2.3 Local and foreign aid assistance

Local and foreign aid assistance is recognised as revenue when notification of the assistance is received from the National Treasury or when the department directly receives the cash from the donor(s).

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

The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the statement of financial performance. The value of the assistance expensed prior to the receipt of the funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using local and foreign aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

2.4 CARA Fund assistance

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as current or capital expenditure in the statement of financial performance.

Any unspent CARA funds are transferred to Retained Funds as these funds do not need to be surrendered to the National Revenue Fund.

3 EXPENDITURE

3.1 Compensation of employees

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

All other payments are classified as current expense.

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

3.1.1 Short-term employee benefits

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

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

Part 4b: Accounting Policies

for the year ended 31 March 2007

3.1.2 Long-term employee benefits

3.1.2.1 Termination benefits

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

3.1.2.2 Post employment retirement benefits

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

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

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of financial performance when the payment is effected on the system (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used for a capital project or an asset of R5000 or more is purchased. All assets costing less than R5000 will also be reflected under goods and services.

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the Statement of financial performance when the payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.4 Financial transactions in assets and liabilities

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

Forex losses are recognised on payment of funds.

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

3.5 Unauthorised expenditure

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

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

3.6 Fruitless and wasteful expenditure

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

3.7 Irregular expenditure

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

3.8 Transfers and subsidies

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

3.9 Expenditure for capital assets

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

Part 4b: Accounting Policies

for the year ended 31 March 2007

4. ASSETS

4.1 Cash and cash equivalents

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

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

4.2 Prepayments and advances

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

4.3 Receivables

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

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

4.4 Investments

Capitalised investments are shown at cost in the statement of financial position. Any cash flows such as dividends received or proceeds from the sale of the investment are recognised in the statement of financial performance when the cash is received.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss would be included in a disclosure note, where applicable.

4.5 Loans

Loans are recognised in the statement of financial position at the nominal amount when cash is paid to the beneficiary. Loan balances are reduced when cash repayments are received from the beneficiary. Amounts that are potentially irrecoverable are included in disclosure note 25.

4.6 Inventory

Inventories purchased during the financial year are disclosed at cost in the notes.

4.7 Capital assets

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the capital asset may be stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

Projects (of construction/development) running over more than one financial year relating to assets, are only capitalised as assets on completion of the project and at the total cost incurred over the duration of the project.

Disclosure Notes 26 and 27 reflect the total movement in the asset register for the current financial year.

5. LIABILITIES

5.1 Payables

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

5.2 Lease commitments

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

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

5.3 Accruals

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

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

Part 4b: Accounting Policies

for the year ended 31 March 2007

5.4 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the department; or

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

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

Contingent liabilities are included in the disclosure notes.

5.1 Commitments

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

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

6. NET ASSETS

6.1 Capitalisation reserve

The capitalisation reserve comprises 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 transferred to the National/Provincial Revenue Fund on disposal, repayment or recovery of such amounts.

6.2 Recoverable revenue

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

7. RELATED PARTY TRANSACTIONS

Related parties are departments that control or significantly influence entities in making financial and operating decisions. Specific information with regards to related party transactions is included in the disclosure notes.

8. KEY MANAGEMENT PERSONNEL

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

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

9. PUBLIC PRIVATE PARTNERSHIPS

A Public-Private Partnership (PPP) is a commercial transaction between the department and a private party in terms of which the private party -

- Performs an institutional function on behalf of the institution; and/or
- acquires the use of state property for its own commercial purposes; and
- assumes substantial financial, technical and operational risks in connection with the performance of the institutional function and/or use of state property; and
- receives a benefit for performing the institutional function or from utilizing the state property, either by way of -
  - consideration to be paid by the Department which derives from a Revenue Fund;
  - charges fees to be collected by the private party from users or customers of a service provided to them; or
  - a combination of such consideration and such charges or fees.

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement would be included in the disclosure notes, where applicable.

Part 4b: Appropriation Statement

for the year ended 31 March 2007

Appropriation per programme

	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Programme 4									
Current payment	1,562,228	-	3,475	1,565,703	1,516,694	49,009	96.9%	1,382,449	1,334,884
Transfers and subsidies	2,890	-	2,272	5,162	3,368	1,794	65.2%	6,106	6,106
Payment for capital assets	16,944	-	(2,724)	14,220	15,692	(1,472)	110.4%	59,136	58,933
Total	1,582,062	-	3,023	1,585,085	1,535,754	49,331	96.9%	1,447,691	1,399,923
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				6,849				22,750	
CARA Fund Assistance				31,800				-	
Local and foreign aid assistance received				1,047				2,814	
Actual amounts per Statements of Financial Performance (Total revenue)				1,624,781				1,473,255	
Add:									
Local and foreign aid assistance					3,299				3,871
Actual amounts per Statements of Financial Performance (Total expenditure)					1,539,053				1,403,794

Part 4b: Appropriation Statement

for the year ended 31 March 2007

Appropriation per economic classification

	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	1,104,196	-	(43,711)	1,060,485	1,060,485	-	100.0%	900,189	900,189
Goods and services	458,032	-	47,053	505,085	456,076	49,009	90.3%	482,247	434,682
Financial transactions in assets and liabilities	-	-	133	133	133	-	100.0%	13	13
Transfers and subsidies									
Provinces and municipalities	2,890	-	-	2,890	1,096	1,794	37.9%	3,100	3,025
Households	-	-	2,272	2,272	2,272	-	100.0%	3,006	3,081
Payments for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	0.0%	15,000	15,000
Machinery and equipment	16,944	-	(2,724)	14,220	15,692	(1,472)	110.4%	44,136	43,933
Total	1,582,062	-	3,023	1,585,085	1,535,754	49,331	96.9%	1,447,691	1,399,923

Programme per subprogramme	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Public Prosecutions									
Current payment	1,248,787		(21,711)	1,227,076	1,180,564	46,512	96.2%	1,090,902	1,043,337
Transfers and subsidies	2,380		2,160	4,540	2,746	1,794	60.5%	4,666	4,666
Payment for capital assets	12,525		1,331	13,856	13,868	(12)	100.1%	54,288	54,085
Special Operations									
Current payment	250,548		18,283	268,831	267,161	1,670	99.4%	237,093	237,093
Transfers and subsidies	486		128	614	614	-	100.0%	1,401	1,401
Payment for capital assets	2,625		(2,317)	308	1,768	(1,460)	574.0%	4,840	4,840
Witness Protection									
Current payment	62,893		6,903	69,796	68,969	827	98.8%	54,454	54,454
Transfers and subsidies	24		(16)	8	8	-	100.0%	39	39
Payment for capital assets	1,794		(1,738)	56	56	-	100.0%	8	8
Total	1,582,062	-	3,023	1,585,085	1,535,754	49,331	96.9%	1,447,691	1,399,923

Part 4b: Appropriation Statement

for the year ended 31 March 2007

Appropriation per economic classification

	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as percentage of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	1,104,196	-	(43,711)	1,060,485	1,060,485	-	100.0%	900,189	900,189
Goods and services	458,032	-	47,053	505,085	456,076	49,009	90.3%	482,247	434,682
Financial transactions in assets and liabilities	-	-	133	133	133	-	100.0%	13	13
Transfers and subsidies									
Provinces and municipalities	2,890	-	-	2,890	1,096	1,794	37.9%	3,100	3,025
Households	-	-	2,272	2,272	2,272	-	100.0%	3,006	3,081
Payments for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	0.0%	15,000	15,000
Machinery and equipment	16,944	-	(2,724)	14,220	15,692	(1,472)	110.4%	44,136	43,933
Total	1,582,062	-	3,023	1,585,085	1,535,754	49,331	96.9%	1,447,691	1,399,923

Part 4b: Notes to the Appropriation Statement

for the year ended 31 March 2007

1. DETAIL OF TRANSFERS AND SUBSIDIES AS PER APPROPRIATION ACT (AFTER VIREMENT):

Detail of these transactions can be viewed in note 7 (Transfers and subsidies) and Annexure 1 (A-D) to the Annual Financial Statements.

a. 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.

b. Detail on financial transactions in assets and liabilities

Detail of these transactions per programme can be viewed in note 6 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

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

4.1 Per Programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a percentage of Final Appropriation
Programme 4	1,585,085	1,535,754	49,331	3,1%

The under spending of R46,5 million is attributed to delays in the legal outcome of unpaid invoices currently under dispute. The two sets of Senior Councils are currently consulting on a regular basis regarding the presentations of this complex contract to court and the discovery of approximately 73 000 documents. Application has been made to National Treasury for a rollover of the saving of R46,5 million.

Per Economic classification	2006/07	2005/06
	R'000	R'000
Current payment:		
Goods and services	49,009	47,768
Transfers and subsidies:		
Provinces and municipalities	1,794	-
Payment for capital Assets:		
Machinery and equipment	(1,472)	

Part 4b: Statement of Financial Performance

for the year ended 31 March 2007

	Note	2006/07 R'000	2005/06 R'000
REVENUE			
Annual appropriation	1	1,585,085	1,447,691
Departmental revenue	2	6,849	22,750
CARA Fund assistance	3A	31,800	-
Local and foreign aid assistance	3	1,047	2,814
TOTAL REVENUE		**1,624,781**	**1,473,255**
EXPENDITURE			
Current expenditure			
Compensation of employees	4	1,060,485	900,189
Goods and services	5	456,076	434,682
Financial transactions in assets and liabilities	6	133	13
Local and foreign aid assistance	3	3,142	3,320
Total current expenditure		**1,519,836**	**1,338,204**
Transfers and subsidies	**7**	**3,368**	**6,106**
Expenditure for capital assets			
Buildings and other fixed structures	8	-	15,000
Machinery and equipment	8	15,692	43,933
Local and foreign aid assistance	3	157	551
Total expenditure for capital assets		**15,849**	**59,484**
TOTAL EXPENDITURE		**1,539,053**	**1,403,794**
SURPLUS/(DEFICIT)		85,728	69,461
Add back fruitless and wasteful expenditure	9	372	166
SURPLUS/(DEFICIT) FOR THE YEAR		**86,100**	**69,627**
Reconciliation of Surplus/(Deficit) for the year			
Voted Funds	13	49,703	47,934
Departmental Revenue	14	6,849	22,750
Local and foreign aid assistance	3	(2,252)	(1,057)
CARA Fund assistance	3A	31,800	-
SURPLUS/(DEFICIT) FOR THE YEAR		**86,100**	**69,627**

Part 4b: Statement of Financial Position

as at 31 March 2007

	Note	2006/07 R'000	2005/06 R'000
ASSETS			
Current assets		109,820	76,374
Fruitless and wasteful expenditure	9	2,797	2,425
Cash and cash equivalents	10	63,030	38,504
Prepayments and advances	11	23,245	23,647
Receivables	12	19,944	11,179
Local and foreign aid assistance receivable	3	804	619
TOTAL ASSETS		109,820	76,374
LIABILITIES			
Current liabilities		75,696	75,689
Voted funds to be surrendered to the Revenue Fund	13	49,703	47,934
Departmental revenue to be surrendered to the Revenue Fund	14	22,543	21,035
Payables	15	1,053	2,256
Local and foreign aid assistance unutilised	3	2,397	4,464
TOTAL LIABILITIES		75,696	75,689
NET ASSETS		34,124	685
Represented by:			
Recoverable revenue		2,324	685
Retained funds (Legislatures/Parliament/CARA Fund assistance)		31,800	-
TOTAL		34,124	685

Part 4b: Statement of Changes in Net Assets

for the year ended 31 March 2007

	Note	2006/07	2005/06
		R'000	R'000
RECOVERABLE REVENUE			
Opening balance		685	364
Transfers			
Debts raised		1,639	321
Closing balance		2,324	685
RETAINED FUNDS			
Opening balance		-	
CARA Fund assistance	3A	31,800	-
Closing balance		31,800	-
TOTAL		**34,124**	**685**

Part 4b: Cash Flow Statement

for the year ended 31 March 2007

	Note	2006/07 R'000	2005/06 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		1,624,781	1,451,356
Annual appropriated funds received	1.1	1,585,085	1,447,691
Departmental revenue received		6,849	851
CARA Fund assistance received		31,800	-
Local and foreign aid assistance received	3	1,047	2,814
Net (increase)/decrease in working capital		(9,938)	(695)
Surrendered to Revenue Fund		(53,275)	(35,630)
Current payments		(1,519,464)	(1,338,038)
Transfers and subsidies paid		(3,368)	(6,106)
Net cash flow available from operating activities	**16**	**38,736**	**70,887**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets		(15,849)	(59,484)
Proceeds from sale of capital assets	2	-	21,899
Net cash flows from investing activities		**(15,849)**	**(37,585)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		1,639	321
Net cash flows from financing activities		**1,639**	**321**
Net increase/(decrease) in cash and cash equivalents		24,526	33,623
Cash and cash equivalents at the beginning of the period		38,504	4,881
Cash and cash equivalents at end of period	**17**	**63,030**	**38,504**

Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2007

1. ANNUAL APPROPRIATION

1.1 Annual Appropriation

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

	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Appropriation received 2005/06
	R'000	R'000	R'000	R'000
Programme 4: National Prosecuting Authority	1,585,085	1,585,085	-	1,447,691
Total	**1,585,085**	**1,585,085**	**-**	**1,447,691**

The under spending of R46,5 million is attributed to delays in the legal outcome of unpaid invoices currently under dispute. The Senior Councils are currently consulting on a regular basis regarding the presentations of this complex contract to court and the discovery of approximately 73 000 documents. Application has been made to National Treasury for a roll-over of the saving of R46,5 million.

2. DEPARTMENTAL REVENUE TO BE SURRENDERED TO REVENUE FUND

Description (Specify material amounts separately)

	Note	2006/07	2005/06
		R'000	R'000
Tax revenue			
Sales of goods and services other than capital assets	2.1	851	389
Interest, dividends and rent on land	2.2	358	180
Sales of capital assets	2.3	-	21,899
Financial transactions in assets and liabilities	2.4	5,640	282
Departmental revenue collected		**6,849**	**22,750**

2.1 Sales of goods and services other than capital assets

	2006/07	2005/06
	R'000	R'000
Sales by market establishment	851	389
Total	**851**	**389**

2.2 Interest, dividends and rent on land and buildings

	2006/07	2005/06
	R'000	R'000
Interest	358	180
Total	**358**	**180**

Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2007

2.3 Sale of capital assets

	2006/07	2005/06
	R'000	R'000
Other capital assets	-	21,899
Total	**-**	**21,899**

2.4 Financial transactions in assets and liabilities

Nature of recovery

	2006/07	2005/06
	R'000	R'000
Stale cheques written back	22	-
Other Receipts including Recoverable Revenue	5,618	282
Total	**5,640**	**282**

3. LOCAL AND FOREIGN AID ASSISTANCE

3.1 Assistance received in cash: Other

	2006/07	2005/06
	R'000	R'000
Local		
Opening Balance	(220)	1,967
Revenue	965	-
Expenditure	1,405	2,187
Current	1,263	1,636
Capital	142	551
Closing Balance	(660)	(220)
Foreign		
Opening Balance	4,065	2,935
Revenue	82	2,814
Expenditure	1,894	1,684
Current	1,879	1,684
Capital	15	-
Closing Balance	**2,253**	**4,065**
Total assistance		
Opening Balance	3,845	4,902
Revenue	1,047	2,814
Expenditure	3,299	3,871
Current	3,142	3,320
Capital	157	551
Closing Balance	1,593	3,845
Analysis of balance		
Local and foreign aid receivable	804	619
Local and foreign aid unutilised	2,397	4,464
Closing balance	1,593	3,845

Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2007

3.2 CARA Fund assistance

	2006/07	2005/06
	R'000	R'000
Opening Balance	-	-
Revenue received	31,800	-
Closing Balance	**31,800**	-

4. COMPENSATION OF EMPLOYEES

4.1 Salaries and Wages

	2006/07	2005/06
	R'000	R'000
Basic salary	773,181	667,625
Performance award	18,592	18,321
Service Based	524	315
Compensative/circumstantial	4,494	2,956
Other non-pensionable allowances	134,707	86,412
Total	**931,498**	**775,629**

4.2 Social contributions

	2006/07	2005/06
	R'000	R'000
4.2.1 Employer contributions		
Pension	97,950	93,405
Medical	30,929	31,032
UIF	3	10
Bargaining council	105	113
Total	**128,987**	**124,560**
Total compensation of employees	**1,060,485**	**900,189**
Average number of employees	4,044	3,872

Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2007

5. GOODS AND SERVICES

	Note	2006/07 R'000	2005/06 R'000
Advertising		10,060	1,861
Attendance fees (including registration fees)		6	-
Bank charges and card fees		452	369
Bursaries (employees)		1,579	1,361
Communication		32,553	41,832
Computer services		36,997	41,401
Consultants, contractors and special services		67,615	57,857
Courier and delivery services		450	394
Drivers' licences and permits		-	2
Entertainment		1,390	1,087
External audit fees	5.1	2,691	2,265
Equipment less than R5000		13,194	1,122
Firearm handling fees		6	-
Inventory	5.2	14,404	15,254
Legal fees		27,995	24,927
Maintenance, repairs and running costs		6,715	3,213
Medical Services		22	221
Operating leases		86,340	54,729
Personnel agency fees		211	899
Photographic services		8	3
Plant flowers and other decorations		30	11
Printing and publications		2,653	112
Professional bodies and membership fees		19	36
Resettlement costs		2,055	3,248
Subscriptions		1,856	5,967
Storage of furniture		4	-
System access fees		13	-
Owned leasehold property expenditure		23,326	13,522
Translations and transcriptions		771	767
Transport provided as part of the departmental activities		5,336	61,327
Travel and subsistence	5.3	65,537	60,000
Venues and facilities		2,729	2,273
Protective, special clothing & uniforms		521	282
Training & staff development		4,585	1,711
Witness and related fees		43,953	36,629
Total		**456,076**	**434,682**

Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2007

5.1 External audit fees

	2006/07	2005/06
	R'000	R'000
Regulatory audits	2,691	2,265
Total	**2,691**	**2,265**

5.2 Inventory

	2006/07	2005/06
	R'000	R'000
Domestic consumables	241	50
Food and Food supplies	4	-
Fuel, oil and gas	1	3
Other consumables	1	-
Parts and other maintenance material	94	173
Stationery and printing	12,573	15,021
Medical supplies	1	7
Weapons and armaments	1,489	-
Total	**14,404**	**15,254**

5.3 Travel and subsistence

	2006/07	2005/06
	R'000	R'000
Local	62,350	57,817
Foreign	3,187	2,183
Total	**65,537**	**60,000**

6. FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES

	Note	2006/07	2005/06
		R'000	R'000
Material losses through criminal conduct			
Other material losses	6.1	-	9
Other material losses written off	6.2	1	-
Debts written off	6.3	132	4
Total		**133**	**13**

Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2007

6.1 Other material losses

	2006/07	2005/06
	R'000	R'000
Other material losses	-	9
Total	**-**	**9**

6.2 Other material losses written off

	2006/07	2005/06
	R'000	R'000
Nature of losses		
Duplicate Payment Written off	1	-
Total	**1**	**-**

6.3 Debts written off

	2006/07	2005/06
	R'000	R'000
Nature of debts written off		
Bad debt written off	132	4
Total	**132**	**4**

7. TRANSFERS AND SUBSIDIES

		2006/07	2005/06
		R'000	R'000
	Note		
Provinces and municipalities	Annex 1A	1,096	3,025
Households	Annex 1B	2,272	3,081
Total		**3,368**	**6,106**

8. EXPENDITURE FOR CAPITAL ASSETS

	Notes	2006/07	2005/06
		R'000	R'000
Buildings and other fixed structures	26	-	15,000
Machinery and equipment	26	15,692	43,933
Software and other intangible assets	27	14,542	-
Total		**30,234**	**58,933**

Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2007

9. FRUITLESS AND WASTEFUL EXPENDITURE

9.1 Reconciliation of fruitless and wasteful expenditure

	2006/07	2005/06
	R'000	R'000
Opening balance	2,425	2,259
Fruitless and wasteful expenditure – current year	372	166
Current	372	166
Fruitless and wasteful expenditure awaiting condonement	**2,797**	**2,425**

9.2 Analysis of Current Fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	
Accident Fees	Under investigation. Awaiting report from IMU and Security and Risk	106
Cancellation Fees	Under investigation. Letters sent to officials to obtain explanations	65
Legal Fees	Under investigation. Transactions to be verified for correctness.	206
Extra Accommodation	Under investigation.	1
Journal Corrections		(6)
Total		**372**

10. CASH AND CASH EQUIVALENTS

	2006/07	2005/06
	R'000	R'000
Consolidated Paymaster General Account	62,912	38,486
Cash receipts	-	2
Disbursements	33	1
Cash on hand	85	15
Total	**63,030**	**38,504**

11. PREPAYMENTS AND ADVANCES

	2006/07	2005/06
	R'000	R'000
Travel and subsistence	1,346	1,748
Prepayments	21,899	21,899
Total	**23,245**	**23,647**

Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2007

12. RECEIVABLES

	Note	Less than one year	One to three years	Older than three years	2006/07 Total	2005/06 Total
		R'000	R'000	R'000	R'000	R'000
Staff debtors	12.1	3,191	5,486	3,507	12,184	9,316
Other debtors	12.2	3,252	263	59	3,574	839
Intergovernmental receivables	Annex 3	4,147	39	-	4,186	1,024
Total		**10,590**	**5,788**	**3,566**	**19,944**	**11,179**

