

JUSTICE FOR ALL



**Department of Justice
and Constitutional Development**

Annual Report 2002/2003



PART one





Contents Page



Part 1 - General Information	1 - 3
Part 2 - Programme performance	4 - 61
Part 3 - Report of the Audit Committee	62 - 63
Part 5 - Human Resource Management	64 - 87

Part 1 - General Information

TO DR. PM MADUNA, MP, MINISTER FOR JUSTICE AND CONSTITUTIONAL DEVELOPMENT

I have pleasure in presenting to you the Annual Report of the Department of Justice and Constitutional Development for the period of 1 April 2002 to 31 March 2003.

1. INTRODUCTION BY THE HEAD OF THE INSTITUTION

I am confident to report that we are beginning to make a difference in delivering justice to our people.

- We are improving performance at all levels.
- We have identified the barriers to efficient and effective service delivery and are addressing them.
- We are building closer partnerships with business, other departments and communities to augment our capacity.
- Through the National Prosecuting Authority (NPA) and Specialised Units such as the Asset Forfeiture Unit (AFU), Special Commercial Crimes Unit (SCCU) and the Directorate: Special Operations (DSO - Scorpions) we have raised the levels of public confidence in our ability to deliver justice.

My Department acknowledges that we are accountable to the public and the state in rendering an accessible, fair, speedy and cost-effective system of justice, in the interest of a safer and more secure South Africa.

We are busy achieving this by-

- integrating the management of cases and persons through the four Integrated Justice System (IJS) departments;
- setting new standards in service delivery; and
- utilising the best technology available as strategic enabler.

In this regard our strategic objectives set in 2001 remain unchanged, namely:

- to influence public confidence in the justice system
- to influence reduction in the crime rate; and
- to influence efficacy of the criminal justice system.

During the past few years we have successfully dealt with all of these challenges and started to build an integrated justice system of which we can be proud.

Within the Justice, Crime Prevention and Security (JCPS) and IJS framework, the Department embarked upon the following service delivery improvement initiatives:

- Rationalised courts for improved efficiency
- Saturday and Additional Courts
- Decentralisation of court support
- Integrated Case Flow Management
- IJS Court Centres
- Court Operations Centre
- Court Process Project

2. 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
- Commission on Gender Equality
- Office of the Public Protector
- Office for the Control of Interception and Monitoring of Communications
- 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 of Sheriffs
- Equality Review Committee
- Rules Board for the Labour Courts

Part 1 - General Information



During the period of this report, a number of bills have been promoted in Parliament, the most important of which were the following:

- (a) Implementation of the Rome Statute of the International Criminal Court Act, 2002 (Facilitates South Africa's accession to the Rome Statute on the International Criminal Court).
- (b) Constitution of the Republic of South Africa Amendment Act, 2002 (Deals with "Crossing the Floor").
- (c) Constitution of the Republic of South Africa Second Amendment Act, 2002 (Deals with "Crossing the Floor").
- (d) Loss or Retention of Membership of National and Provincial Legislatures Act, 2002 (Deals with "Crossing the Floor").
- (e) Insolvency Amendment Act, 2002 (Improves the position of workers when their employers become insolvent).
- (f) Reinstatement of Enrolment of Certain Legal Practitioners Act, 2002 (Provides for the re-enrolment of lawyers who were prohibited from practising as lawyers as a result of their opposition to the previous political dispensation).
- (g) Institution of Legal Proceedings against Organs of State Act, 2002 (Regulates the institution of legal proceedings against all organs of state in a uniform manner).
- (h) Promotion of Equality and Prevention of Unfair Discrimination Amendment Act, 2002 (Deals with the designation of presiding officers to enhance the independence of the judiciary).
- (i) Promotion of Access to Information Amendment Act, 2002 (Deals with the designation of presiding officers to enhance the independence of the judiciary).
- (j) Promotion of Administrative Justice Amendment Act, 2002 (Deals with the designation of presiding officers to enhance the independence of the judiciary).
- (k) Insolvency Second Amendment Act, 2002 (Improves the position of workers when their employers become insolvent).
- (l) Administration of Estates Amendment Act, 2002 (Addresses the concerns raised by the Constitutional Court in terms of which certain discriminatory provisions of the Black Administration Act, 1927 and certain regulations made thereunder, dealing with the administration of deceased estates of Black persons, were declared to be inconsistent with the Constitution).
- (m) Regulation of Interception of Communications and Provision of Communication Related Information Act, 2002 (Brings the legislation dealing with the interception and monitoring of communications that has a bearing on serious crime into line with the latest communications technology).
- (n) Judicial Matters Amendment Act, 2002 (Deals with numerous ad hoc technical amendments to a wide range of different Acts of Parliament which are administered by the Department).
- (o) Judicial Matters Amendment Act, 2003 (Provides for the establishment of a Chief Master of the High Courts and empowers the Minister to determine policy regarding the appointment of trustees, liquidators and similar functionaries in insolvency-related matters).