12.1 Staff Debtors

	2006/07	2005/06
	R'000	R'000
Sal: Deduction Disall Acc: CA	-	13
Sal: Disallowance Account: CA	318	343
Sal: Tax Debt: CA	21	125
Debt Account: CA	11,541	8,480
Sal: Reversal Control	230	264
Irregular Expenditure: Dept Vote Account	33	26
Sal: Medical Aid	41	48
Sal: Housing	-	8
Sal: Fin Institutions Study Loans	-	9
Total	**12,184**	**9,316**

12.2 Other debtors

	2006/07	2005/06
	R'000	R'000
Disallowance Miscellaneous	1,293	376
Private Telephone	99	463
Telephone Control Account	2,061	-
VAT Clearing Account	121	-
Total	**3,574**	**839**

13. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

	2006/07	2005/06
	R'000	R'000
Opening balance	47,934	32,000
Transfer from Statement of Financial Performance	49,703	47,934
Paid during the year	(47,934)	(32,000)
Closing balance	**49,703**	**47,934**

Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2007

14. DEPARTMENTAL REVENUE TO BE SURRENDERED TO THE REVENUE FUND

	2006/07	2005/06
	R'000	R'000
Opening balance	21,035	1,915
Transfer from Statement of Financial Performance	6,849	22,750
Paid during the year	(5,341)	(3,630)
Closing balance	**22,543**	**21,035**

15. PAYABLES – CURRENT

Description	Notes	30 Days	30+ Days	2006/07 Total	2005/06 Total
		R'000	R'000	R'000	R'000
Amounts owing to other studies	Annexure 5	-	1,944	1,944	4,355
Advances received	15.1	231	56	287	-
Clearing accounts	15.2	517	249	766	2,256
Total		**748**	**2,249**	**2,997**	**6,611**

15.1 Advances received

	2006/07	2005/06
	R'000	R'000
Description		
Claims National Departments - IJS Funds	287	-
Total	**287**	**-**

15.2 Clearing accounts

	2006/07	2005/06
	R'000	R'000
Description		
Sal: Reg Service Council	-	56
Sal: Pension Fund	58	5
Sal Income Tax	405	191
Sal: Garnishee Order	-	1
Telephone Control Acc	-	56
Sal: ACB Recalls	54	19
Pension Recoverable Account	204	127
Disallowance Miscellaneous	45	1,727
Payables: Other Departments	-	74
Total	**766**	**2,256**

Part 4b: Notes to the Annual Financial Statements

for the year ended 31 March 2007

16. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

	2006/07 R'000	2005/06 R'000
Net surplus/(deficit) as per Statement of Financial Performance	86,100	69,627
Add back non cash/cash movements not deemed operating activities	(47,364)	1,260
(Increase)/decrease in receivables – current	(8,765)	31,693
(Increase)/decrease in prepayments and advances	402	(22,077)
(Increase)/decrease in other current assets	(557)	(785)
Increase/(decrease) in payables – current	(1,203)	(10,145)
Proceeds from sale of capital assets	-	(21,899)
Expenditure on capital assets	15,849	59,484
Surrenders to Revenue Fund	(53,275)	(35,630)
Other non-cash items	185	619
Net cash flow generated by operating activities	**38,736**	**70,887**

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

	2006/07 R'000	2005/06 R'000
Consolidated Paymaster General account	62,912	38,486
Cash receipts	-	2
Disbursements	33	1
Cash on hand	85	15
Total	**63,030**	**38,504**

Part 4b: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2007

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

18. CONTINGENT LIABILITIES

		Note	2006/07 R'000	2005/06 R'000
Motor vehicle guarantees	Employees	Annex 2A	459	1,042
Housing loan guarantees	Employees	Annex 2A	5,553	5,960
Claims against the department		Annex 2B	325,781	86,011
Other departments (interdepartmental unconfirmed balances)		Annex 4	66	79
Total			**331,859**	**93,092**

19. COMMITMENTS

	2006/07 R'000	2005/06 R'000
Current expenditure		
Approved and contracted	758,136	35,592
	758,136	**35,592**
Capital expenditure		
Approved and contracted	32,747	11,864
	37,747	**11,864**
Total Commitments	**790,883**	**47,456**

20. ACCRUALS

Listed by economic classification

	30 Days R'000	30+ Days R'000	2006/07 Total R'000	2005/06 Total R'000
Compensation of employees	25	40	65	587
Goods and services	8,573	23,849	32,422	42,267
Transfers and subsidies	-	1	1	11
Machinery and equipment	1,944	6,813	8,757	31,172
Total	**10,542**	**30,703**	**41,245**	**74,037**

Listed by programme level

		2006/07 R'000	2005/06 R'000
Public Prosecution		24,980	34,067
Special Operations		14,060	30,911
Witness Protection		2,205	9,059
		41,245	**74,037**
Confirmed balances with other departments	Annex 4	1,878	4,355
		1,878	**4,355**

Part 4b: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2007

21. EMPLOYEE BENEFITS

	2006/07	2005/06
	R'000	R'000
Leave entitlement	47,851	41,645
Thirteenth cheque	33,288	27,726
Performance awards	18,049	15,553
Capped leave commitments	98,486	95,674
Total	**197,674**	**180,598**

22. LEASE COMMITMENTS

22.1 Operating leases

2006/2007	Vehicles	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	4,672	-	4,672
Later than 1 year and not later than 5 years	-	39,792	-	39,792
Later than five years	-	-	-	-
Total present value of lease liabilities	**-**	**44,464**	**-**	**44,464**

2005/2006	Vehicles	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	2,483	8,567	11,050
Later than 1 year and not later than 5 years	-	15,730	53,644	69,374
Later than five years	-	17,752	6,404	24,156
Total present value of lease liabilities	**-**	**35,965**	**68,615**	**104,580**

22.2 Finance leases

2006/2007	Vehicles	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	12,184	9,528	18,159	39,871
Later than 1 year and not later than 5 years	11,218	42,800	45,122	99,140
Later than five years	-	12,807	-	12,807
Total present value of lease liabilities	**23,402**	**65,135**	**63,281**	**151,818**

2005/2006	Vehicles	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	6,939	-	14,789	21,728
Later than 1 year and not later than 5 years	17,709	-	26,902	44,611
Later than five years	-	-	-	-
Total present value of lease liabilities	**24,648**	**-**	**41,691**	**66,339**

Part 4b: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2007

23. IRREGULAR EXPENDITURE

23.1 Reconciliation of irregular expenditure

	2006/07	2005/06
	R'000	R'000
Opening balance	65,341	1,147
Add: Irregular expenditure – current year	121,348	64,194
Irregular expenditure awaiting condonement	**186,689**	**65,341**
Analysis of awaiting condonement per classification		
Current expenditure	186,689	65,341
	186,689	**65,341**
Analysis of awaiting condonement per age classification		
Current	121,348	64,194
Prior years	65,341	1,147
	186,689	**65,341**

23.2 Irregular expenditure

		2006/07	2005/06
		R'000	R'000
Incident	Disciplinary steps taken/criminal proceedings		
Cases (prior years)	Still under investigation	65,341	
Irregular appointment	Still under investigation	686	
Rentworks Payments	Still under investigation	38,996	
Notes cases	Still under investigation	10,666	
CFM Finance Lease	Still under investigation	54,000	
CFM Soft services not in terms of contract	Still under investigation	17,000	
		186,689	

24. KEY MANAGEMENT PERSONNEL

	No. of Individuals	2006/07	2005/06
		R'000	R'000
Political office bearers (provide detail below)	5	4,475	4,157
Officials			
Level 15 to 16	19	15,256	14,161
Level 14 (incl CFO if at a lower level)	11	6,372	1,235
Total		**26,103**	**19,553**

25. PROVISIONS

	2006/07	2005/06
	R'000	R'000
Staff Debtors	3,330	-
	3,330	**-**

Part 4b: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2007

26.1 Tangible Capital Assets

Movement in Tangible Capital Assets per Asset Register for the year ended 31 March 2007

	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	Cost	Cost	Cost	Cost	Cost
	R'000	R'000	R'000	R'000	R'000
Building and other fixed structures	**30,336**	-	-	-	30,336
Other fixed structures	30,336	-	-	-	30,336
Machinery and Equipment	**61,341**	**(30,837)**	**18,900**	**-**	**49,404**
Computer equipment	42,746	(21,505)	14,705	-	35,946
Other machinery and equipment	18,595	(9,332)	4,195	-	13,458
Total Tangible Assets	**91,677**	**(30,837)**	**18,900**	**-**	**79,740**

The following finance lease assets are not included in the above schedule: 87 Photo copiers valued at R3,8 million; VEHICLES and related EQUIPMENT valued at R63,3 million and COMPUTER EQUIPMENT valued at R40.6 million. Other "Machinery and Equipment" and "Computer Equipment" has been restated due to incorrect classification and values of assets in the prior year.

26.2 Additions to Tangible Capital Assets per Asset Register for the year ended 31 March 2007

	Cash	Non-cash	(Capital Work in Progress current costs)	Received current, not paid (Paid current year, received prior year)	Total
	Cost	Fair Value	Cost	Cost	Cost
	R'000	R'000	R'000	R'000	R'000
Machinery and Equipment	**15,692**	**729**	**-**	**2,479**	**18,900**
Computer equipment	12,218	729	-	1,758	14,705
Other machinery and equipment	3,474	-	-	721	4,195
Total	**15,692**	**729**	**-**	**2,479**	**18,900**

26.3 Movement in Tangible Capital Assets per Asset Register for the year ended 31 March 2006

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Building and other fixed structures	15,336	15,000	-	30,336
Other fixed structures	15,336	15,000	-	30,336
Machinery and Equipment	31,941	51,299	21,899	61,341
Computer equipment	21,899	42,746	21,899	42,746
Other machinery and equipment	10,042	8,553	-	18,585
Total Tangible Assets	**47,277**	**66,299**	**21,899**	**91,677**

Part 4b: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2007

27. INTANGIBLE CAPITAL ASSETS

27.1 Movement in Intangible Capital Assets per Asset Register for the year ended 31 March 2007

	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	Cost	Cost	Cost	Cost	Cost
	R'000	R'000	R'000	R'000	R'000
Computer Software	6,414	-	14,542	-	20,956
Total	**6,414**	**-**	**14,542**	**-**	**20,956**

27.2 Additions to Intangible Capital Assets per Asset Register for the year ended 31 March 2007

	Cash	Non-cash	(Development work in progress - current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	Cost	Fair Value	Cost	Cost	Cost
	R'000	R'000	R'000	R'000	R'000
Computer Software	14,542	-	-	-	14,542
Total	**14,542**	**-**	**-**	**-**	**14,542**

27.3 Movement in Intangible Capital Assets per Asset Register for the year ended 31 March 2006

	Opening balance	Additions	Disposals	Closing Balance
	Cost	Cost	Cost	Cost
	R'000	R'000	R'000	R'000
Computer Software	-	6,414	-	6,414
Total	**-**	**6,414**	**-**	**6,414**

Part 4b: Annexures to the Annual Financial Statements

for the year ended 31 March 2007

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS PAID TO PROVINCES

	Grant Allocation				Transfer		Spent			2006/07
	Division of Revenue Act	Roll-Overs	Adjustments	Total Available	Actual Transfer	Percentage of Available funds Transferred	Amount received by department	Amount spent by department	Percentage of available funds spent by department	Division of Revenue Act
Name of Province/grant	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Regional Service Council Levies					1,096					
					1,096					

ANNEXURE 1B

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	Transfer Allocation				Expenditure		2006/07
	Adjusted Appropriation Act	Roll-Overs	Adjustments	Total Available	Actual Transfer	Percentage of Available funds Transferred	Appropriation Act
Households	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Social Benefits					2,272		3,006
Household: Act of Grace					-		75
Total					**2,272**		**3,081**

Part 4b: Annexures to the Annual Financial Statements

for the year ended 31 March 2007

ANNEXURE 1C

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name Of Organisation	Nature Of Gift, Donation Or Sponsorship	2006/07	2005/06
		R'000	R'000
Received in cash			
Various sponsors	DPP JHB (golfday)	133	
Received in kind			
BHP Billiton	Year-end function	-	58
Centre of Organised Crime	Sponsorship for International Travel by the National Head of the Witness Protection Unit (Mr D Adam)	-	11
Lexmark	Furniture	-	41
Standard Bank	Furniture	-	37
Justice College	SA Law Reports	-	1,526
SA Law Commission	SA Law Reports	-	88
USAID	Training	-	1,143
Nashua	Office equipment	-	12
Mercedes Benz	Advanced Driver's Course	-	2
British High Commission	Training week	70	-
G8 Lyon Group	Airfare, Accomodation & Meals	10	-
UN Office on Drugs & Crime	Travel, Subsistence & Accomodation	10	-
US Embassy	Godiva Chocolates	1	-
Vodacom	Caps and T-shirts	2	-
Subtotal		**93**	**2,918**
Total		**226**	**2,918**

ANNEXURE 1D

STATEMENT OF LOCAL AND FOREIGN AID ASSISTANCE RECEIVED

Name Of Donor	Purpose	Opening Balance	Revenue	Expenditure	Closing Balance
		R'000	R'000	R'000	R'000
Received in cash					
Vodacom	Thutuzela C.C.	242	-	276	(34)
SARS	SARS Tax Unit	(465)	465		-
Woolworths	Child Courts	151	-	14	137
BAC	Payment for JR Hillhouse to collaborate and coordinate in preparation of cases for prosecution	6	-	-	6
Foundation for Human Rights	Implementation of recommendations of the TRC regarding missing persons	(154)	500	1,116	(770)
WK Kellog	Thutuzele Training	1,329	72	496	905
UNICEF	SOCA C.C. TV's	873	-	683	190
USAID	Prosecution of Child Sex Offenders	293	-		293
Greece	Thutuzele	633	10	315	328
Royal Danish Commission	Ndabezitha Project	937	-	399	538
Subtotal		**3,845**	**1,047**	**3,299**	**1,593**

Part 4b: Annexures to the Annual Financial Statements

for the year ended 31 March 2007

ANNEXURE 2A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2007 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2006	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Currency revelations	Closing balance 31 March 2007	Guaranteed interest for year ended 31 March 2007	Realised losses not recoverable
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Stanic	Motor Vehicles		1,042	-	583		459		
			1,042	**-**	**583**		**459**		
Standard Bank	Housing		1,378	114	19	-	1,473		
Nedbank	Housing		711	-	42	-	669		
First Rand Bank	Housing		769	26	189	-	606		
ABSA	Housing		2,103	257	353	-	2,007		
Old Mutual Finance Limited	Housing		(4)	-	22	-	(26)		
Peoples Bank Limited	Housing		40	-	-	-	40		
Nedbank Limited Incorporated	Housing		400	-	137	-	263		
First Rand Bank	Housing		244	-	24	-	220		
Old Mutual Finance Limited	Housing		213	-	-	-	213		
Free State Development Corp.	Housing		46	-	-	-	46		
VBS Mutual Bank	Housing		60	-	18	-	42		
Subtotal	**Total**		**5,960**	**397**	**804**	**-**	**5,553**		

ANNEXURE 2B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2007

Nature of Liability	Opening Balance 01/04/2006	Liabilities incurred during the year	Liabilities paid/cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31/03/2007
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Fleet Management	80,000	-	-	-	80,000
DSO Litigation cases	1,000	-	-	-	1,000
Outstanding Lawsuits (AFU, WPU and PCLU)	5,011	239,770	-	-	244,781
Total	**86,011**	**239,770**	**-**	**-**	**325,781**

Part 4b: Annexures to the Annual Financial Statements

for the year ended 31 March 2007

ANNEXURE 3

INTER-GOVERNMENT RECEIVABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2007	31/03/2006	31/03/2007	31/03/2006	31/03/2007	31/03/2006
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Business Against Crime (BAC)	-	-	674	-	674	-
Department of Agriculture	-	-	-	43	-	43
Department of Art and Culture	-	-	20	-	20	-
Department of Correctional Services	-	-	24	23	24	23
Department of Defence	-	-	-	12	-	12
Department of Education	-	-	11	10	11	10
Department of Environmental Affairs	-	-	15	15	15	15
Department of Health	8	-	84	90	92	90
Department of Home Affairs	-	-	6	-	6	-
Department of Housing	-	-	7	-	7	-
Department of Justice and Constitutional Development	3,023	-	82	559	3,105	559
Department of Public Works	4	-	10	18	14	18
Department of Trade and Industry	-	-	7	25	7	25
Department of Transport	-	-	36	45	36	45
Department of Water Affairs	-	-	13	-	13	-
DPSA	-	-		15	-	15
Free State Province	-	-	12	12	12	12
Gauteng Province	-	-	-	22	-	22
Gauteng Shared Service Centre	-	-	79	65	79	65
Independent Compains Directorate	-	-	14	-	14	-
National Intelligent Agency	-	-	-	21	-	21
North West Province	-	-	17	-	17	-
SA Secret Services	-	-	25	35	25	35
Other	-	-	15	14	15	14
Total	**3,035**	**-**	**1,151**	**1,024**	**4,186**	**1,024**

Part 4b: Annexures to the Annual Financial Statements

for the year ended 31 March 2007

ANNEXURE 4

INTER-GOVERNMENT PAYABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2007	31/03/2006	31/03/2007	31/03/2006	31/03/2007	31/03/2006
	R'000	R'000	R'000	R'000	R'000	R'000
Departments						
Current						
Department of Agriculture	-	3	-	-	-	3
Department of Correctional Services	-	-	-	16	-	16
Department of Education	-	-	6	-	6	-
Department of Health	-	-	20	-	20	-
Department of Justice and Constitutional Development	-	3,484	24	-	24	3,484
DPSA	-	-		22	-	22
Gauteng Provincial Government Motor Transport	1,843	868	5	-	1,848	868
Safety and Security	35	-	11	41	46	41
Total	**1,878**	**4,355**	**66**	**79**	**1,944**	**4,434**

Part 4C

Consolidated Annual Financial Statements

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Part 4c: Consolidated Appropriation Statement

for the year ended 31 March 2007

Appropriation per programme

	2006/07							2005/06	
	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. Administration									
Current payment	717,732	-	(62,852)	654,880	621,636	33,244	94.9%	373,411	324,300
Transfers and subsidies	4,778	-	72	4,850	4,824	26	99.5%	760	760
Payment for capital assets	53,169	-	726	53,895	10,402	43,493	19.3%	5,352	5,352
2. Court Services									
Current payment	2,221,294	-	(251,897)	1,969,397	1,925,824	43,573	97.8%	1,612,481	1,612,481
Transfers and subsidies	1,218	-	6,496	7,714	7,335	379	95.1%	9,840	9,840
Payment for capital assets	526,101	-	330,500	856,601	573,067	283,534	66.9%	566,482	370,385
3. State Legal Services									
Current payment	374,071	-	(33,638)	340,433	323,735	16,698	95.1%	289,384	289,384
Transfers and subsidies	5,863	-	1,131	6,994	8,042	(1,048)	115.0%	8,774	8,774
Payment for capital assets	5,820	-	1,648	7,468	3,269	4,199	43.8%	10,486	1,436
4. National Prosecuting Authority									
Current payment	1,562,228	-	3,475	1,565,703	1,516,694	49,009	96.9%	1,382,449	1,334,884
Transfers and subsidies	2,890	-	2,272	5,162	3,368	1,794	65.2%	6,106	6,106
Payment for capital assets	16,944	-	(2,724)	14,220	15,692	(1,472)	110.4%	59,136	58,933
5. Auxiliary and Associated Services									
Current payment	180,500	-	1,160	181,660	181,660	-	100.0%	129,331	128,866
Transfers and subsidies	791,139	-	-	791,139	791,137	2	100.0%	703,823	703,821
Payment for capital assets	14,900	-	3,631	18,531	18,531	-	100.0%	27,919	27,919
Subtotal	**6,478,647**	**-**	**-**	**6,478,647**	**6,005,216**	**473,431**	**92.7%**	**5,185,734**	**4,883,241**
Statutory Appropriation									
Current payment	1,071,056	-	-	1,071,056	1,062,385	8,671	99.2%	818,308	1,008,428
Transfers and subsidies					36,904	(36,904)	0.0%	31,669	31,670
Payment for capital assets									
TOTAL	**7,549,703**	**-**	**-**	**7,549,703**	**7,104,505**	**445,198**	**94.1%**	**6,035,711**	**5,923,339**
Reconciliation with Statement of Financial Performance									
Add:									
Prior year unauthorised expenditure approved with funding				-				-	
Departmental revenue received				319,510				340,182	
CARA Fund Assistance				31,800				-	
Local and foreign aid assistance received				53,357				26,586	
Actual amounts per Statements of Financial Performance (Total revenue)				**7,954,370**				**6,402,479**	
Add:									
Local and foreign aid assistance					42,893				48,365
Prior year unauthorised expenditure approved									
Prior year fruitless and wasteful expenditure authorised									
Actual amounts per Statements of Financial Performance (Total expenditure)					**7,147,398**				**5,971,704**

Part 4c: Consolidated Appropriation Statement

for the year ended 31 March 2007

Appropriation per economic classification

	2006/07							2005/06	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	2,830,444	-	(173,829)	2,656,615	2,632,851	23,764	99.1%	2,260,961	2,258,184
Goods and services	2,225,381	-	(172,592)	2,052,789	1,934,032	118,757	94.2%	1,481,679	1,387,315
Financial transactions in assets and liabilities	-	-	2,669	2,669	2,666	3	99.9%	44,416	44,416
Transfers and subsidies									
Provinces and municipalities	4,456	-	-	4,456	2,223	2,233	49.9%	7,337	7,262
Departmental agencies and accounts	795,110	-	-	795,110	795,109	1	100.0%	703,814	703,812
Foreign governments and international organisations	3,644	-	-	3,644	4,724	(1,080)	129.6%	4,106	4,106
Households	2,678	-	9,971	12,649	12,650	(1)	100.0%	14,046	14,121
Payments for capital assets									
Buildings and other fixed structures	305,836	-	284,997	590,833	328,936	261,897	55.7%	317,975	306,312
Machinery and equipment	299,338	-	39,417	338,755	270,899	67,856	80%	350,947	157,260
Software and other intangible assets	11,760	-	9,367	21,127	21,126	1	100.0%	453	453
Total	**6,478,647**	**-**	**-**	**6,478,647**	**6,005,216**	**473,431**	**92.7%**	**5,185,734**	**4,883,241**

Statutory Appropriation

	2006/07							2005/06	
Details of direct changes against the National/Provincial Revenue Fund	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Judges and magistrates salaries	1,071,056	-	-	1,071,056	1,099,289	(28,233)	102.6%	849,977	1,040,097
Total	**1,071,056**	**-**	**-**	**1,071,056**	**1,099,289**	**(28,233)**	**102.6%**	**849,977**	**1,040,097**

Part 4c: Consolidated Statement of Financial Performance

for the year ended 31 March 2007

	2006/07 R'000	2005/06 R'000
REVENUE		
Annual appropriation	6,478,647	5,185,734
Statutory appropriation	1,071,056	849,977
Departmental revenue	319,510	340,182
CARA Fund assistance	31,800	-
Local and foreign aid assistance	53,357	26,586
TOTAL REVENUE	**7,954,370**	**6,402,479**
EXPENDITURE		
Current expenditure		
Compensation of employees	3,695,236	3,266,612
Goods and services	1,934,032	1,387,315
Financial transactions in assets and liabilities	2,666	44,416
Local and foreign aid assistance	42,736	47,814
Total current expenditure	**5,674,670**	**4,746,157**
Transfers and subsidies	**851,610**	**760,971**
Expenditure for capital assets		
Buildings and other fixed structures	328,936	306,312
Machinery and Equipment	270,899	157,260
Software and other intangible assets	21,126	453
Local and foreign aid assistance	157	551
Total expenditure for capital assets	**621,118**	**464,576**
TOTAL EXPENDITURE	**7,147,398**	**5,971,704**
SURPLUS/(DEFICIT)	**806,972**	**430,775**
Add back fruitless and wasteful expenditure	372	166
SURPLUS/(DEFICIT) FOR THE YEAR	**807,344**	**430,941**
Reconciliation of Net Surplus/(Deficit) for the year		
Voted Funds	445,570	112,538
Departmental Revenue	319,510	340,182
Local and foreign aid assistance	10,464	(21,779)
CARA Fund assistance	31,800	-
SURPLUS/(DEFICIT) FOR THE YEAR	**807,344**	**430,941**

Part 4c: Consolidated Statement of Financial Position

as at 31 March 2007

	2006/07 R'000	2005/06 R'000
ASSETS		
Current assets	**481,247**	**448,263**
Unauthorised expenditure	185,617	185,617
Fruitless and wasteful expenditure	2,797	2,425
Cash and cash equivalents	65,728	41,045
Voted funds to be received from National Revenue Fund	15,907	-
Prepayments and advances	25,434	25,641
Receivables	184,960	192,916
Local and foreign aid assistance receivable	804	619
TOTAL ASSETS	**481,247**	**448,263**
LIABILITIES		
Current liabilities	**438,087**	**438,638**
Voted funds to be surrendered to the Revenue Fund	-	112,538
Departmental revenue to be surrendered to the Revenue Fund	27,313	32,583
Bank overdraft	368,351	260,776
Payables	2,483	3,450
Local and foreign aid assistance repayable	218	-
Local and foreign aid assistance unutilised	39,722	29,291
TOTAL LIABILITIES	**438,087**	**438,638**
NET ASSETS	**43,160**	**9,625**
Represented by:		
Recoverable revenue	11,360	9,625
Retained Funds (CARA Fund Assistance)	31,800	-
Total	**43,160**	**9,625**

annual financial statements

Part 4c: Consolidated Statement of Changes in Net Assets

for the year ended 31 March 2007

	2006/07 R'000	2005/06 R'000
RECOVERABLE REVENUE		
Opening balance	**9,625**	**8,814**
Transfers	1,735	811
Debts recovered (included in departmental revenue)	(2,764)	-
Debts raised	4,499	811
Closing balance	**11,360**	**9,625**
RETAINED FUNDS		
Opening balance	-	-
CARA Fund Assistance	31,800	-
Closing balance	31,800	-
Total	**43,160**	**9,625**

Part 4c: Consolidated Cash Flow Statement

for the year ended 31 March 2007

	2006/07 R'000	2005/06 R'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts	7,492,893	6,380,580
Annual appropriated funds received	6,017,170	5,185,734
Statutory appropriated funds received	1,071,056	849,977
Departmental revenue received	319,510	318,283
CARA Fund assistance received	31,800	-
Local and foreign aid assistance received	53,357	26,586
Net (increase)/decrease in working capital	6,824	110,062
Surrendered to Revenue Fund	(437,318)	(314,864)
Current payments	(5,674,298)	(4,745,991)
Transfers and subsidies paid	(851,610)	(760,971)
Net cash flow available from operating activities	**536,491**	**668,816**
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for capital assets	(621,118)	(464,576)
Proceeds from sale of capital assets	-	21,899
Net cash flows from investing activities	(621,118)	(442,677)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(decrease) in net assets	1,735	811
Net cash flows from financing activities	**1,735**	**811**
Net increase/(decrease) in cash and cash equivalents	(82,892)	226,950
Cash and cash equivalents at the beginning of the period	(219,731)	(446,681)
Cash and cash equivalents at end of period	**(302,623)**	**(219,731)**

Part 4D

Third-Party Funds

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Part 4d: Report of the Accounting Officer

for the year ended 31 March 2007

1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

The Department of Justice and Constitutional Development administers funds on behalf of third parties, previously known as Monies in Trust (MIT). The term Monies in Trust is a misnomer, as the monies administered by the Department on behalf of third parties (for example, maintenance beneficiaries, the National Revenue Fund, local authorities, etc), are not trust monies as described in National Treasury Regulation 14.2.1. These monies administered by the Department are not held in terms of a deed or trust or equivalent instrument. It was therefore decided to henceforth refer to these monies as Third-Party Funds. In summary, the reporting entity collects funds on behalf of others, which it pays over to those entitled thereto.

Historically, MIT has been reported upon as a separate reporting entity. In 2002/03, MIT was separated from the vote account and the Office of the Auditor-General issued a disclaimer in respect of the report issued in the absence of financial statements. In the 2003/04 financial year, the Department did not submit financial statements. At the end of the 2004/05 financial year, the Department produced a partial set of annual financial statements that covered the MIT operations of a single month (March 2005). At the end of the 2005/06 financial year, the Department compiled a set of incomplete financial statements covering the whole financial year. Although these annual financial statements were only submitted in December 2006, the Department has not yet been informed of the opinion expressed by the Auditor-General on these statements. The Department anticipates that a disclaimer will be expressed on the mentioned statements, because information received from offices is often incorrect, incomplete and inaccurate and cannot be confirmed and verified. In respect of many offices, no information is received at all. This situation continued during the 2006/07 financial year.

During the financial year under review, 109 (24%) offices submitted full information (for each of the 12 months), 259 (57%) offices submitted partial information (for one to 11 of each of the 12 months) and 88 (19%) submitted no information at all.

The department manages Third-Party Funds through a network of more than 581 cash halls countrywide. Currently, 470 bank accounts exist at the four major South African banks. The reason for the difference between the number of accounts and cash halls is that some main courts have branch and periodical courts that operate cash halls, but still do their banking at the main court. This is in the process of being reviewed.

Manual paper-based processes, incomplete records, a general lack of financial control, the inability to reconcile, a poor service delivery model, inadequate skills to run a modern cash management system and a lack of information technology and networks characterise the state of the management of Third-Party Funds.

Legal framework

The legislative and regulatory framework for the management of Third-Party Funds is at varying degrees of maturity. In many instances, there is no legal framework that covers monies held on behalf of third parties by the department. Various legal opinions were obtained during the past financial year. In short, the State Law Advisers expressed the opinion that, although desirable, no legislation or secondary legislation was required in this regard and that the department should continue administering Third-Party Funds within the framework that has been developed over time and that is contained as a policy in its departmental financial instructions.

The State Law Advisers also confirmed that any monies collected as revenue on behalf of the National Revenue Fund do not constitute departmental revenue.

2. SERVICES RENDERED BY THE DEPARTMENT

The department administers the following types of Third-Party Funds:

- Admission of guilt (fines, mostly traffic fines, where the accused chooses not to defend the matter in court – these funds are paid over to either the local or provincial government or the National Revenue Fund at the end of each month)
- Bail (where an accused is granted bail by a judicial officer or an official duly authorised, where the funds are kept until a court authorises the return of the funds to the accused or the funds are forfeited to the state as a court fine or paid over to the National Revenue Fund when the monies remain unclaimed for a period longer than 12 months after they have been authorised to be repaid to the depositor)
- Court fines (fines imposed by a court that are paid over to the National Revenue Fund at the end of each month)
- Estate money (pre-October 2004 estates that have not been dealt with yet or that should be paid over to the Master of the High Court, which now deals with all estate matters)

- Maintenance (money received from defendants as per order of court, which is then paid to beneficiaries/plaintiffs or returned to the defendant or to the National Revenue Fund if the monies remain unclaimed for a period longer than 12 months
- State Attorney monies (money collected by the State Attorney on behalf of government institutions – the State Attorney also collects a commission on debt collections on behalf of government institutions, which is paid over to the National Revenue Fund)
- Compensatory fines (criminal court orders for a given defendant to pay compensation to a plaintiff)
- Deferred fines (fines deferred over a period as imposed by court, which are paid to the National Revenue Fund at the end of each month as court fines)
- Payments to court (civil action where an offer in settlement of a plaintiff's claim is made – these payments may in certain cases be made without a court order, where a defendant pays an amount to court, without prejudice, as an offer in settlement of a plaintiff's claim in a civil case, pending acceptance by the plaintiff)
- Unclassified monies (monies received that cannot immediately be classified into one of the above categories)

No fees are charged for the services mentioned above in respect of Third-Party Funds, except a 5% commission in respect of debt collected by the State Attorney on behalf of government departments, which is paid over to the National Revenue Fund. This commission is collected in terms of section 65J of the Magistrates' Courts Act, 1944 (Act No 32 of 1944), as amended.

No fees are charged for the other services mentioned in respect of Third-Party Funds, except as stated with reference to the tariff policy. Should a fee be charged, it would yield significant revenue.

3. CAPACITY CONSTRAINTS

Vacant posts and skills shortages covering a broad spectrum of specialisation in the various branches, together with selected inadequate funding at court level, have continued to affect the department's operations. These constraints have adversely affected the service delivery capacity of the department.

This has a significant impact on the administration of Third-Party Funds. The reliability and convenience of the service provided by the department is not optimal. The lack of close knowledgeable supervision and adherence to procedures and protocols contributes to a culture of non-compliance, which, in turn, increases the incidence of fraudulent activities in the cash halls.

4. PUBLIC-PRIVATE PARTNERSHIPS

The Department has a huge turnover in Third-Party Funds per annum through its cash halls. A weak financial management system, fraud and corruption in a largely manual, paper-based transaction environment that is prone to human error, characterise the Third-Party Funds environment. Cash halls lack the security required to protect monies and staff, as well as the systems required to accurately account for these financial transactions. Maintenance service delivery generally remains on an unacceptably low standard and is mostly dependent on the physical presence of beneficiaries or their duly appointed representatives at their courts or points of jurisdiction.

The current manual system is open to fraud, corruption and human error. These manual records are easily lost or destroyed, either by accident or wilfully, while records can also easily be altered. The Department has undertaken many staff training initiatives. The current manual system does not provide for a central information database. Consequently, consolidated macro-information is the result of an annual extensive data-gathering exercise and is not available to assist in day-to-day management. The envisaged new technological system will provide up-to-date financial management reports.

The implementation of the envisaged new operating model is making progress in line with the defined public-private partnership model; accordingly, certain elements were implemented, while others await the finalisation of the appointment of a PPP partner and the subsequent provision of specialist systems and services by the partner.

Due to the critical nature of Third-Party Funds in PPPs and its positive impact on service delivery to the public and other stakeholders, the request-for-proposal documentation was well researched and scrutinised by the Department, the National Treasury PPP Unit and the PPP Transaction Advisor Consortium (Ernst & Young). This was done with a view to addressing service delivery needs, skills capacity-building, affordability and risk transfer. The RFP was issued on 6 October 2006 and the closing date for the submission of tenders was

5 February 2007. Four tenders were received from bidding consortiums. The Department is currently making significant progress with the evaluation of the tenders. Current worst-case scenario estimates suggest contract finalisation and signature before the end of November 2007, with full implementation by August 2008. Specified new systems should be delivered for implementation by February 2008. The above estimates are subject to the details contained in the tenders submitted. Due to the extensive nature of the tender documentation, it will take a few months to fully verify, analyse and finalise the preferred bidder.

The new system will see maintenance beneficiaries receive their funds through a secure, fast and auditable system within normal bank transfer time periods. Maintenance beneficiaries will receive SMS notification of payments into their bank accounts. With a central database and a general ledger, the management of Third-Party Funds will be enabled for the first time in decades. Currently the manual system does not enable the consolidation and reconciliation of data, which, at times, relate to payments made to courts that are not traceable to the person that made the payment, nor to the beneficiaries, as the payments are posted to the courts without attached documentation. Often these "unclassified" monies are received by magistrates' offices in rural and other low-income areas. The management of Monies in Trust PPP systems currently being evaluated will resolve this problem and ensure that all beneficiaries receive all monies due to them.

The implementation of the MMT PPP will significantly enhance the capacity of the courts to track defaulters, resulting in the delivery of a major contribution to poverty alleviation by the Department. Consistent with the aims of the National Treasury, the MMT PPP project proposes a solution whereby private sector skills and systems infrastructure are leveraged to assist the Department in overcoming the gap between the status quo and the required levels of service and accountability.

The PPP structure is expected to ensure the transfer of skills and capacity back to the department over the project term (envisaged as being a minimum of six years). It is envisaged that the private party will train and transfer the required skills to the appropriate Department employees to the extent that the Department will be in a position to manage the Third-Party Fund solutions on its own. The challenge of providing a financially sound, convenient and affordable service relating to the management of Third-Party Funds has been in existence for decades. The Department is confident that the last few years have seen the development of a conceptual solution that is not only affordable, but which also transfers the substantial risks associated with this functionality.

5. PAYMENT OF MAINTENANCE THROUGH ELECTRONIC FUNDS TRANSFER

As part of its preparations for the management of the PPP on Third-Party Funds, the Department has initiated the payment of maintenance to beneficiaries through electronic funds transfer (EFT) directly into their bank accounts. The Central Electronic Funds Transfer Unit (CEFTU) has been established at the Department's national office to facilitate these payments on behalf of offices. The central unit has already contributed immensely to improved service delivery to maintenance beneficiaries.

As at 31 March 2007, 20 151 beneficiaries had been paid a total of R36 million through EFT. The Department envisages that this payment option will be available to all maintenance beneficiaries at all offices by 30 June 2007.

6. JUSTICE DEPOSIT ACCOUNT SYSTEM

The Justice Deposit Account System (JDAS) has been developed over time to computerise the manual environment within which Third-Party Funds are administered. The current versions in use are version 3.2 (Unix-based) and version 4 (which is Windows-based). To improve service delivery to the public, the Department has embarked on a process of rolling out JDAS version 4 to all offices. As at 31 March 2006, only 3% of offices were operating on JDAS (versions 3 and 4). As at 31 March 2007, JDAS 4 has been rolled out to 38 offices, with 18 offices still on JDAS 3.2. A total of 56 offices (9,6%) were thus operating on JDAS as at 31 March 2007.

7. CORPORATE GOVERNANCE ARRANGEMENTS

The Accounting Officer is responsible for the governance of the Department. A framework of corporate governance was developed to facilitate processes of governance in the Department. A number of governance structures are already operating in the Department with a view to enhancing good governance, and more structures are being established for further improvement in this regard.

Part 4d: Report of the Accounting Officer

for the year ended 31 March 2007

7.1 Powers, roles and responsibilities of EXCO members

The deputy directors-general, the Chief Operations Officer and the Chief Financial Officer of the Department are members of the Executive Committee, which is chaired by the Accounting Officer. The powers, roles and responsibilities of EXCO members are derived from the Public Finance Management Act, encompassing the National Treasury Regulations, the Protocol on Corporate Governance in the Public Sector and the King II report on Corporate Governance.

EXCO members have the overall financial and other responsibility for ensuring that the Department has an appropriate system of controls. They are also responsible for ensuring that proper accounting records are kept, which accurately disclose the financial position of the department, and that the annual financial statements comply with the relevant standards.

Fraud policies

The EXCO members are also responsible for the prevention and detection of fraud and other irregularities. The Anti-Fraud and Corruption Plan was developed and approved during the year under review. The plan is now being implemented. The Department subscribes to the National Anti-Corruption Hotline, where matters of fraud and corruption may be reported in strict confidentiality by any member of the public. In line with the Public Sector Anti-Corruption Strategy, which emphasises the need for comprehensive fraud and corruption prevention measures as the first line of defence, the Department initiated discussions with the National Intelligence Agency (NIA) to get NIA and the Department to enter into a memorandum of understanding for the security vetting of the department's personnel. The MOU will serve as a NIA delegation of its vetting mandate to the Department so as to reduce the vetting backlog and fast-track the process of vetting.

Risk management strategy

EXCO members introduced a formal risk management process to assess the Department's risks and implement risk management strategies. The approved risk management structure was populated during the year under review. The approved risk management policy and strategy are being implemented. A comprehensive operational risk assessment process was conducted throughout all the department's regional offices, with all managers participating in identifying, assessing and developing plans to address significant risks that could impact negatively on the achievement of the stated objectives for the period under review. These plans were integrated into the risk plans developed at the national office. The strategic risks were also identified, and management processes to mitigate these risks are ongoing. All managers in the Department participated in the process of risk management.

7.2 Internal Audit and Audit Committee

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

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

The Audit Committee comprises members drawn from outside the public service. The Chairman of the Audit Committee, Mr Patterson, served on the Committee for longer than the required period. Mr Patterson has been retained for the sake of continuity, as senior executives are new and the Department is undergoing realignment. The Audit Committee meets regularly and has unrestricted access to information and personnel in the Department.

There are no events after the reporting date.

The annual financial report set out on pages 212 to 231 have been approved by the Accounting Officer.

ADV M SIMELANE
DIRECTOR-GENERAL
Department of Justice and Constitutional Development
Date: 31 May 2007

Part 4d: Report of the Auditor-General

for the year ended 31 March 2007

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THIRD-PARTY FUNDS ADMINISTERED BY THE DEPARTMENT OF JUSTICE AND CONSTITUTIONAL DEVELOPMENT FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I was engaged to audit the accompanying financial statements of Third-Party Funds which comprise the statement of financial position as at 31 March 2007, statement of financial performance, cash flow statement for the year that ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 212 to 231.

Responsibility of the accounting officer for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements. This responsibility includes:

   - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
   - selecting and applying appropriate accounting policies; and
   - making accounting estimates that are reasonable in the circumstances.

Responsibility of the Auditor-General

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996, read with section 4 of the Public Audit Act, 2004 (Act 25 of 2004), my responsibility is to express an opinion on these financial statements based on my audit in accordance with the International Standards on Auditing. Because of the matters discussed in the basis for disclaimer of opinion paragraph, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis of accounting

The Department of Justice and Constitutional Development has prepared financial statements of the Third-Party Funds on the modified cash basis of accounting as set out in accounting policy note 1.1.

Basis for disclaimer of opinion

4. Financial records

   The audit report on the financial statements for the last financial year reported that the internal controls were inadequate and that full and proper accounting records had not been maintained for Third-Party Funds since 1 April 1994. The Department of Justice and Constitutional Development (department), which administers the fund, could again not produce financial statements that were reliable, accurate and complete for the financial year ended 31 March 2007. The inability to produce an accurate set of financial statements was due to the following:

   - The manual systems and method of work used did not enable the production of financial information, including opening balances, that was reliable and auditable.
   - Transactions in the cash books for Third-Party Funds were not completely and accurately processed.
   - Various offices' could not submit financial information for inclusion in the financial statements.
   - Various offices financial records are incomplete and could not be reconciled.
   - Reconciliations between trust monies and trust creditors were not always performed.
   - The accuracy of the opening and closing balances could not be determined and verified, as inadequate reconciliations had been performed the following.

5. Supporting documentation not submitted for audit purpose

   Various supporting documents could not be submitted for audit purposes. This resulted in a limitation on the scope of the audit, which prevented the execution of certain audit tests to gather sufficient audit evidence. The documentation not submitted consisted of the following:

   - Ledger reports
   - Receipt books
   - Bank reconciliations and bank statements
   - Case files, charge sheets and summonses

Disclaimer of opinion

6. Because of the significance of the matters described in the basis for disclaimer of opinion paragraph, I have been unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of Third-Party Funds. Accordingly, I do not express an opinion on the financial statements.

Part 4d: Report of the Auditor-General

for the year ended 31 March 2007

OTHER MATTERS

I draw attention to the following matters that are ancillary to my responsibilities in the audit of the financial statements:

7. Control environment

The audit identified amongst others, the following deficiencies, in the internal control environment mainly due to a lack of implementation of procedures as prescribed by departmental policies and procedures:

- Subsidiary registers were incomplete.
- Bank reconciliations were not performed or reviewed.
- Inadequate document maintenance on case files.
- Non-payment of funds due to third parties

8. Matters of governance – legal status of Third-Party Funds

While there is no defining legislation or trust deed that governs the processes and operations of the Third-Party Funds, management has accounted for the Third-Party Funds as a separate entity. As was reported in the audit report on the financial statements for the last financial year, management has established a task team to investigate the legal status of the Third-Party Funds. The investigation has still not been concluded. There are therefore still uncertainties with regard to the accountability arrangements and administrative processes followed.

9. Fraud investigations

The forensic division in the Internal Audit Unit is in the process of investigating various allegations of financial misconduct and irregularities in several provinces.

APPRECIATION

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

S Cele
for Auditor-General
PRETORIA
26 July 2007

AUDITOR-GENERAL

Part 4d: Third-Party Funds – Statistics

for the year ended 31 March 2007

Offices reporting to DoJ&CD

Province	Main offices	Branch offices	Total offices	Percentage
Eastern Cape	83	11	94	16.2%
Free State	67	5	72	12.4%
Gauteng	26	28	54	9.3%
KwaZulu-Natal	74	34	108	18.6%
Limpopo	38	8	46	7.9%
Mpumalanga	36	8	44	7.6%
North West	33	7	40	6.9%
Northern Cape	36	11	47	8.1%
Western Cape	59	8	67	11.5%
State Attorneys	9	0	9	1.5%
Total	461	120	581	100.0%
	79.3%	20.7%	100.0%	

Justice Deposit Account System		
Offices on JDAS version 3	18	3.1%
Offices on JDAS version 4	38	6.5%
Offices not on JDAS	525	90.4%
Total	581	100.0%

Digital Nervous System		
Offices on DNS	529	91.0%
Offices not on DNS	52	9.0%
Total	581	100.0%

Part 4d: Third-Party Funds – Statistics

for the year ended 31 March 2007

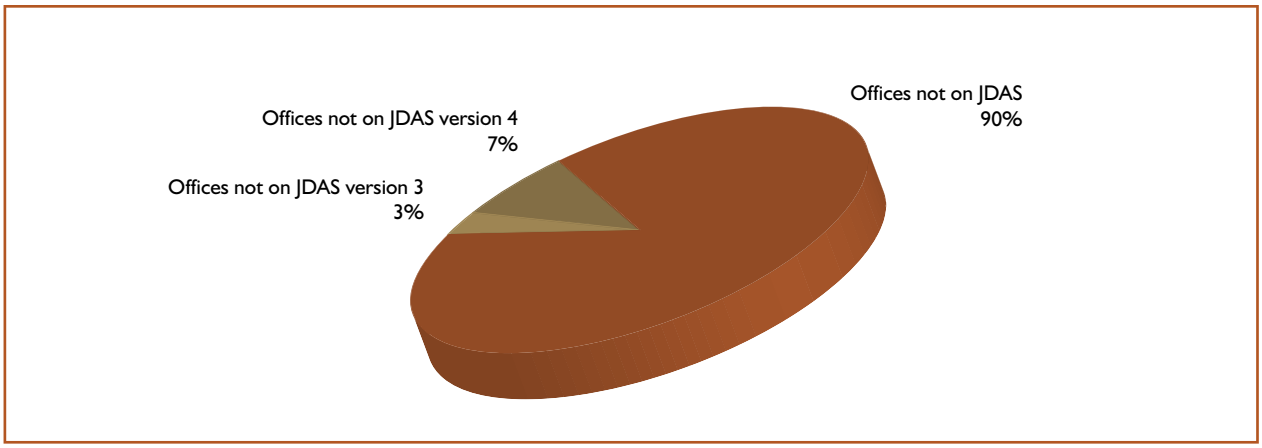

Figure 31: Justice Deposit and Account System

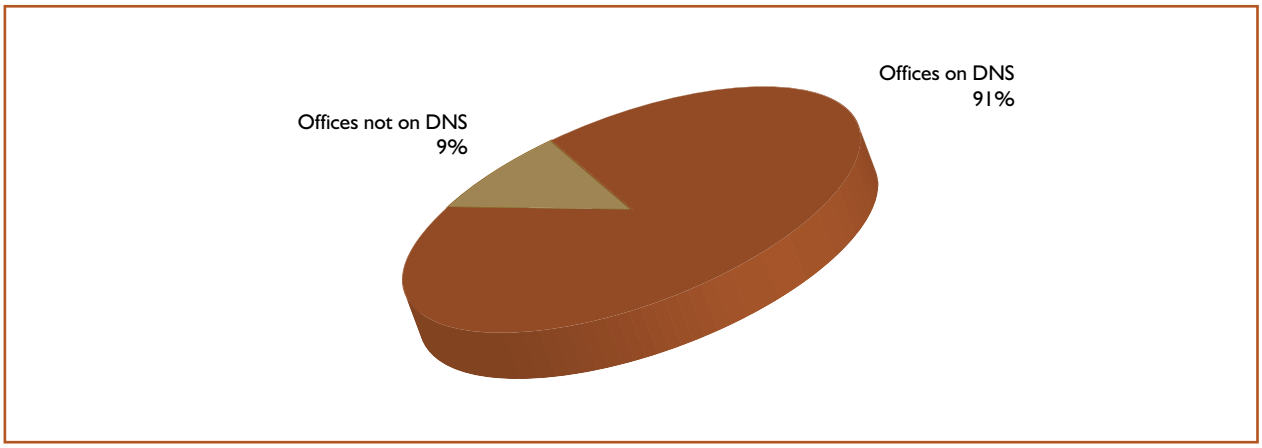

Figure 32: Digital Nervous System

Part 4d: Third-Party Funds – Statistics

for the year ended 31 March 2007

Submissions: Percentage per province

Province	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Total
Western Cape	96%	96%	96%	95%	91%	96%	84%	91%	91%	86%	82%	58%	89%
Northern Cape	97%	83%	94%	92%	83%	81%	75%	64%	64%	69%	58%	56%	76%
Free State	91%	91%	84%	84%	85%	84%	78%	66%	72%	64%	64%	57%	76%
Gauteng	81%	77%	77%	77%	77%	73%	69%	69%	65%	54%	65%	62%	71%
KwaZulu-Natal	85%	78%	77%	75%	79%	74%	68%	63%	45%	63%	53%	45%	67%
Eastern Cape	64%	61%	59%	59%	55%	51%	49%	47%	43%	42%	40%	35%	51%
Limpopo	61%	55%	50%	50%	42%	42%	32%	32%	29%	29%	24%	0%	37%
North West	64%	39%	39%	36%	33%	33%	33%	27%	27%	27%	30%	30%	35%
State Attorneys	63%	50%	50%	38%	38%	38%	25%	13%	13%	25%	38%	25%	34%
Mpumalanga	49%	49%	46%	23%	23%	14%	17%	23%	17%	17%	9%	0%	24%
Cash utilised by operations	75%	68%	67%	63%	61%	59%	53%	49%	47%	48%	46%	37%	56%

National office: Interest received and bank charges

Bank	Number of accounts	Interest received	Bank charges	Net	Percentage
Absa	2	11,135,740	7,522,121	3,613,619	27.6%
First National Bank	2	13,490,570	4,592,147	8,898,423	68.0%
Nedbank	2	118,959	13,411	105,548	0.8%
Standard Bank	2	10,090,776	9,615,624	475,153	3.6%
Total		34,836,046	21,743,303	13,092,742	100.0%
		100.0%	62.4%	37.6%	

Part 4d: Third-Party Funds – Statistics

for the year ended 31 March 2007

Cash utilised by operations	Interest received	Interest charges	Net	Percentage
April 2006	2,478,525	1,541,392	937,133	7.2%
May 2006	2,458,538	1,833,615	624,923	4.8%
June 2006	4,337,584	3,554,223	783,360	6.0%
July 2006	2,598,778	2,028,426	570,352	4.4%
August 2006	2,889,009	1,717,870	1,171,140	8.9%
September 2006	2,919,045	890,640	2,028,405	15.5%
October 2006	2,800,225	3,026,782	(226,556)	(1.7%)
November 2006	2,934,532	970,816	1,963,716	15.0%
December 2006	2,915,677	561,527	2,354,149	18.0%
January 2007	3,221,879	3,638,795	(416,916)	(3.2%)
February 2007	3,278,703	1,471,158	1,807,545	13.8%
March 2007	2,003,550	508,060	1,495,491	11.4%
Total	34,836,046	21,743,303	13,092,742	100.0%
	100.0%	62.4%	37.6%	

Note : *One interest received and one bank charges account at every bank.*

Variance between banks due to balances per bank and not due to number of accounts per bank.

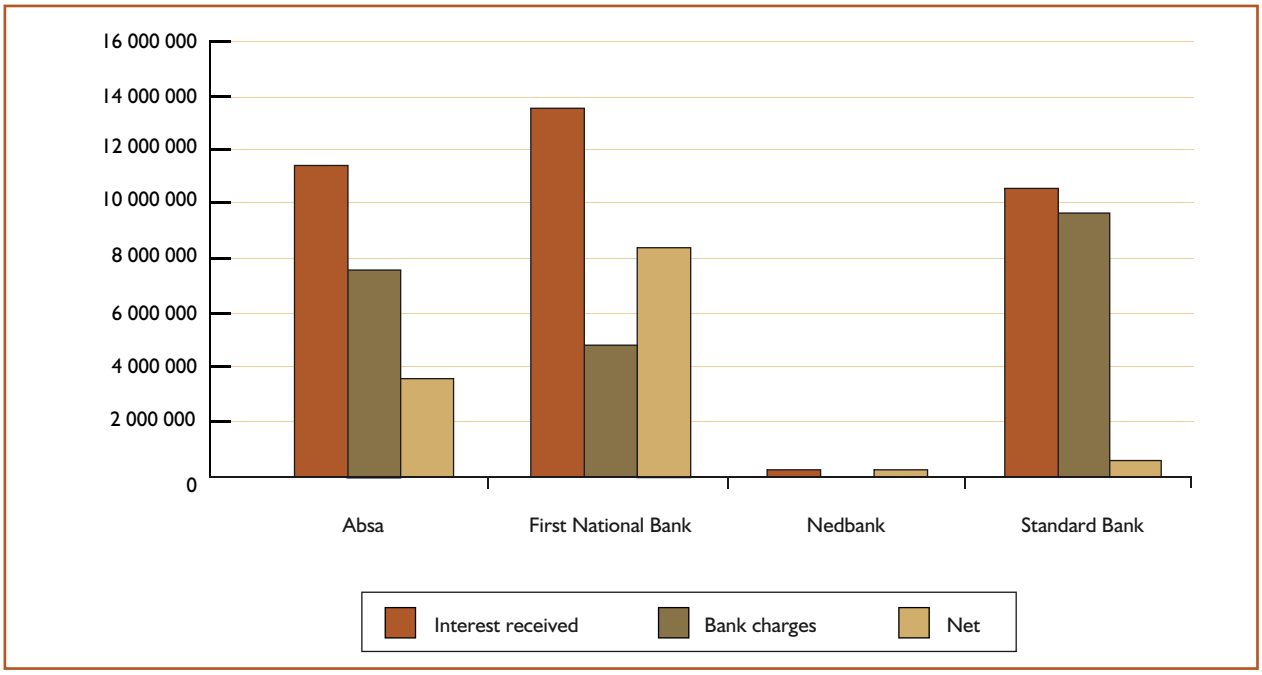

Figure 33: Interest and bank charges 2006/07

Part 4d: Third-Party Funds – Statistics

for the year ended 31 March 2007

Receipts and payments breakdown

Per month	April 2006	May 2006	June 2006	July 2006	August 2006	September 2006
Receipts	**171,333,507**	**190,369,371**	**179,163,535**	**178,399,386**	**178,161,345**	**173,504,536**
General	23,808,484	22,960,172	23,117,547	24,814,432	23,744,693	21,934,510
Bail	21,382,180	17,974,677	17,826,975	16,481,335	17,285,640	16,718,503
Maintenance	93,008,808	112,180,131	104,445,200	100,833,373	107,123,851	98,588,229
Court pay	720,345	1,284,645	1,155,270	992,635	976,668	1,094,162
Fines	23,512,698	27,036,692	25,487,771	24,327,541	25,768,191	23,627,276
Estates	1,503,886	1,455,059	1,582,508	440,144	263,790	643,504
Contributions	9,673	10,700	8,375	4,765	10,370	6,725
State Attorneys	7,387,432	7,467,296	5,539,888	10,505,161	2,988,143	10,891,628
Payments	**188,767,878**	**196,666,876**	**181,456,856**	**181,339,252**	**189,162,983**	**172,746,461**
General	22,438,412	24,884,397	23,106,986	23,837,074	28,908,916	21,769,458
Bail	15,649,660	19,628,826	17,826,257	17,262,113	16,576,620	15,355,090
Maintenance	99,256,261	105,620,372	104,450,321	103,640,230	104,068,960	100,438,736
Court pay	920,017	4,457,822	1,527,736	1,051,585	862,298	884,556
Fines	42,629,922	27,963,009	25,442,500	22,276,494	25,892,645	27,470,113
Estates	1,638,485	3,302,475	3,661,954	1,560,478	1,634,831	802,728
Contributions	373,527	8,515	9,050	9,375	4,565	8,275
State Attorneys	5,861,594	10,801,459	5,432,053	11,701,901	11,214,147	6,017,505

Per province	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga
Receipts	**309,165,557**	**146,426,414**	**303,760,975**	**282,374,022**	**303,251,518**	**140,422,591**
General	62,397,774	13,578,013	72,685,950	26,282,838	10,639,784	9,543,602
Bail	22,085,830	9,967,690	52,724,750	40,318,760	18,407,797	16,982,665
Maintenance	191,346,232	99,057,324	123,906,107	140,158,613	247,091,492	75,528,929
Court pay	1,564,903	801,907	2,211,265	4,898,865	1,427,326	523,866
Fines	28,541,664	22,914,377	51,410,178	69,209,785	24,413,521	37,249,373
Estates	3,217,156	78,708	799,475	1,475,772	1,269,752	594,157
Contributions	11,498	28,395	23,250	29,388	1,845	0
State Attorneys	500	0	0	0	0	0
Payments	**311,586,766**	**147,163,677**	**330,073,957**	**274,996,512**	**304,291,452**	**140,646,268**
General	65,361,647	13,885,948	73,578,541	27,551,629	10,218,702	9,498,511
Bail	21,181,425	10,213,010	56,527,745	40,304,750	15,986,946	16,715,645
Maintenance	188,528,748	97,800,390	124,673,535	141,540,994	248,260,442	75,096,835
Court pay	1,139,886	1,050,701	2,632,412	1,228,137	2,162,258	1,137,675
Fines	28,555,495	23,718,939	71,132,909	61,137,998	23,251,918	36,573,177
Estates	6,451,142	461,920	1,502,504	3,155,148	4,411,186	1,624,426
Contributions	367,923	32,770	26,310	77,857	(24,594,655)	0
State Attorneys	500	0	0	0	0	0

Part 4d: Third-Party Funds – Statistics

for the year ended 31 March 2007

October 2006	November 2006	December 2006	January 2007	February 2007	March 2007	Total
183,498,489	**175,535,789**	**180,489,188**	**155,392,514**	**153,721,210**	**161,907,710**	**2,081,476,579**
23,448,922	21,766,502	19,750,906	20,240,459	20,209,974	21,519,337	267,315,938
20,793,653	18,254,380	18,540,671	16,159,103	15,828,580	13,785,350	211,031,047
104,894,321	100,031,698	108,198,940	92,275,834	89,569,494	92,956,326	1,204,106,206
2,387,792	1,844,391	2,116,043	1,317,865	887,523	568,177	15,345,518
27,450,233	24,880,209	23,363,738	22,727,759	22,371,230	21,895,452	292,448,789
186,677	503,454	188,851	101,250	1,278,022	130,100	8,277,246
9,255	12,006	5,620	8,503	21,885	3,409	111,286
4,327,636	8,243,148	8,324,419	2,561,741	3,554,500	11,049,560	82,840,551
176,475,533	**186,504,090**	**162,380,461**	**161,558,587**	**150,812,393**	**165,655,230**	**2,113,526,600**
23,090,621	21,723,101	20,506,224	20,847,427	19,640,920	23,370,487	251,685,610
17,963,820	28,376,330	12,531,160	12,039,683	14,125,000	14,223,530	201,558,090
103,616,641	99,435,724	103,678,395	97,029,301	88,450,287	91,562,604	1,201,247,832
1,191,744	1,086,639	1,373,900	581,571	1,243,650	971,023	16,152,542
24,157,839	24,123,534	19,628,338	21,948,266	22,774,746	23,433,392	307,740,799
1,141,991	901,033	942,006	1,106,525	1,095,037	2,713,644	20,501,188
6,625	9,625	4,775	66,322	19,105	1,500	521,259
5,306,252	10,848,104	3,715,664	7,939,491	3,463,647	9,379,050	91,680,868

North West	Northern Cape	West Cape	State Attorneys	Total
203,985,136	**55,541,529**	**267,110,375**	**69,438,463**	**2,081,476,579**
32,040,528	3,623,536	36,523,911	0	267,315,938
11,847,300	3,591,198	35,105,057	0	211,031,047
141,874,568	38,346,660	146,796,282	0	1,204,106,206
699,559	136,660	3,081,166	0	15,345,518
16,712,713	9,843,226	32,153,954	0	292,448,789
810,468	0	31,758	0	8,277,246
0	250	16,660	0	111,286
0	0	13,401,588	69,438,463	82,840,551
203,112,790	**55,886,602**	**266,925,632**	**78,842,944**	**2,113,526,600**
31,849,054	3,749,411	38,430,579	0	274,124,022
10,474,510	3,803,033	26,351,025	0	201,558,090
140,712,826	38,101,191	146,532,872	0	1,201,247,832
326,095	203,575	6,271,804	0	16,152,542
17,121,035	9,864,851	36,384,477	0	307,740,799
2,629,018	164,541	101,303	0	20,501,188
0	0	16,400	0	(24,441,318)
252	0	12,837,172	78,842,944	91,680,868

Part 4d: Third-Party Funds – Accounting Policies

for the year ended 31 March 2007

1. ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared on a modified cash basis of accounting, except where stated otherwise. Under the cash basis of accounting, transactions and other events are recognised when cash is received or paid. The basis of accounting measures financial results for a period as the difference between cash received and cash payments.

1.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and in the bank. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

1.3 Cash utilised by operations

Payables are not normally recognised under the cash basis of accounting. However, payables included in the statement of financial position arise from amounts that are due to the trust beneficiaries.

1.4 Receivables

Receivables are not normally recognised under the cash basis of accounting. However, receivables included in the statement of financial position arise from amounts that are recoverable from another party.

1.5 Revenue recognition

Revenue is recognised in the financial statements on receipt of the funds. All Monies in Trust revenues are compulsory receipts imposed by courts and/or quasi-judicial bodies for the benefit of third parties.

1.6 Comparative figures

Comparative figures have been adjusted to conform with changes in presentation.

Part 4d: Third-Party Funds – Statement of Financial Performance

for the year ended 31 March 2007

	Note	2006/07	2005/06
		R'000	R'000
Receipts	6	2,081,476,579	1,740,330,740
Funds transferred to SARS	7	147,556	4,367,332
Payments	8	2,135,269,903	1,740,913,924
Deficit		(53,940,881)	(4,950,516)
Finance income	9	34,836,046	24,574,585
(Deficit)/Surplus		**(19,104,835)**	**19,624,069**

Part 4d: Third-Party Funds – Statement of Financial Position

as at 31 March 2007

	Note	2006/07	2005/06
		R'000	R'000
ASSETS			
Current Assets		387,785,174	614,074,262
Receivables	2	8,466,708	69,449,171
Cash and cash equivalent	3	379,318,466	544,625,091
TOTAL ASSETS		**387,785,174**	**614,074,262**
LIABILITIES			
Current Liabilities		387,785,174	614,074,262
Payables	4	366,818,043	589,396,440
State Attorneys	5	20,967,131	24,677,822
TOTAL LIABILITIES		**387,785,174**	**614,074,262**

Part 4d: Third-Party Funds – Cash Flow Statements

for the year ended 31 March 2007

	Note	2006/07	2005/06
		R'000	R'000
Net cash flow from operating activities		**-165,306,625**	**-20,070**
Cash received from defendants		2,230,583,188	1,723,641,823
Cash paid to beneficiaries		(2,430,725,858)	(1,748,236,478)
Cash utilised by operations	10	(200,142,671)	(24,594,655)
Interest received		34,836,046	24,574,584
Net decrease in cash and cash equivalents		(165,306,625)	(20,071)
Cash and cash equivalents at beginning of year		544,625,091	544,645,162
Cash and cash equivalents at end of year	**3**	**379,318,466**	**544,625,091**

Part 4d: Third-Party Funds – Notes to the Financial Statements

for the year ended 31 March 2007

	2006/07	2005/06
	R'000	R'000
2. RECEIVABLES		
Dishonoured cheques	1,021,097	3,383,828
Vote loans (loans to Department)	1,294,471	1,017,671
Count shortages	2,159,093	861,170
Fraud reported	2,783,946	73,462
Other shortages	1,208,101	14,872
Cash utilised by operations	0	62,329,908
First National Bank	0	1,768,260
	8,466,708	**69,449,171**
3. CASH AND CASH EQUIVALENT		
Consolidated national bank balance	525,774,632	550,430,341
Attributable to excluded offices	(174,029,489)	(33,998,738)
Main account balance	(7,388,077)	(11,607,947)
Total attributable to reconciled offices	344,357,066	504,823,656
Cash on hand	3,889,789	10,289,818
State Attorneys	31,071,611	29,511,617
	379,318,466	**544,625,091**
4. PAYABLES		
Admission of guilt	0	456,661
Bail	104,727,318	225,562,363
Fines	26,050,899	82,199,501
Maintenance	50,071,328	72,079,618
Payments to court	1,728,742	23,794,944
Estates	16,671,049	35,818,351
Unclassified Monies in Trust	20,154,360	61,065,602
Contributions	199,957	30,550
Outstanding cheques	28,858,423	56,516,316
Unreconciled difference	103,361,842	(24,594,655)
SARS	14,994,124	3,884,659
	366,818,043	**536,813,910**

Part 4d: Third-Party Funds – Notes to the Financial Statements

for the year ended 31 March 2007

	2006/07	2005/06
	R'000	R'000
5. STATE ATTORNEY		
Bisho	0	2,161,289
Bloemfontein	4,042,227	3,430,066
Cape Town	6,386,541	4,158,576
Durban	0	3,141,319
Johannesburg	2,185,493	1,868,468
Mmabatho (Mafikeng)	381,540	723,628
Pretoria	7,971,330	8,117,859
Port Elizabeth	0	1,076,617
	20,967,131	**24,677,822**
6. RECEIPTS		
Revenue comprises the following receipts:		
- Bail	211,031,047	199,747,169
- Maintenance	1,204,106,206	941,340,990
- Fines	292,448,789	294,801,280
- Payments to court	15,345,518	20,141,792
- Estates	8,277,246	34,805,363
- Contributions	111,286	589,740
- Unclassified income	267,315,938	239,643,535
- State Attorneys	82,840,551	9,260,871
	2,081,476,579	**1,740,330,740**
7. FUNDS TRANSFERRED		
Funds transferred to SARS	147,556	482,673
Funds to be surrendered	0	3,884,659
	147,556	**4,367,332**

Part 4d: Third-Party Funds – Notes to the Financial Statements

for the year ended 31 March 2007

	2006/07	2005/06
	R'000	R'000
8. PAYMENTS		
Payments to beneficiaries:		
- Bail	201,558,090	187,797,172
- Maintenance	1,201,247,832	926,533,397
- Fines	307,740,799	281,119,182
- Payments to court	16,152,542	18,081,903
Estates	20,501,188	62,843,951
- Contribution	521,259	405,539
- Unclassified income	274,124,022	238,683,106
- State Attorneys	91,680,868	6,089,422
- Bank charges	21,743,303	19,360,252
	2,135,269,903	**1,740,913,924**
9. INTEREST EARNED ON MONIES IN TRUST		
ABSA	11,135,740	8,511,572
First National Bank	13,490,570	8,008,918
Nedbank	118,959	82,026
Standard bank	10,090,776	7,972,069
	34,836,046	**24,574,585**
10. CASH UTILISED BY OPERATIONS		
Net surplus as per statement of financial performance	(19,104,835)	19,624,069
Adjusted for		
Interest received	(34,836,046)	(24,574,584)
Cash utilised by operations before working capital changes	(53,940,881)	(4,950,516)
Working capital changes:		
Decrease/(Increase) in accounts receivable	60,982,463	(16,688,917)
Increase in accounts payable	(207,184,254)	(2,955,223)
Cash utilised by operations	(200,142,671)	(24,594,655)

Part 4d: Third-Party Funds – Annexures to the Financial Statements

for the year ended 31 March 2007

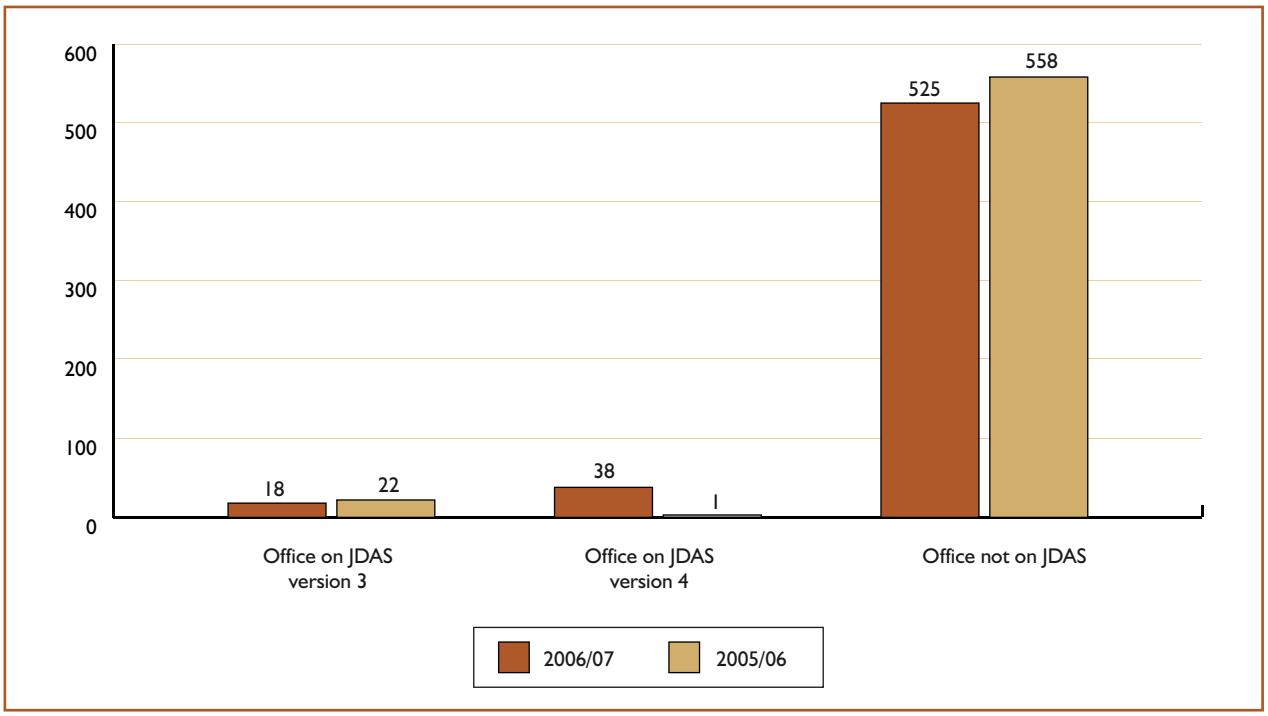

Figure 34: Justice Deposit Account System

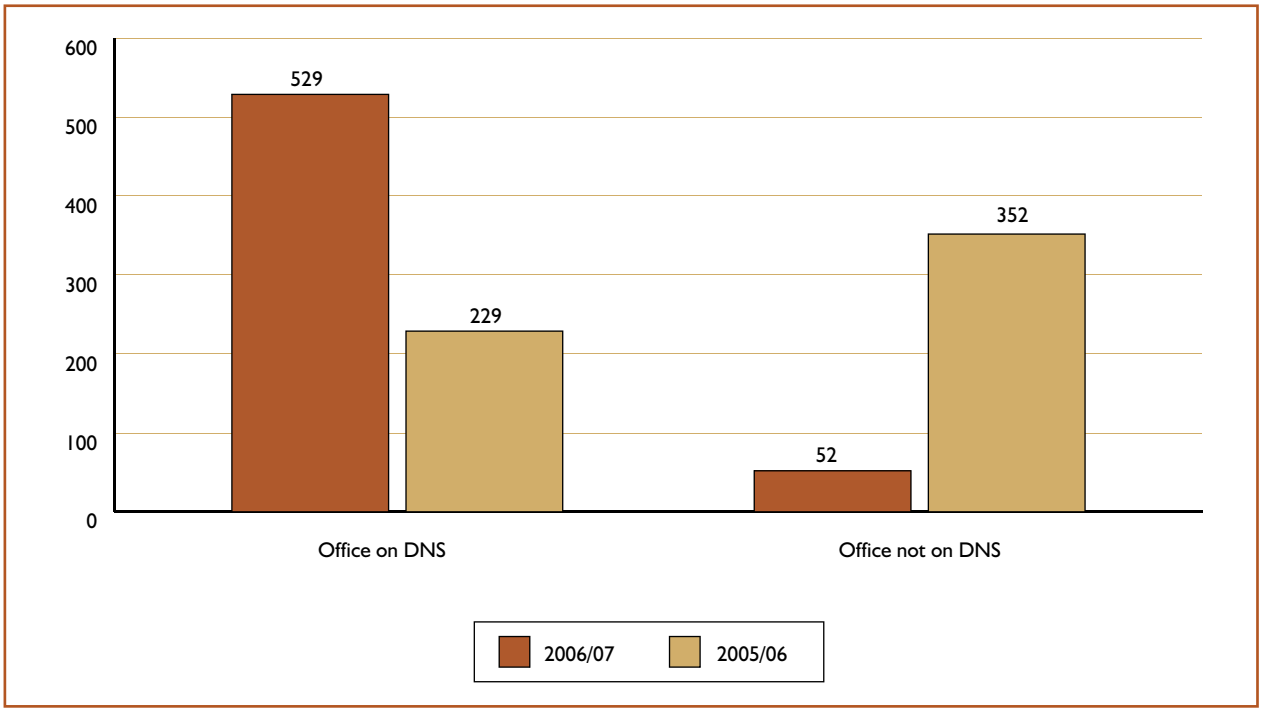

Figure 35: Digital Nervous System

Part 4d: Third-Party Funds – Annexures to the Financial Statements

for the year ended 31 March 2007

Summarised CEFTU Statistics: 1 April 2006 to 31 March 2007

Month	Offices paid	Increase/ Decrease offices (%)	Beneficiaries paid	Increase/ Decrease beneficiaries (%)	Amount paid (R)	Increase/ Decrease amount (%)
April 2006:	1		255		170,810.00	
May 2006:	1	-	413	62	229,737.50	34
June 2006:	3	200	947	129	609,095.63	165
July 2006:	3	-	1,842	95	788,680.26	29
August 2006:	8	167	2,238	21	1,048,849.93	33
September 2006:	17	113	3,557	59	1,816,240.74	73
October 2006:	23	35	6,168	73	3,080,275.77	70
November 2006:	24	4	6,275	2	3,060,219.64	-1
December 2006:	28	17	7,352	17	3,751,681.19	23
January 2007:	41	46	9,249	26	4,813,549.35	28
February 2007:	59	44	12,726	38	6,468,803.76	34
March 2007:	90	53	20,151	58	10,256,918.25	59

Part 4d: Third-Party Funds – Annexures to the Financial Statements

for the year ended 31 March 2007

Excluded: Offices not submitting any information

Gauteng 2006/07
Cullinan
Johannesburg
Pretoria
Soshanguve

Gauteng 2005/06
Cash utilised by operations
n/a

Mpumalanga 2006/07
Bethal
Carolina
Eerstehoek
Ekangala
Graskop
Kriel
Kwa-Mhlanga
Mdutjana (Siyabuswa)
Middelburg
Mkobola
Moutse
Nelspruit
Nkomasie
Sabie
Volksrust
Waterval-Boven
Witbank

Mpumalanga 2005/06
Mdutjana (Siyabuswa)

Limpopo 2006/07
Bochum
Dzamani Cash utilised by operations
Ellisras
Giyani
Hlanganani
Lulekani
Nylstroom
Phalaborwa
Praktiseer
Sekgosese
Sekhukhuniland
Thabamoopo
Thabazimbi
Thohoyandou
Tshitale

Limpopo 2005/06
n/a

Western Cape 2006/07
n/a

Western Cape 2005/06
n/a

Northern Cape 2006/07
Carnarvon

Northern Cape 2005/06
Douglas

Eastern Cape 2006/07
Adelaide
Alice
Barkley East
Bizana
Butterworth
Cetani
Cofimvaba
Dordrecht
Elliot
Elliotdale
Engcobo
Ezibeleni
Flagstaff
Jamestown
Keiskammahoek
Komga
Maluti
Mganduli
Middeldrift
Mount Fletcher
Ngamakwe
Peddie
Queenstown
Qumba
Seymor
Sterkspruit
Umzimkulu
Whittlesea
Willomore
Zwelitsha

Eastern Cape 2005/06
Umtata High
Zwelitsha

North West 2006/07
Bafokeng
Christiana
Delareyville
Klerksdorp
Lichtenburg
Madikwe
Moretele
Swartruggens
Taung
Wolmaranstad

North West 2005/06
n/a

Free State 2006/07
Edenville
Makwane
Wepener

Free State 2005/06
n/a

KwaZulu-Natal 2006/07
Babanango
Durban
Howick
Inkanyezi
Ixopo
Richmond

KwaZulu-Natal 2005/06
Durban
Howick
Inkanyezi
Ixopo
Mtunzini
Mahlabatini
Umbumbulu

State Attorneys 2006/07
Cape Town
Port Elizabeth

State Attorneys 2005/06
n/a

Part 4d: Third-Party Funds – Annexures to the Financial Statements

for the year ended 31 March 2007

Offices that submitted partial information

Gauteng 2006/07
- Alberton
- Benoni
- Boksburg
- Brakpan
- Germiston
- Heidelberg
- Kempton Park
- Oberholzer
- Randburg
- Vanderbijlpark

Gauteng 2005/06
- n/a

Mpumalanga 2006/07
- Amersfoort
- Amsterdam
- Balfour
- Barberton
- Belfast
- Breyten
- Delmas
- Ermelo
- Evander
- Groblersdal
- Hendrina
- Lydenburg
- Mbibane
- Morgenson
- Nsikasi
- Piet Retief
- Standerton
- Wakkerstroom
- Witrivier

Mpumalanga 2005/06
- Ekagala
- KwaMhlanga
- Nkomasi
- Nsikasi
- Witbank

Limpopo 2006/07
- Bolobedu
- High Court
- Louis Trichardt
- Malamulele
- Mankweng
- Mapulaneng
- Messina
- Mmala
- Mokerong
- Mutale
- Naboomspruit
- Namakgale
- Naphuno
- Nebo
- Phalala
- Pietersburg
- Potgietersrus
- Ritavi
- Seshego
- Tshilwavhusiku
- Tzaneen
- Vuwani
- Warmbad

Limpopo 2005/06
- n/a

Western Cape 2006/07
- Athlone
- Bhorat Centre
- Bishop Lavis
- Bredasdorp
- Caledon
- Cape Town 2 High Court
- Cape Town Senior Magistrate
- Ceres
- Clanwilliam
- George
- Hermanus
- Hopefield
- Khayelitsha
- Knysna

Western Cape 2006/07 (cont)
- Kuilsrivier
- Ladismith
- Laingsburg
- Maynard Plaza
- Mitchells Plain
- Montagu
- Murraysburg
- Paarl
- Phillipi
- Piketberg
- Porterville
- Simon's Town
- Somerset West
- Strand
- Tulbagh
- Uniondale
- Vredenburg
- Worcester
- Wynberg

Western Cape 2005/06
- n/a

Northern Cape 2006/07
- Calvinia
- Colesberg
- Douglas
- Fraserburg
- Griekwastad
- Groblershoop
- Hartswater
- Hopetown
- Jan Kempdorp
- Kakamas
- Kathu
- Keimoes
- Kenhardt
- Kimberley High Court
- Kimberley Senior Magistrate
- Kuruman
- Noupoort
- Olifantshoek

Northern Cape 2006/07 (cont)
- Phillipstown
- Pofadder
- Prieska
- Richmond
- Springbok
- Sutherland
- Victoria West
- Warrenton
- Williston

Northern Cape 2005/06
- Carnarvon
- Jan Kempdorp
- Kakamas
- Kenhardt
- Pofadder

Eastern Cape 2006/07
- Aliwal North
- Bisho High Court
- Burgersdorp
- Cala
- Grahamstown High
- Hofmeyr
- Idutywa
- Indwe
- Kirkwood
- Lady Frere
- Lusikisiki
- Maclear
- Maxesibeni (Mount Ayliff)
- Mount Frere
- Ngcleleni
- Ntabethemba
- Port Alfred (Bathurst)
- Port St Johns
- Somerset East
- Tabankulu
- Tsolo
- Tsomo
- Mthatha
- Willowvale

Part 4d: Third-Party Funds – Annexures to the Financial Statements

for the year ended 31 March 2007

Eastern Cape 2005/06
Aberdeen
Alexandria
Barkley East
Dutywa (Idutywa)
Fort Beaufort
Keiskammahoek
Komga
Lady Frere
Maluti
Mthatha (Umtata)
Middelburg
Molteno
Mqanduli
Ntabethemba
Peddie
Port Alfred (Bathurst)
Port St Johns
Stutterheim
Tsomo
Whittlesea

North West 2006/07
Atamelang
Brits
Ditsobotla
Fochville
Ganyesa
Kudumane
Lehurutshe
Mankwe
Molopo
Odi
Potchefstroom
Rustenburg
Schweizer-Reneke
Vryburg

North West 2005/06
n/a

Free State 2006/07
Bethlehem
Bloemfontein
Boshof
Bothaville
Botshabelo
Brandfort
Clocolan
Dewetsdorp
Edenburg
Excelsior
Fauresmith
Ficksburg
Fouriesburg
Frankfort
Harrismith
Henneman
Hertzogville
Hobhouse
Hoopstad
Jagersfontein
Kestell
Koffiefontein
Koppies
Kroonstad
Ladybrand
Lindley
Marquard
Odendaalsrus
Parys
Paul Roux
Petrusburg
Phillippolis
Reddersburg
Rouxville
Sasolburg
Senekal
Smithfield
Springfontein
Thaba Nchu
Trompsburg
Tsetseng

Free State 2006/07 (cont)
Villiers
Virginia
Vredefort
Warden
Welkom
Winburg
Zastron

Free State 2005/06
Botshabelo
Edenburg
Rouxville
Thaba Nchu
Tsetseng

State Attorneys 2006/07
Bisho
Bloemfontein
Durban
Johannesburg
Mmabatho

State Attorney 2005/06
n/a

KwaZulu-Natal 2006/07
Bergville
Camperdown
Chatsworth
Colenso
Dukuza
Durban High Court
Ekuvukeni
Emnambithi
Empangeni
Emzumbe
Enseleni
Entuzuma
Estcourt
Ezingolweni
Greytown
Hlanganani
Ingwavuma
Kokstad

KwaZulu-Natal 2006/07 (cont)
Kranskop
Kwamsane
Ladysmith
Louwsburg (Ngotshe)
Madadeni
Magudu
Mahlabatini
Manguzi
Maphumulo
Matatiele
Melmoth
Mooirivier
Mpendle
Mpumalanga
Msinga
Mtubatuba
Mtunzini
Ndwedwe
Nkandla
Nongoma
Nqutu
Ongoye (Esikawini)
Paulpietersburg
Phungase
Pietermaritzburg
Pietermaritzburg High Court
Pinetown
Pongola
Port Shepstone
Scottburgh
Simdlangentsha
Ubombo
Umbumbulu
Umlazi
Underberg (Himeville)
Verulam
Vryheid
Weenen

KwaZulu-Natal 2005/06
Dukuza

Part 4d: Third-Party Funds – Annexures to the Financial Statements

for the year ended 31 March 2007

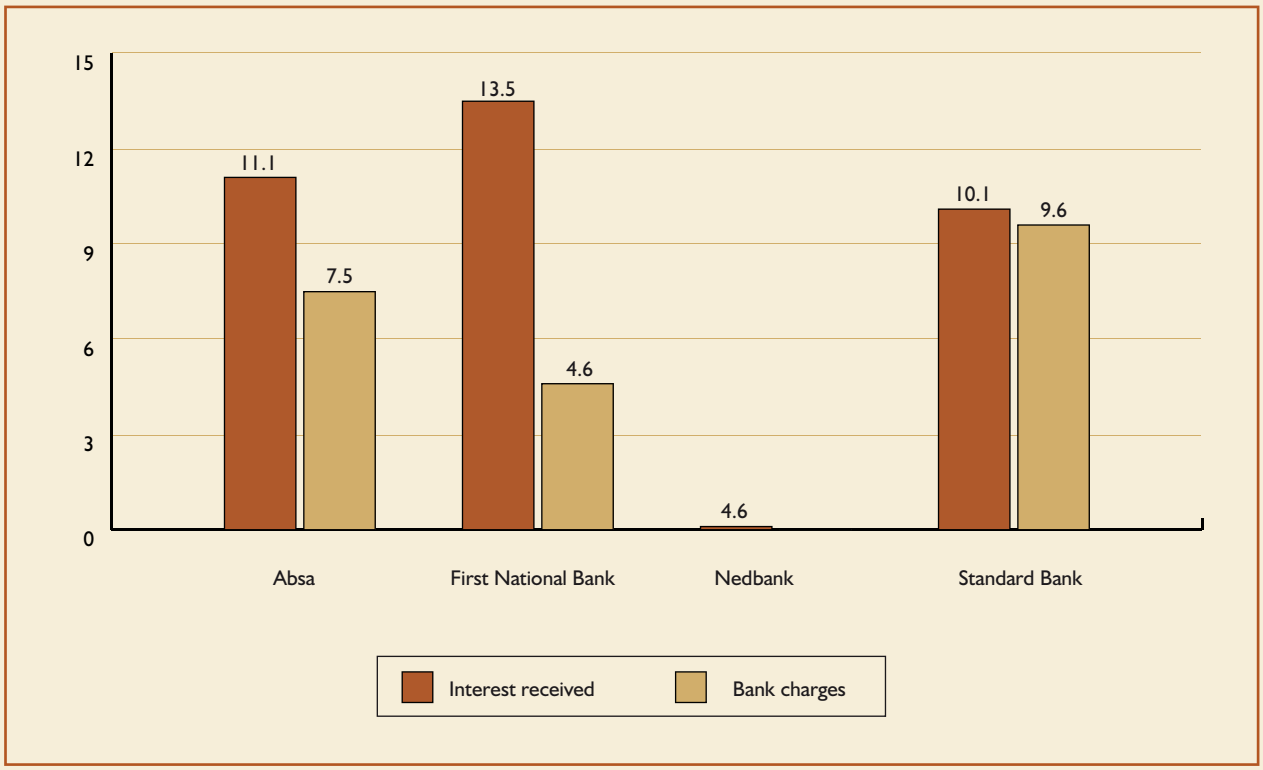

Figure 36: Interest received and Bank charges

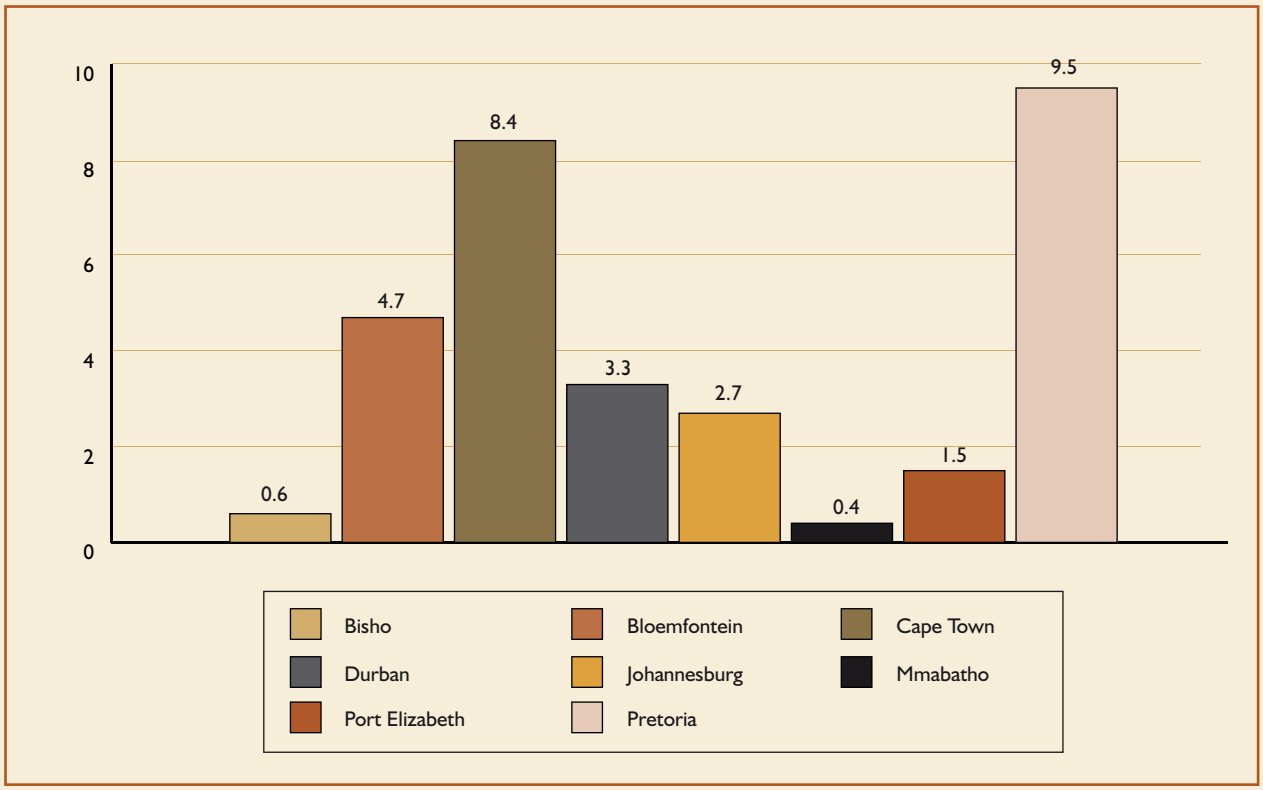

Figure 37: State Attorney Balances

Part 4d: Third-Party Funds – Annexures to the Financial Statements

for the year ended 31 March 2007

Funding advances for the year ended 31 March 2007

Office	Region	Loan amount
Cofimvaba	Eastern Cape	750,000
Moretele	North West	700,000
Madikwe	North West	600,000
Lehurutse	North West	800,000
Total		2,850,000

Funding advances for the year ended 31 March 2006

Office	Region	Loan amount
Kuruman	Northern Cape	100,000
Moretele	North West	500,000
Umbumbulu	KwaZulu-Natal	360,000
Lehurutse	North West	250,000
Total		1,210,000

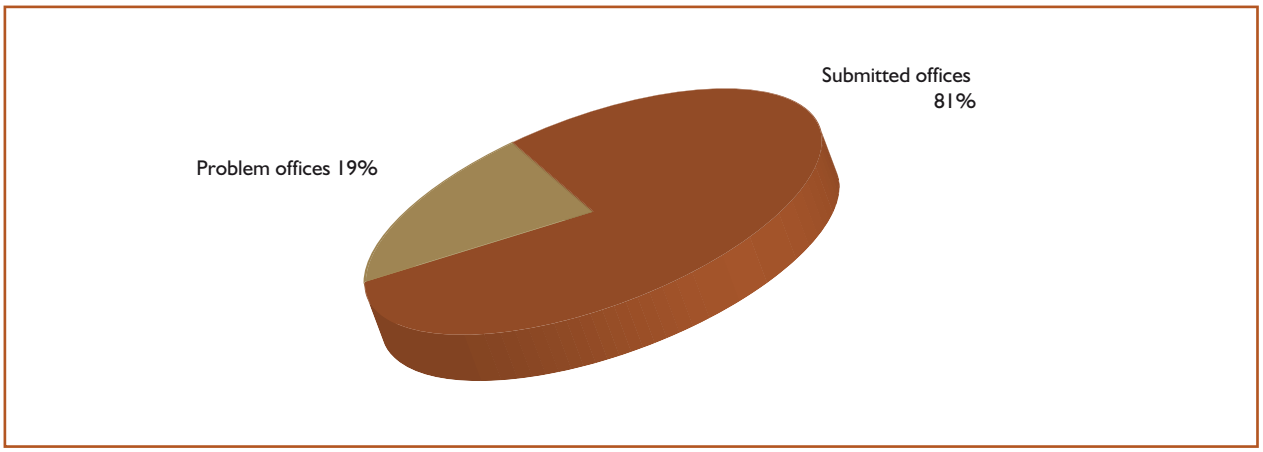

Figure 38: Magistrates' office submission

Part 5

Human Resource Management

5.1 Service Delivery

The following tables reflect the components of the Service Delivery Improvement Plan, as well as progress made with the implementation of the plan.

Table 1.1: Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Value-added services	All branches	All branches	According to SLA	Deliverables according to SLA
Customer Management Centre	All branches	All branches	According to SLA	Deliverables according to SLA
Key Accounts	All branches	All branches	According to SLA	Deliverables according to SLA

Table 1.2: Consultation arrangements with customers

Type of arrangement	Actual customers	Potential customers	Actual achievements
Service level agreement	All branches	Chapter 9-Institutions	According to the needs identified

Table 1.3: Service delivery access strategy

Access strategy	Actual achievements
Structural review of Minister's office	Report on Ministry's implementation audit finalised
Director-General's office	Posts of Director: Special Programmes and Director: Administration created
Re aga boswa	Project proposal to capacitate all courts (awaiting the amended KwaZulu-Natal report to be approved)
Training 25 presiding officer and investigating officers	109 employees have been trained already as presiding and investigating officers
Re-motivate trained presiding officers and investigating officers to avail themselves and start allocating cases	325 letters sent to trained employees
Training more officials on the application of the new grievance procedure and labour legislation	109 officers trained to handle grievance procedure
Issueing employment relations quick-guide for managers	Quick guide finalised and circulated through DJINI to the staff of the Department
Regular sensitisation of staff and managers on expected and desirable conduct in the workplace through DoJ&CD newsletter and circulars	Negotiations with PEC completed to have a slot in the newsletter; Article on grievances sent to PEC for publication
Finalising outstanding (backlog) and current misconduct matters, grievances and disputes	More than 57% of matters (including appeals) reduced and finalised within 6 months, although new cases were received
Developing change leadership skills	Training conducted and certificates issued to candidates
Improved efficiency and teamwork	Team-building, including conflict management, emotional intelligence and communication skills conducted
Employee consultation structures at Masters' Offices	Addressed the needs of employees with disabilities by providing the necessary resources
Annual DoJ&CD Employment Equity Reports to Department of Labour	Submitted Doj&CD Employment Equity Report to Department of Labour
Providing reasonable accommodation for people with disabilities	Established employee consultation
Providing accessible work environment	Implemented physical audit recommendations
Improving the departmental working environment	Awareness of cultural diversity created and celebrated

Table 1.4: Service information tool

Types of information tools	Actual achievements
Public folders	Successful
HR assistance package	Helpful
MyHR	Informative, enhance work performance, assisted with human resource information, Policies/Circulars
DJINI intranet portal	Latest HR information

Table 1.5: Complaints mechanism

Complaints mechanism	Actual achievements
Regular meetings	Meetings held
Grievances	A high percentage of grievances dealt with

5.2 Expenditure

The Department's budget is compiled in terms of clearly defined programmes. The following tables summarise the final audited expenditure by programme (Table 2.1) and by salary band (Table 2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands in the Department.

Table 2.1: Personnel costs by programme, 2006/07

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel cost as a percentage of total expenditure	Average personnel cost per employee (R'000)	Number of employees
Administration	775,679	146,893	31,921	40,617	18.9		4,575
Court Services	3,819,669	2,222,201	0	238,113	58.2		10,600
State Legal Services	385,754	265,073	0	5,660	68.7		1.703
NPA	0	0	0	0	0		-
Auxiliary & Associated Services	986,539	584	0	44,759	0.1		1
TOTAL	**5,967,641**	**2,634,751**	**31,921**	**329,149**	**44.2**		**16,879**

Table 2.2: Personnel costs by salary bands, 2006/07

Salary bands	Personnel Expenditure (R'000)	Percentage of total personnel cost	Average personnel cost per employee (R)	Number of employees
Lower skilled (Levels 1-2)	70,547	3	75,290	937
Skilled (Levels 3-5)	345,707	13	70,394	4,911
Highly skilled production (Levels 6-8)	550,239	20	134,237	4,099
Highly skilled supervision (Levels 9-12)	1,121,214	41	364,979	3,072
Senior management (Levels 13-16)	286,443	11	703,791	407
Contract (Levels 1-2)	5,918	0	81,068	73
Contract (Levels 3-5)	79,279	3	56,831	1,395
Contract (Levels 6-8)	30,344	1	248,721	122
Contract (Levels 9-12)	56,305	2	552,010	102
Contract (Levels 13-16)	7,110	0	355,500	20
Periodical Remuneration	7,444	0	14,918	499
Abnormal Appointment	74,201	6	59,743	1,242
TOTAL	**2,634,751**	**100**	**156,096**	**16,879**

The following tables provide a summary per programme (Table 2.3) and salary band (Table 2.4) of expenditure incurred as a result of salaries, overtime, homeowner's allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

Table 2.3: Salaries, overtime, homeowner's allowance and medical assistance by programme, 2006/07

Salary Bands	Salaries		Overtime		Homeowner's allowance		Medical assistance		Total personnel cost
	Amount (R'000)	Salaries as a percentage of personnel cost	Amount (R'000)	Overtime as a percentage of personnel cost	Amount (R'000)	HOA as a percentage of personnel cost	Amount (R'000)	Medical Assistance as a percentage of personnel cost	
Administration	102,315	93	42	0.4	1,987	1.8	5,075	4.6	109,819
Administration of Justice	1,557,796	94	2,614	0.2	20,464	1.2	83,380	5.0	1,664,254
Administration of Law	189,236	94	432	0.2	2,987	1.5	9,312	4.6	201,967
Auxiliary and Associated Services	353	96	-	-	-	-	16	4.3	369
TOTAL	**1,849,700**	**94**	**3,488**	**0.2**	**25,438**	**1.3**	**97,783**	**4.9**	**1,976,409***

** This figure excludes payment to Judges*

Table 2.4: Salaries, overtime, homeowner's allowance and medical assistance by salary band, 2006/07

Salary Bands	Salaries		Overtime		Homeowner's allowance		Medical assistance		Total personnel cost
	Amount (R'000)	Salaries as a percentage of personnel cost	Amount (R'000)	Overtime as a percentage of personnel cost	Amount (R'000)	HOA as a percentage of personnel cost	Amount (R'000)	Medical Assistance as a percentage of personnel cost	
Lower skilled (Levels 1-2)	40,017	55	264	0	1,454	2	3,828	5	72,531
Skilled (Levels 3-5)	257,644	74	1,155	0	5,842	2	22,740	7	349,829
Highly skilled production (Levels 6-8)	408,820	73	1,235	0	8,471	2	30,876	6	561,897
Highly skilled supervision (Levels 9-12)	760,866	66	637	0	7,761	1	27,254	2	1,152,315
Senior management (Levels 13-16)	230,437	73	-	-	1,456	1	9,200	3	316,353
Contract (Levels 1-2)	4,875	82	7	0	7	0	6	0	5,970

Salary Bands	Salaries		Overtime		Homeowner's allowance		Medical assistance		Total personnel cost
	Amount (R'000)	Salaries as a percentage of personnel cost	Amount (R'000)	Overtime as a percentage of personnel cost	Amount (R'000)	HOA as a percentage of personnel cost	Amount (R'000)	Medical Assistance as a percentage of personnel cost	
Contract (Levels 3-5)	64,540	81	99	0	33	-	55	0	79,835
Contract (Levels 6-8)	25,101	81	40	0	6	-	22	0	30,862
Contract (Levels 9-12)	51,580	90	30	0	26	-	17	-	57,447
Contract (Levels 13-16)	4,241	59	-	-	330	5	39	1	7,187
Periodical Remuneration	-	-	-	-	-	-	-	-	11,060
Abnormal Appointment	1,579	-	-	-	52	-	3,746	4	70,767
TOTAL	**1,849,700**	**68**	**3,467**	**0**	**25,438**	**1**	**97,783**	**4**	**2,716,067**

5.3 Employment and vacancies

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff additional to the establishment. This information is presented in terms of three key variables: programme (Table 3.1), salary band (Table 3.2) and critical occupations (Table 3.3). The Departments has identified critical occupations that need to be monitored. Table 3.3 provides the establishment and vacancy information for the key critical occupations of the Department.

The vacancy rate reflects the percentage of posts that are not filled.

TABLE 3.1: Employment and vacancies by programme, 31 March 2007

Programme	Number of posts	Number of posts filled	Vacancy Rate percentage	Number of posts filled additional to the establishment
Administration of justice, Permanent	14,111	11,166	20.9	26
Administration of justice, Temporary	741	741	0	1
Administration of law, Permanent	1,458	1,124	22.9	2
Administration of law, Temporary	5	926	0	0
Administration, Permanent	4,349	2,879	33.8	4
Administration, Temporary	10	10	0	0
Auxiliary and associated services, Permanent	0	0	0	0
Legal aid, Permanent	0	0	0	0
TOTAL	**20,674**	**16,846**	**23**	**33**

Table 3.2: Employment and vacancies by salary bands, 31 March 2007

Salary bands	Number of posts	Number of posts filled	Vacancy rate percentage	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2), Permanent	1,286	1,015	21.1	0
Lower skilled (Levels 1-2), Temporary	40	40	0	0
Skilled (Levels 3-5), Permanent	7,663	5,612	26.8	3
Skilled (Levels 3-5), Temporary	392	392	0	0
Highly skilled production (Levels 6-8), Permanent	4,148	1,313	19.1	16
Highly skilled production (Levels 6-8), Temporary	320	320	0	1
Highly skilled supervision (Levels 9-12), Permanent	3,846	3,078	20	6
Highly skilled supervision (Levels 9-12), Temporary	4	4	0	0
Senior management (Levels 13-16), Permanent	1,262	397	68.5	4
Contract (Levels 1-2), Permanent	69	69	0	0
Contract (Levels 3-5), Permanent	1,400	1,400	0	1
Contract (Levels 6-8), Permanent	123	123	0	2
Contract (Levels 9-12), Permanent	100	100	0	0
Contract (Levels 13-16), Permanent	20	20	0	0
Periodical Remuneration, Temporary	1	1	0	0
TOTAL	**20,674**	**16,846**	**23**	**33**

Table 3.3: Employment and vacancies by critical occupation, 31 March 2007

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate percentage	Number of posts filled additional to the establishment
Administrative related, Permanent	495	366	26.1	4
Advocates, Permanent	80	67	16.3	0
Advocates, Temporary	0	0	0	0
Attorneys, Permanent	339	198	41.6	0
Authors, journalists and other writers, Permanent	9	5	44.4	0
Building and other property caretakers, Permanent	23	17	26.1	0
Bus and heavy vehicle drivers, Permanent	7	7	0	0
Cleaners in offices, Permanent	282	241	14.5	0
Cleaners in offices, Temporary	1	1	0	0
Client inform clerks (switchboard, reception and information clerks), Permanent	96	87	9.4	0
Communication and information related, Permanent	28	16	42.9	1
Computer programmers, Permanent	1	1	0	0
Finance and economics-related, Permanent	224	144	35.7	0
Financial and related professionals, Permanent	171	105	38.6	0
Financial and related professionals, Temporary	310	310	0	1
Financial clerks and credit controllers, Permanent	303	225	25.7	0
Food services aids and waiters, Permanent	25	21	16	0

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate percentage	Number of posts filled additional to the establishment
General legal administration and related professionals, Permanent	522	414	20.7	3
Head of department/Chief Executive Officer, Permanent	2	2	0	0
Historians and political scientists, Permanent	1	1	0	0
Household and laundry workers, Permanent	1	1	0	0
Human Resources and Organisational Development and related professionals, Permanent	51	31	39.2	1
Human Resources and Organisational Development and related professionals, Temporary	2	2	0	0
Human Resources clerks, Permanent	282	188	33.3	0
Human Resources-related, Permanent	149	109	26.8	0
Information technology related, Permanent	12	6	50	0
Judges, Permanent	1,012	205	79.7	0
Language practitioners, interpreters and other communication staff, Permanent	240	202	15.8	0
Legal related, Permanent	114	92	19.3	1
Librarians and related professionals, Permanent	23	19	17.4	0
Library mail and related clerks, Permanent	324	260	19.8	0
Library mail and related clerks, Temporary	123	123	0	0
Light vehicle drivers, Permanent	24	21	12.5	0
Logistical support personnel, Permanent	35	26	25.7	0
Magistrates, Permanent	2,084	1,822	12.6	0
Magistrates, Temporary	4	4	0	0
Material-recording and transport clerks, Permanent	71	50	29.6	0
Messengers, porters and deliverers, Permanent	621	509	18	0
Messengers porters and deliverers, Temporary	9	9	0	0
Other administration and related clerks and organisers, Permanent	7,670	5,908	23	4
Other administration and related clerks and organisers, Temporary	10	10	0	0
Other administrative policy and related officers, Permanent	882	693	21.4	10
Other information technology personnel, Permanent	5	1	80	0
Other occupations, Permanent	13	13	0	0
Prosecutor, Permanent	5	5	0	0
Risk management and security services, Permanent	12	9	25	0
Secretaries and other keyboard operating clerks, Permanent	1,304	1,031	20.9	2
Secretaries and other keyboard operating clerks, Temporary	131	131	0	0
Security guards, Permanent	81	76	6.2	0
Security guards, Temporary	1	1	0	0
Security officers, Permanent	443	362	18.3	0

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate percentage	Number of posts filled additional to the establishment
Security officers, Temporary	5	5	0	0
Senior managers, Permanent	259	204	21.2	4
Senior managers, Temporary	1	1	0	0
Translators, Permanent	1,593	1,409	11.6	2
Translators, Temporary	159	1,080	0	0
TOTAL	**20,674**	**16,846**	**23**	**33**

The information in each case reflects the situation as at 31 March 2007.

5.4 Job evaluation

The Public Service Regulations, 1999, introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in their organisations. In terms of the regulations, all vacancies on salary levels 9 and higher must be evaluated before they are filled. This was complemented by a decision by the Minister for the Public Service and Administration that all SMS jobs should have been evaluated before 31 December 2002.

The following table (Table 4.1) summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 4.1: Job evaluation, 1 April 2006 to 31 March 2007

Salary bands	Number of posts	Number of Jobs Evaluated	Percentage of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	Percentage of posts evaluated	Number	Percentage of posts evaluated
Lower skilled (Levels 1-2)	1,326	1	0.08	0	0	0	0
Skilled (Levels 3-5)	8,055	667	8.28	0	0	0	0
Highly skilled production (Levels 6-8)	4,468	53	1.19	0	0	0	0
Highly skilled supervision (Levels 9-12)	3,850	30	0.78	55	1.23	0	0
Senior Management Service Band A	189	10	5.29	58	1.51	0	0
Senior Management Service Band B	50	5	10	0	0	0	0
Senior Management Service Band C	1,021	0	0	0	0	0	0
Senior Management Service Band D	2	0	0	0	0	0	0
TOTAL	**18,961**	**776**	**4.04**	**5**	**113**	**0.60**	**0**

The following table provides a summary of the number of employees whose salary positions were upgraded due to their posts being upgraded. The number of employees might differ from the number of posts upgraded, since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Contract post (1713) not job evaluated.

Table 4.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2006 to 31 March 2007

Beneficiaries	African	Asian	Coloured	White	Total
Female	30	7	4	12	53
Male	48	4	3	5	60
Total	78	11	7	17	113
Employees with disabilities					0

The following table summarises the number of cases where remuneration levels exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 4.3: Employees whose salary levels exceeded the grade determined by job evaluation, 1 April 2006 to 31 March 2007 (in terms of PSR 1.V.C.3) Everyone on higher salary level (per scale)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Chief Director	3	14	15	Post advertised without job evaluation
Deputy Director	6	11	12	Post advertised without job evaluation
Assistant Director	6	9	10	Post advertised without job evaluation
Total number of employees whose salaries exceeded the level determined by job evaluation in 2006/07				15
Percentage of total employment				0.07%

Table 4.4 summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 4.4: Profile of employees whose salary levels exceeded the grade determined by job evaluation, 1 April 2006 to 31 March 2007 (in terms of PSR 1.V.C.3)

Beneficiaries	African	Asian	Coloured	White	Total
Female	7	1	0	1	8
Male	7	0	0	0	7
Total	14	1	0	1	15

5.5 Employment changes

This section provides information on changes in employment over the financial year.

Turnover rates provide an indication of trends in the employment profile of the Department. The following tables provide a summary of turnover rates by salary band (Table 5.1) and by critical occupation (Table 5.2).

Table 5.1: Annual turnover rates by salary band for the period 1 April 2005 to 31 March 2007

Salary bands	Number of employees per band as on 1 April 2006	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (Levels 1-2), Permanent	951	123	84	9.3
Lower skilled (Levels 1-2), Temporary	794	0	0	0
Skilled (Levels 3-5), Permanent	4,038	963	180	4.2
Highly skilled production (Levels 6-8), Permanent	4,560	119	201	4.8
Highly skilled production (Levels 6-8), Temporary	267	1	1	100
Highly skilled supervision (Levels 9-12), Permanent	2,580	172	101	3.7
Highly skilled supervision (Levels 9-12), Temporary	89	0	0	0
Senior Management Service Band A, Permanent	150	4	5	3.4
Senior Management Service Band B, Permanent	35	2	2	5.7
Senior Management Service Band C, Permanent	249	339	362	145.4
Senior Management Service Band D, Permanent	2	0	0	0
Other, Permanent	55	66	15	27.3
Other, Temporary	922	406	614	66.6
Contract (Levels 1-2), Permanent	105	401	422	401.9
Contract (Levels 3-5), Permanent	676	6,350	5,890	872.48
Contract (Levels 6-8), Permanent	189	791	775	410.1
Contract (Levels 9-12), Permanent	102	1,002	989	969.6
Contract (Band A), Permanent	5	14	7	140
Contract (Band B), Permanent	2	3	1	50
Contract (Band C), Permanent	1	0	0	0
TOTAL	**16,498**	**10,756**	**9,649**	**61.17**

Table 5.2: Annual turnover rates by critical occupation for the period 1 April 2006 to 31 March 2007

Occupation	Number of employees per occupation as on 1 April 2006	Appointments and transfers in the Department	Terminations and transfers out of the Department	Turnover rate
Administrative-related, Permanent	143	63	29	20.3
Administrative-related, Temporary	0	1	1	0
Advocates, Permanent	59	21	20	33.9
Advocates, Temporary	1	0	0	0

Occupation	Number of employees per occupation as on 1 April 2006	Appointments and transfers in the Department	Terminations and transfers out of the Department	Turnover rate
Attorneys, Permanent	161	125	99	61.5
Authors journalists and other writers, Permanent	1	5	1	100
Building and other property caretakers, Permanent	17	0	0	0
Bus and heavy vehicle drivers, Permanent	10	0	1	10
Cleaners in offices, Permanent	263	16	37	14.1
Cleaners in offices, Temporary	2	0	1	50
Client information clerks (switchboard, reception information clerks), Permanent	88	54	49	55.7
Communication and information-related, Permanent	14	7	8	57.1
Communication and information-related, Temporary	0	0	1	0
Community development workers, Permanent	0	0	1	0
Computer programmers, Permanent	0	1	0	0
Finance and economics-related, Permanent	127	30	15	11.8
Financial and related-professionals, Permanent	102	21	18	17.6
Financial and related-professionals, Temporary	294	119	100	34
Financial clerks and credit controllers, Permanent	234	633	591	252.6
Food services aids and waiters, Permanent	25	4	3	12
General legal administration and related professionals, Permanent	415	385	335	80.7
Human resources and organisation development and related professionals, Permanent	32	1	4	12.5
Human resources and organisation development and related professionals, Temporary	2	0	2	100
Human resources clerks, Permanent	187	62	54	28.9
Human resources related, Permanent	85	22	12	14.1
Information technology related, Permanent	6	3	4	66.7
Judges, Permanent	240	340	362	150.8
Judges, Temporary	0	2	2	0
Language practitioners interpreters and other communication, Permanent	298	13	23	7.7
Legal-related, Permanent	87	5	8	9.2
Librarians and related professionals, Permanent	23	2	4	17.4
Library mail and related clerks, Permanent	333	437	422	126.7
Library mail and related clerks, Temporary	305	23	238	78
Light vehicle drivers, Permanent	18	16	16	88.9
Logistical support personnel, Permanent	27	0	0	0
Magistrates, Permanent	1,713	837	834	48.7
Magistrates, Temporary	4	27	36	900

Occupation	Number of employees per occupation as on 1 April 2006	Appointments and transfers in the Department	Terminations and transfers out of the Department	Turnover rate
Material-recording and transport clerks, Permanent	48	21	15	31.3
Messengers, porters and deliverers, Permanent	387	291	154	39.8
Messengers, porters and deliverers, Temporary	9	94	98	1088.9
Other administrative and related clerks and organisers, Permanent	4,982	5,207	5,462	109.63
Other administrative and related clerks and organisers, Temporary	6	14	7	116.7
Other administrative policy and related officers, Permanent	761	205	207	27.2
Other information technology personnel, Permanent	2	3	3	150
Other occupations, Permanent	79	1	5	6.3
Prosecutor, Permanent	32	0	0	0
Psychologists and vocational counsellors, Permanent	1	0	0	0
Rank: unknown, Permanent	66	0	0	0
Risk management and security services, Permanent	7	0	0	0
Secretaries and other keyboard operating clerks, Permanent	924	835	677	73.3
Secretaries and other keyboard operating clerks, Temporary	145	48	53	36.6
Security guards, Permanent	69	0	2	2.9
Security guards, Temporary	1	0	0	0
Security officers, Permanent	393	124	139	35.4
Security officers, Temporary	2	1	0	0
Senior managers, Permanent	173	21	12	6.9
Senior managers, Temporary	8	2	4	50
Social sciences supplementary workers, Permanent	0	0	1	0
Trade/industry advisers and other related profession, Permanent	1	0	0	0
Translators and air traffic communicators, Permanent	1,294	538	473	36.6
Translators and air traffic communicators, Temporary	1,066	76	72	49.7
TOTAL	**15,772**	**10,756**	**9,649**	**61.17**

All contract employees, including Magistrates and Judges can be appointed and terminated on the system more than once. This results in high turnover rates.

Table 5.3 identifies the major reasons why staff left department.

Table 5.3: Reasons why staff left the Department

Termination Type	Number	Percentage of Total Resignations
Death, Permanent officials	105	1.08
Death, Temporary officials	1	0
Resignation, Permanent officials	799	8.28
Resignation, Temporary officials	66	0.68
Expiry of contract, Permanent officials	7,115	73.73
Expiry of contract, Temporary officials	1,255	13.00
Discharged due to ill health, Permanent officials	24	0.1
Dismissal-misconduct, Permanent officials	39	0.4
Retirement, Permanent officials	95	0.98
Other, Permanent officials	35	0.36
Other, Temporary officials	115	1.19
TOTAL	**9,649**	**100**
Resignations as percentage of Employment		46.67%

Table 5.4: Promotions by critical occupation

Occupation	Employees as at 1 April 2006	Promotions to another salary level	Salary level promotions as a percentage of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a percentage of employees by occupation
Administrative-related	143	101	70.6	49	34.3
Advocates	60	2	3.3	25	41.7
Attorneys	161	12	7.5	20	12.4
Authors, journalists and other writers	1	0	0	0	0
Building and other property caretakers	17	0	0	3	17.6
Bus and heavy vehicle drivers	10	0	0	8	80
Cleaners in offices workshops hospitals etc.	265	0	0	112	42.3
Client inform clerks (switchboard, reception and information clerks)	88	1	1.1	64	72.7
Communication and information-related	14	4	28.6	5	35.7
Community development workers	0	2	0	0	0
Custodian personnel	0	2	0	0	0
Finance and economics-related	127	28	22	70	55.1
Financial and related professionals	396	7	1.8	44	11.1
Financial clerks and credit controllers	234	10	4.3	114	48.7
Food services aids and waiters	25	0	0	15	60
General legal administration and related professionals	415	15	3.6	126	30.4
Head of department/chief executive officer	0	1	0	0	0

Occupation	Employees as at 1 April 2006	Promotions to another salary level	Salary level promotions as a percentage of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a percentage of employees by occupation
Human resources and organisational development and relate profession	34	8	23.5	7	20.6
Human resources clerks	187	13	7	58	31
Human resources-related	85	6	7.1	21	24.7
Information technology-related	6	1	16.7	4	66.7
Judges	240	2	0.8	0	0
Language practitioners, interpreters and other communication experts	298	8	2.7	237	79.5
Legal related	87	4	4.6	16	18.4
Librarians and related professionals	23	1	4.3	4	17.4
Library mail and related clerks	638	7	1.1	168	26.3
Light vehicle drivers	18	0	0	12	66.7
Logistical support personnel	27	1	3.7	14	51.9
Magistrates	1,717	9	0.5	0	0
Material-recording and transport clerks	48	0	0	40	83.3
Messengers porters and deliverers	396	0	0	192	48.5
Other administration and related clerks and organisers	4,988	67	1.4	2,346	49.9
Other administrative, policy and related officers	761	51	6.7	340	44.7
Other information technology personnel	2	1	50	1	50
Other occupations	79	2	2.5	10	12.7
Prosecutors	32	0	0	3	9.4
Psychologists and vocational counsellors	1	2	200	0	0
Rank: Unknown	66	0	0	0	0
Risk management and security services	7	0	0	1	14.3
Secretaries and other keyboard operating clerks	1,069	13	1.2	494	46.2
Security guards	70	0	0	26	37.1
Security officers	395	0	0	257	65.1
Senior managers	181	11	6.1	15	8.3
Social work and related professionals	0	0	0	5	0
Trade/industry advisers and other related professionals	1	0	0	0	0
Translators	2,360	4	0.3	854	59.3
TOTAL	**15,772**	**396**	**2.7**	**5,780**	**39.7**

Table 5.5: Promotions by salary band

Salary Bands	Employees 1 April 2006	Promotions to another salary level	Salary bands promotions as a percentage of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a percentage of employees by salary band
Lower skilled (Levels 1-2), Permanent	951	0	0	453	47.63
Skilled (Levels 3-5), Permanent	4,038	42	1	2,705	66.98
Highly skilled production (Levels 6-8), Permanent	4,033	131	3.2	2,111	52.34
Highly skilled production (Levels 6-8), Temporary	267	0	0	0	0
Highly skilled supervision (Levels 9-12), Permanent	2,580	198	7.3	340	13.17
Highly skilled supervision (Levels 9-12), Temporary	89	0	0	0	0
Senior management (Levels 13-16), Permanent	436	18	4.2	19	4.35
Other, Permanent	55	0	0	0	0
Other, Temporary	2,243	0	0	0	0
Contract (Levels 1-2), Permanent	105	0	0	5	4.8
Contract (Levels 3-5), Permanent	676	7	1	127	18.8
Contract (Levels 6-8), Permanent	189	0	0	19	10.1
Contract (Levels 9-12), Permanent	102	0	0	1	1
Contract (Levels 13-16), Permanent	8	0	0	0	0
TOTAL	**15,772**	**396**	**2.7**	**5,780**	**36.64**

5.6 Employment equity

The tables in this section are based on the formats prescribed by the Employment Equity Act, 1998 (Act 55 of 1998).

Table 6.1: Occupational categories have been defined in accordance with Department of Labour's guidelines:

1. Legislators, Senior Officials and Managers

This group includes occupations whose main tasks consist of determining and formulating policy and strategic planning, or planning, directing and coordinating the policies and activities of the Department, determining and formulating laws, and directing and controlling the functions of the Department. The category includes the following:	
Director-General	Chief Prosecutors
Deputy Director-General/Managing Director	President Divorce Courts
Chief State Law Adviser	Chief Family Advocate
Deputy Chief State Law Adviser	Chief Masters High Court
Principal State Law Adviser	Master High Court (Management)
Chief Director/General Manager	Deputy Master High Court
Director/Senior Manager	Regional Court President
Chief Legal Administrative Officer	State Attorney
Principal Prosecutors	Deputy State Attorney

2. *Professionals*

This group includes occupations whose main tasks require a high level of professional knowledge and experience in the field of physical and life sciences, or social sciences and humanities. The main tasks consist of increasing the existing stock of knowledge, applying scientific and artistic concepts and theories to the solution of problems, and teaching about the foregoing in a systematic manner. The category includes the following:

Prosecutors	Senior Family Advocate
Senior Magistrates	Family Advocate I – IV
Magistrates	Chief Legal Administration Officer
Advocate	Principal Legal Admin Officer
State Law Adviser	Senior Legal Admin Officer
Accountants	Legal Admin Officer I - VI
Senior State Law Adviser	
State Law Adviser I – II	

3. *Technicians and Associate Professionals*

This group includes occupations whose main tasks require technical knowledge and experience in one or more fields of the physical and life sciences, or the social sciences and humanities. The tasks consist of carrying out technical work connected with the application of concepts and operational methods in the above-mentioned fields and in teaching at certain educational levels. The category includes the following:

Deputy Director	Control Data Technologist
Assistant Director	Chief Data Technologist
Chief Training Officer I – II	Principal Data Technologist
Senior Training Officer	Senior Data Technologist I – II
Training Officer	Data Technologist
Assistant Training Officer	Assistant Master: High Court I – II
Chief Inspector of Interpreters	Chief Registrar: High Court
Inspector of Interpreters	Senior Registrar: High Court I – II
Principal Court Interpreter	Registrar: High Court I – IV
Senior Court Interpreter	Senior Assistant State Attorney
Court Interpreter	Assistant State Attorney I – IV
Work Study Officer	Candidate State Attorney I – II
Legal Administration Officer	State Accountant
Data Technologist	Assistant State Accountant
Programmer	Assistant State Law Adviser I – II
Principal Librarian	Chief Work Study Officer I – II
Senior Librarian	Senior Work Study Officer
Librarian	Work Study Officer
Executive Assistant	Survey Statistician
Principal Survey Statistician	Assistant Survey Statistician
Senior Survey Statistician	

6.2: Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2007

Occupational categories (SASCO)	Male					Female					
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	Total
Legislators, senior officials and managers	53	9	10	72	53	38	6	7	51	13	189
Professionals	1,189	123	98	1,410	829	655	108	150	913	469	3,621
Technicians and associate professionals	467	33	20	520	60	357	46	23	426	187	1,193
Clerks	2,621	249	106	2,976	155	4,160	733	236	5,129	1,425	9,685
Service and sales workers	201	51	18	270	102	51	5	1	57	13	442
Plant and machine operators and assemblers	23	2	1	26	1	1	0	0	1	0	28
Elementary occupations	350	32	11	393	27	376	24	9	409	27	856
TOTAL	**4,904**	**499**	**264**	**5,667**	**1,227**	**5,638**	**922**	**426**	**6,986**	**2,134**	**16,014**
Employees with disabilities	80	9	2	91	14	51	7	5	63	16	184

6.3: Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2007

Occupational Bands	Male					Female					
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	Total
Top Management	55	10	13	78	105	19	2	5	26	17	226
Senior Management	52	7	10	69	55	44	7	8	59	18	201
Professionally qualified and experienced specialists and mid-management	889	109	85	1,083	717	439	75	121	635	396	2,831

Occupational Bands	Male					Female					
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	Total
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1,497	84	47	1,628	195	1,471	200	101	47	1,163	4,758
Semi-skilled and discretionary decision-making	1,969	230	93	2,292	109	3,254	603	182	4,039	509	6,949
Unskilled and defined decision-making	442	59	16	517	46	411	35	9	455	31	1,049
TOTAL	**4,904**	**499**	**264**	**5,667**	**1,227**	**5,638**	**922**	**426**	**6,986**	**2,134**	**16,014**

6.4 Recruitment for the period 1 April 2006 to 31 March 2007

Occupational Bands	Male					Female					
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	Total
Top Management, Permanent	83	6	26	115	160	24	4	5	33	31	339
Senior Management, Permanent	4	0	0	4	0	1	0	0	1	1	6
Professionally qualified and experienced specialists and mid-management, Permanent	68	7	10	85	7	48	12	6	66	14	172
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	48	3	0	51	2	48	6	2	56	10	119

Occupational Bands	Male					Female					
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	Total
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	0	0	0	0	0	0	0	0	0	1	1
Semi-skilled and discretionary decision-making, Permanent	274	32	14	320	14	439	86	30	555	74	963
Unskilled and defined decision-making, Permanent	67	3	2	72	2	38	6	3	47	2	123
Permanent	34	1	0	35	0	29	1	1	31	0	66
Temporary	207	17	4	228	27	108	22	5	135	16	406
Contract (Senior Management), Permanent	5	3	0	8	1	6	0	1	7	1	17
Contract (Professionally qualified), Permanent	349	41	60	450	215	156	36	39	231	106	1,002
Contract (Skilled technical), Permanent	166	7	4	177	19	302	91	40	433	162	791
Contract (Semi-skilled), Permanent	1,586	217	65	1,868	75	3,358	485	140	3,983	424	6,350
Contract (Unskilled), Permanent	168	12	4	184	35	131	26	1	158	24	401
TOTAL	**3,059**	**349**	**189**	**3,597**	**557**	**4,688**	**775**	**273**	**5,736**	**866**	**10,756**

Employees with disabilities

6.5: Promotions for the period 1 April 2006 to 31 March 2007

Occupational Bands	Male					Female					
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	Total
Top Management, Permanent	0	0	1	1	1	0	0	0	0	1	3
Senior Management, Permanent	12	2	2	16	4	10	2	2	14	1	35
Professionally qualified and experienced specialists and mid-management, Permanent	187	15	10	212	55	132	21	22	175	97	539
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	765	51	16	832	93	734	79	22	835	483	2,243
Semi-skilled and discretionary decision-making, Permanent	785	100	37	922	59	1,146	279	84	1,509	261	2,751
Unskilled and defined decision-making, Permanent	181	34	13	228	24	167	18	5	190	11	453
Contract (Professionally qualified), Permanent	1	0	0	1	0	0	0	0	0	0	1
Contract (Skilled technical), Permanent	4	1	1	6	2	3	0	0	3	8	19
Contract (Semi-skilled), Permanent	34	7	1	42	3	65	10	0	75	15	135
Contract (Unskilled), Permanent	2	0	0	2	0	2	0	0	2	1	5
TOTAL	**1,971**	**210**	**81**	**2,262**	**241**	**2,259**	**409**	**135**	**2,803**	**878**	**6,184**

	Male					Female					
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	Total
Employees with disabilities	5	2	0	7	5	5	0	0	5	2	19

6.6: Terminations for the period 1 April 2006 to 31 March 2007

Occupational Bands	Male					Female					
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	Total
Top Management, Permanent	87	6	27	120	177	23	5	5	33	32	362
Senior Management, Permanent	2	0	1	3	0	2	0	2	4	0	7
Professionally qualified and experienced specialists and mid-management, Permanent	36	2	8	46	29	14	1	1	16	10	101
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	59	5	2	66	8	42	4	1	47	80	201
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	0	0	0	0	0	0	0	0	0	1	1
Semi-skilled and discretionary decision-making, Permanent	56	8	5	69	10	50	19	8	77	24	180

Occupational Bands	Male					Female					
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	Total
Unskilled and defined decision-making, Permanent	33	7	0	40	3	35	3	2	40	1	84
Not Available, Pernanent	9	0	0	9	0	6	0	0	6	0	15
Not Available, Temporary	194	18	2	214	36	167	69	17	253	111	614
Contract (Senior Management), Permanent	1	4	0	5	1	2	0	0	2	0	8
Contract (Professionally qualified), Permanent	342	38	60	440	210	156	36	39	231	108	989
Contract (Skilled technical), Permanent	148	8	3	159	24	308	91	32	431	161	775
Contract (Semi-skilled), Permanent	1,281	207	38	1,526	65	2,603	441	98	3,142	335	5,068
Contract (Unskilled), Permanent	158	12	5	175	31	160	31	3	194	22	422
TOTAL	**2,406**	**315**	**151**	**2,872**	**594**	**3,568**	**700**	**208**	**4,476**	**885**	**8,827**

6.8: Disciplinary action for the period 1 April 2006 to 31 March 2007

	Male					Female					
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	Total
Disciplinary action	140	9	2	151	4	62	11	2	75	13	243

6.9: Skills development for the period 1 April 2006 to 31 March 2007

Occupational categories	Male					Female					
	African	Coloured	Indian	Total Blacks	White	African	Coloured	Indian	Total Blacks	White	Total
Legislators, senior officials and managers	290	51	46	387	78	214	56	45	315	93	873
Professionals	956	153	119	1,228	266	915	176	133	1,224	528	3,246
Technicians and associate professionals	0	0	0	0	0	0	0	0	0	0	0
Clerks	2,136	298	165	2,599	501	2,538	407	327	3,272	1,478	7,850
Service and sales workers	0	0	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0	0	0
Crafts and related Trades workers	0	0	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	2	0	2	4	0	0	0	0	0	0	4
Elementary occupations	14	1	2	17	10	11	3	1	15	3	45
TOTAL	**3,398**	**503**	**334**	**3,848**	**855**	**3,678**	**642**	**506**	**4,511**	**2,102**	**12,018**

5.7 Performance rewards

To encourage good performance, the Department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability (Table 7.1), salary bands (table 7.2) and critical occupations (Table 7.3).

Table 7.1: Performance rewards by race, gender, and disability, 1 April 2006 to 31 March 2007

	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	Percentage of total within group	Cost (R'000)	Average cost per employee
African, female	751	5,888	13.8	5,665	7,544
African, male	591	5,290	11.8	4,888	8,271
Asian, female	68	447	15.8	672	9,875
Asian, male	38	228	14	432	11,375
Coloured, female	133	866	15.6	1,044	7,851
Coloured, male	50	491	10.7	443	8,869
Total Blacks, female	952	7,202	14.1	7,381	7,753
Total Blacks, male	679	6,225	11.8	5,764	8,489
White, female	622	2,206	28.5	6,294	10,118
White, male	126	1,246	10.4	1,939	15,390

	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	Percentage of total within group	Cost (R'000)	Average cost per employee
TOTAL	**2,385**	**16,879**	**15**	**21,419**	**8,981**

Table 7.2: Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2006 to 31 March 2007

Salary Bands	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	Percentage of total within salary bands	Total Cost (R'000)	Average cost per employee
Lower skilled (Levels 1-2)	209	937	22.3	824	3,943
Skilled (Levels 3-5)	699	4,911	14.2	3,894	5,571
Highly skilled production (Levels 6-8)	1,166	4,099	28.4	10,910	9,357
Highly skilled supervision (Levels 9-12)	263	3,072	8.6	4,822	18,335
Other	0	786	0	0	0
Contract (Levels 1-2)	0	73	0	0	0
Contract (Levels 3-5)	4	1,395	0.3	22	5,500
Contract (Levels 6-8)	3	122	2.5	32	10,667
Contract (Levels 9-12)	1	102	1	11	11,000
Periodical Remuneration	0	499	0	0	0
Periodical Remuneration	0	1	0	0	0
Abnormal Appointment	0	1,231	0	0	0
TOTAL	**2,345**	**16,442**	**14.5**	**20,515**	**8,748**

Table 7.3: Performance Rewards by critical occupations, 1 April 2006 to 31 March 2007

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	Percentage of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related	67	3,707	18.4	1,074	16,030
Advocates	10	67	15.4	244	24,400
Attorneys	17	198	8.9	412	24,235
Authors journalists and other writers	0	5	0	0	0
Building and other property caretakers	9	17	52.9	37	4,111
Bus and heavy vehicle drivers	5	7	55.6	15	3,000
Cleaners in offices	80	242	33.5	307	3,838
Client information clerks (switchboard, reception, information clerks)	15	87	16.7	89	5,933
Communication and information related	7	17	43.8	254	36,286
Computer programmers	0	1	0	0	0
Finance and economics related	35	144	23	548	15,657

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	Percentage of total within occupation	Total Cost (R'000)	Average cost per employee
Financial and related professionals	18	416	4.4	231	12,833
Financial clerks and credit controllers	43	225	19.9	302	7,023
Food services aids and waiters	6	21	25	30	5,000
General legal administration and related professionals	69	417	16.7	1,075	15,580
Head of Department/ Chief Executive Officer	0	2	0	0	0
Human resources and organisation development and related professionals	8	34	22.2	72	9,000
Human resources clerks	74	188	40	543	7,338
Human resources related	18	109	16.5	283	15,722
Information technology related	1	6	16.7	27	27,000
Judges	0	205	0	0	0
Language practitioners interpreters and other communicators	53	202	18.2	616	11,623
Legal related	17	93	19.8	487	28,647
Librarians and related professionals	7	19	31.8	101	14,429
Library mail and related clerks	58	383	15.4	442	7,621
Light vehicle drivers	10	21	52.6	40	4,000
Logistical support personnel	11	26	45.8	134	12,182
Magistrates	7	1,826	0.4	192	27,429
Material-recording and transport clerks	16	50	31.4	99	6,188
Messengers porters and deliverers	77	518	15.3	316	4,104
Other administration and related clerks and organisers	951	5,922	16.3	6,922	7,279
Other administrative policy and related officers	185	703	24.6	2,008	10,854
Other information technology personnel	1	1	100	14	14,000
Other occupations	7	13	9.2	180	25,714
Prosecutor	1	5	3.1	10	10,000
Risk management and security service	4	9	50	45	11,250
Secretaries and other keyboard operating clerks	232	1,164	20	1,938	8,353
Security guards	14	77	20.9	56	4,000
Security officers	64	367	17.3	471	7,359
Senior managers	35	209	18.3	724	20,686
Translators	149	2,493	10.1	1,027	6,893
TOTAL	**2,385**	**16,879**	**15**	**21,418**	**8,980**

Table 7.4: Performance related rewards (cash bonus), by salary band, for Senior Management Service

Salary Bands	Beneficiary Profile			Total Cost (R'000)	Average cost per employee	Total cost as a pecentage of the total personnel expenditure	Personnel Cost SMS (R'000)
	Number of beneficiaries	Number of employees	Percentage of total within band				
Band A	30	114	26.3	646	2,153	0.9	72,201
Band B	12	87	13.8	289	2,408	0.9	31,907
Band C	0	233	0	0	0	0	0
Band D	0	3	0	0	0	0	0
TOTAL	**42**	**437**	**9.61**	**935**	**2,226.2**	**0.9**	**104,108**

5.8 Foreign workers

The tables below summarise the employment of foreign nationals in the Department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

Table 8.1: Foreign workers, 1 April 2006 to 31 March 2007, by salary band

Salary Bands	1 April 2006		31 March 2007		Change	
	Number	Percentage of total	Number	Percentage of total	Number	Percentage change
Lower skilled (Levels 1-2)	0	0	13	16.3	13	92.9
Skilled (Levels 3-5)	2	3	2	2.5	0	0
Highly skilled production (Levels 6-8)	6	9.1	5	6.3	-1	-7.1
Highly skilled supervision (Levels 9-12)	2	3	4	5	2	14.3
Senior management (Levels 13-16)	2	3	2	2.5	0	0
Other	12	18.2	0	0	-12	-85.7
Contract (Levels 3-5)	3	4.5	2	2.5	-1	-7.1
Contract (Levels 6-8)	1	1.5	2	2.5	1	7.1
Contract (Levels 9-12)	0	0	2	2.5	2	14.3
Contract (Levels 13-16)	1	1.5	1	1.3	0	0
*Periodical Remuneration	30	45.5	42	52.5	12	85.7
*Abnormal Appointment	7	10.6	5	6.3	-2	-14.3
TOTAL	**66**	**100**	**80**	**100**	**14**	**100**

**Temporary appointments made on the establishment*

Table 8.2: Foreign workers, 1 April 2006 to 31 March 2007, by major occupation

Major Occupations	1 April 2006		31 March 2007		Change	
	Number	Percentage of total	Number	Percentage of total	Number	Percentage change
Administrative office workers	50	75.8	58	72.5	8	57.1
Other occupations	1	1.5	1	1.3	0	0
Professionals and managers	15	22.7	21	26.3	6	42.9
TOTAL	**66**	**100**	**80**	**100**	**14**	**100**

5.9 Leave utilisation for the period 1 January 2006 to 31 December 2006

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 9.1) and disability leave (Table 9.2). In both cases, the estimated cost of the leave is also provided.

Table 9.1: Sick leave, 1 January 2006 to 31 December 2006

Salary Bands	Total days	Percentage days with medical certification	Number of Employees using sick leave	Percentage of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	3,994	86	546	6.2	7	628
Skilled (Levels 3-5)	21,400	83.2	3,163	35.9	7	4,513
Highly skilled production (Levels 6-8)	19,011	84.3	2,674	30.3	7	6,900
Highly skilled supervision (Levels 9-12)	17,766	83.6	1,843	20.9	10	14,195
Senior management (Levels 13-16)	482	70.5	116	1.3	4	926
Contract (Levels 1-2)	124	75	36	0.4	3	18
Contract (Levels 3-5)	1,136	80.8	325	3.7	3	217
Contract (Levels 6-8)	264	75.8	69	0.8	4	100
Contract (Levels 9-12)	153	69.9	45	0.5	3	113
Contract (Levels 13-16)	21	71.4	5	0.1	4	38
TOTAL	**64,351**	**83.6**	**8,822**	**100**	**7**	**27,648**

Table 9.2: Disability leave (temporary and permanent), 1 January 2006 to 31 December 2006

Salary Bands	Total days taken	Percentage days with medical certification	Number of Employees using disability leave	Percentage of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	1,520	100	56	11	27	236
Skilled (Levels 3-5)	3,408	99.9	170	33.3	20	720
Highly skilled production (Levels 6-8)	4,551	99.9	207	40.6	22	1,700
Highly skilled supervision (Levels 9-12)	1,266	99.8	70	13.7	18	1,175
Senior management (Levels 13-16)	56	96.4	6	1.2	9	101
Other	7	100	1	0.2	7	1
TOTAL	**10,808**	**99.9**	**510**	**100**	**21**	**3,933**

Table 9.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 9.3: Annual Leave, 1 January 2006 to 31 December 2006

Salary Bands	Total days taken	Average per employee
Lower skilled (Levels 1-2)	17,595.28	21
Skilled (Levels 3-5)	75,748.96	17
Highly skilled production (Levels 6-8)	89,457.48	22
Highly skilled supervision (Levels 9-12)	69,513.08	24
Senior management (Levels 13-16)	3,967	20
Contract (Levels 1-2)	317	5
Contract (Levels 3-5)	2,387	4
Contract (Levels 6-8)	859	6
Contract (Levels 9-12)	574	6
Contract (Levels 13-16)	79	7
TOTAL	**260,497.8**	**19**

Table 9.4: Capped leave, 1 January 2006 to 31 December 2006

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2006
Lower skilled (Levels 1-2)	273	4	83
Skilled (Levels 3-5)	1,057	6	36
Highly skilled production (Levels 6-8)	2,999	7	88
Highly skilled supervision (Levels 9-12)	519	6	68
Senior management (Levels 13-16)	245	18	90
Contract (Levels 6-8)	24	24	0
TOTAL	**5,117**	**6**	**72**

Table 9.5: Leave payouts for the period 1 April 2006 to 31 March 2007

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

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2006/07 due to non-utilisation of leave for the previous cycle	61	14	4,357
Capped leave payouts on termination of service for 2006/07	1,604	273	5,875
Current leave payout on termination of service for 2006/07	376	159	2,365
TOTAL	**2,041**	**446**	**4,576**

5.10 HIV/Aids and health promotion programmes

Table 10.1: Steps taken to reduce the risk of occupational exposure

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

Table 10.2: Details of health promotion and HIV/Aids Programmes

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Chief Director HR: Value Added Services Ms S Chikane
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		EAP Subdirectorate with 2 practitioners, supported by 23 contracted external service providers; R4.6 million requested for 2007/08
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		Counselling services, HIV/Aids information, education and counselling, wellness days promotions
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		Employee Advisory Committee
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		HR policies were reviewed at Roodeplaat during October 2006
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		The HIV&AIDS policy provides guiding principles that protect employees from discrimination associated with the illness
7. Does the department encourage its employees to undergo voluntary counselling and testing? If so, list the results, it has achieved.	X		Introduced an off-site VCT programme that has been positively accepted by employees
8. Has the department developed measures/indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/ indicators.		X	N/A

5.11 Labour relations

The following collective agreements were entered into with trade unions within the Department:

Table 11.1: Collective agreements, 1 April 2006 to 31 March 2007

Subject Matter	Date
Total collective agreements	None

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

Table 11.2: Misconduct and disciplinary hearings finalised, 1 April 2006 to 31 March 2007

Outcomes of disciplinary hearings	Number	Percentage of total
Verbal warning	4	1.3
Written warning	22	7.2
Final written warning	55	18.1
Suspension without pay	22	7.2
Demotion	4	1.3
Dismissal	17	5.6
Withdrawn	115	37.8
Resigned	23	7.6
Deceased	1	0.3
Leave without pay	5	1.6
Rehabilitation	3	1.0
Corrective counselling	2	0.7
Not guilty	20	6.6
Abscondment	2	0.7
Other	9	3.0
TOTAL	**304**	**100**

Table 11.3: Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	Percentage of total
Fraud	64	21.1
Theft	29	9.5
Corruption	12	3.9
Unbecoming behaviour	9	3.0
Alcohol abuse	11	3.6
Abuse of state property	8	2.6
Unauthorised	31	10.2
Negligence	15	4.9
Loss of state money	22	7.2
Insubordination	11	3.6
Abscondment	2	0.8
Sexual harassment	1	0.4
Racism	2	0.8
Other	87	28.4
TOTAL	**304**	**100**

Table 11.4: Grievances lodged for the period 1 April 2006 to 31 March 2007

	Number	Percentage of total
Number of grievances resolved	666	91.7
Number of grievances not resolved	60	8.3
Total number of grievances lodged	726	100

Table 11.5: Disputes lodged with Councils for the period 1 April 2006 to 31 March 2007

	Number	Percentage of total
Number of disputes upheld	176	71.5
Number of disputes dismissed	70	28.5
Total number of disputes lodged	246	100

Table 11.6: Strike actions for the period 1 April 2006 to 31 March 2007

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

Table 11.7: Precautionary suspensions for the period 1 April 2006 to 31 March 2007

Number of people suspended	39
Number of people whose suspension exceeded 30 days	36
Average number of days suspended	510
Cost (R'000) of suspensions	R4,093,171

5.12 Skills development

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

12.1: Training needs identified 1 April 2006 to 31 March 2007

Occupational Categories	Gender	Number of employees as at 1 April 2006	Training provided within the reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	469	4	194	4	202
	Male	678	2	234	0	236
Professionals	Female	1,035	60	2,858	24	2,942
	Male	1,509	56	2,142	24	222
Clerks	Female	5,560	109	7,207	401	7,717
	Male	3,464	114	4,759	317	5,190
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	32	0	4	1	4

Occupational Categories	Gender	Number of employees as at 1 April 2006	Training provided within the reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Elementary occupations	Female	350	0	143	5	144
	Male	311	0	178	0	183
No job description	Female	1,339	0	0	0	0
	Male	1,025	0	0	0	0
Gender sub Totals	Female	8,753	173	10,402	430	11,005
	Male	7,017	172	7,317	346	7,835
TOTAL		**15,772**	**345**	**17,719**	**776**	**18,840**

12.2: Training provided 1 April 2006 to 31 March 2007

Occupational Categories	Gender	Number of employees as at 1 April 2006	Training provided within the reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	469	4	347	4	355
	Male	678	2	366	0	368
Professionals	Female	1,035	60	1,613	24	1,697
	Male	1,509	56	1,464	24	1,544
Clerks	Female	5,560	109	2,327	401	2,837
	Male	3,464	114	1,894	317	2.325
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	32	0	0	0	4
Elementary occupations	Female	350	0	18	1	19
	Male	311	0	14	5	19
No job description	Female	1,339	0	0	0	0
	Male	1,025	0	0	0	0
Gender subtotals	Female	8,753	173	4,305	430	4,908
	Male	7,019	172	3,742	346	4,260
TOTAL		**15,772**	**345**	**8,047**	**776**	**9,168**

5.13 Injury on duty

The following table provide basic information on injury on duty:

Table 13.1: Injury on duty, 1 April 2006 to 31 March 2007

Nature of injury on duty	Number	Percentage of total
Required basic medical attention only	13	20.63
Pending Investigation	40	63.49
Temporary total disablement	10	15.87
Permanent disablement	0	0
Fatal	0	0
Total	**63**	**100**

Utilisation of consultants

Table 14.1: Report on consultant appointments using appropriated funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Judicial Service Commission	9	260	R269,433.27
UN Oil For Food Programme	1	260	R791,364.90
DNS III Project	4	12 months	R984,000-00
Programme Management – Project Administration	4	12 months	R885,000-00
EPM Project- Programme Management	2	6 months	R308,000-00
MSP Projects	3	12 months	R1,427,200-00
IJS Projects	4	12 months	R2,227,326-00
Architecture Project	1	12 months	R1,032,000-00
DNS	1	1 month	R86,000-00
Vote Account Projects	82	260	R14,892,242.08
Guardian Fund Project	100	130	R3,700,472.22
MMT (Third-Party Funds) Project	71	260	R8,359,733.75
Total number of projects	**Total individual consultants**	**Total duration: Work days**	**Total contract value in Rand**
12	289	2,6222	R34,962,772.17

Table 14.2: Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
DNS III Project	100%	100%	4
Programme Management – Project Administration	100%	100%	4
EPM Project- Programme Management	100%	100%	1
MSP Projects	100%	100%	1
IJS Projects	100%	100%	2
Architecture Project	100%	100%	0
DNS	100%	100%	0

Table 14.3: Report on consultant appointments using Donor funds

Project Title	Total Number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
High Court Solution Project, JDAS Project	4	12 months	EU R1,513,956-00
JDAS Project, MASETI Project	2	12 months	EU R946,904-00
Master's Project- IADE	2	9 months	Irish R674,178-00
DNS III	1	6 months	EU R379,852-00
Total number of projects	**Total individual consultants**	**Total duration: Work days**	**Total contract value in Rand**
5	9	6/9/12 months	R3,514,890-00

Table 14.4: Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Financial systems projects	100%	100%	3
Business systems projects	100%	100%	2
Master's Project- IADE	100%	100%	1
DNS III	100%	100%	1

Abbrevations and Acronyms

Abbreviation/ acronym	Name/phrase
ADR	alternative dispute resolution
AFU	Asset Forfeiture Unit
APRM	African Peer Review Mechanism
BAC	Business Against Crime
CAE	Chief Audit Executive
CARA	Criminal Assets Recovery Account
CBO	community-based organisation
CCMA	Commission for Conciliation, Mediation and Arbitration
CEFTU	Central Electronic Funds Transfer Unit
CLO	Chief Litigation Officer
CMC	Customer Management Centre
CS	Corporate Services
CSAR	Country Self-Assessment Report (of the APRM)
DCS	Department of Correctional Services
DFI	Departmental Financial Instructions
DNS	Digital Nervous System
DPSA	Department of Public Service and Administration
DPW	Department of Public Works
DSO	Directorate of Special Operations
EFT	electronic funds transfer
ERC	Equality Review Committee
EXCO	Executive Committee
GAAP	Generally Accepted Accounting Principles
GCIS	Government Communication and Information System
GG	Government Garage
GPoA	Government Programme of Action
GRAP	Generally Recognised Accounting Practice
HDI	historically disadvantaged individual
HOA	homeowner's allowance
IDC	Interdepartmental Committee
IJS	Integrated Justice System
IMU	Integrity Management Unit
ISCCJ	Intersectoral Child Justice Steering Committee
ISM	Information and Systems Management
JCPS (Cluster)	Justice, Crime Prevention and Security (Cluster)
JDAS	Justice Deposit Account System
JEP	Jurisprudence of Equality Programme
JYP	Justice Yellow Pages
KPI	key performance indicator
LAB	Legal Aid Board
LCC	Land Claims Court
MMT	management of Monies in Trust
MMT PPP	management of Monies in Trust public-private partnership
MOU	memorandum of understanding
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NEDLAC	National Economic Development and Labour Council
NEPAD	New Partnership for Africa's Development
NIA	National Intelligence Agency
NOC	National Operations Centre
NPA	National Prosecuting Agency
NPS	National Prosecuting Service
PAS	Provisioning Administration System
PCLU	Priority Crimes Litigation Unit
PCU	Policy Coordinating Unit (DG office)
PEC	Public Education and Communication (Chief directorate)
PFMA	Public Finance Management Act
PPP	public-private partnership
PSCBC	Public Service Coordinating Bargaining Council
RAMP	Rehabilitation and Maintenance Programme
RAMP	Repair and Maintenance Programme
RCMA	Recognition of Customary Marriages Act
RDP	Reconstruction and Development Programme
RFP	request for proposals
S&RM	Security and Risk Management Unit
SALGA	South African Local Government Association
SALRC	South African Law Reform Commission
SCCU	Specialised Commercial Crimes Unit
SCOPA	Standing Committee on Public Accounts
SLA	State Law Adviser
SLA	service level agreement
SMF	Senior Management Forum
SMS	Senior Management Service
SOCA	Sexual Offences and Community Affairs Unit
UNICEF	United Nations Children's Fund
USAID	United States International Aid Development
VCT	voluntary counselling and testing (for HIV)
VPN	virtual private network
WPU	Witness Protection Unit

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