The Minister, during the course of this period, had to attend to official duties abroad. The following countries were visited:

- Spain – Attend and participate in World Jurist Association Conference on Terrorism from 13 – 17 April 2002;
- Sweden (Stockholm) – Attend as South African Representative: International Forum on Truth Justice and Reconciliation from 22 – 24 April 2002;
- Italy (Rome) – Attend and participate in International Bar Association Affiliate Meeting from 14 – 17 June 2002;
- Luxembourg - Conference on Interaction between the difficult jurisdictions in Europe on promotions from 17 – 24 June 2002;
- London – Visit the Scorpions Cadets who were on training in the Scotland Yard on 25 June 2002;
- The Netherlands – Official opening of the International Criminal Court from 10 – 13 March 2003;
- Indonesia - Courtesy visit on invitation of the Minister of Justice of Indonesia from 17 – 22 March 2003; and
- United Kingdom (London) - to give a keynote address at the Human Rights Day Celebrations from 22 – 25 March 2003.

Part 1 - General Information

The Deputy Minister, at the request of the Minister, visited the following countries:

- Mauritius - SADC Legal Sector Ministers' Extraordinary Meeting from 7 – 9 April 2002;
- USA - World Summit for Children in New York from 5 – 11 May 2002;
- Zambia - SADC Legal Sector Meeting of Ministers from 27 – 29 May 2002;
- Canada - The World Bank and United Nations Environmental Programme in Montreal from 13 – 16 June 2002;
- Canada - South Africa Justice Linkage Strengthening Programme in Ottawa from 2 – 6 February 2003; and
- Ethiopia - Adoption of the Draft Protocol on the Rights of Women in Africa, in Addis Abba from 27 – 28 March 2003.

3. MISSION STATEMENT

Our mission is to uphold and protect the Constitution and the rule of law. We are accountable to the public and the state, in rendering accessible, fair, speedy and cost-effective administration of justice, in the interests of a safer and more secure South Africa.

We will achieve this by:

- promoting constitutional democracy;
- providing appropriate legal and legislative services; and
- the sound management of courts and alternative dispute resolution mechanisms.

4. 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 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 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:

- 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 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.
- National Prosecuting Authority 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.



Adv Vusi Pikoli

Director-General: Department of Justice and Constitutional Development



PART two



Part 2 - Programme Performance



1. VOTED FUNDS

	Main Appropriation	Adjusted Appropriation
Amount to be appropriated	R 4 092 947 000	R 4 251 826 000
Statutory appropriations	R 154 318 000	R 154 318 000
Responsible Minister	Minister for Justice and Constitutional Development	
Administering Department	Department of Justice and Constitutional Development	
Accounting Officer	Director-General: Justice and Constitutional Development	

2. AIM OF THE VOTE

The aim of the Department of Justice and Constitutional Development is to uphold and protect the Constitution and the rule of law and to render accessible, fair, speedy and cost-effective administration of Justice, in the interests of a safer and more secure South Africa. The Department is furthermore duty-bound to contribute to a society based on democratic values, social justice, fundamental human rights and improving the quality of the lives of our people. To this end the Department, in particular, recognises its responsibility in the fight against crime.

3. KEY OBJECTIVES, PROGRAMMES AND ACHIEVEMENTS

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 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 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:

- Administration provides for the overall policy and organisational management of the Department.
- Administration of Courts provides a responsive, modern and cost-effective court services to all court users, thereby creating an environment conducive to the fair and efficient administration of justice, in which the rule of law is upheld; included herein is the establishment and maintaining of the system of courts and the supporting of their management and administration.
- State Legal Services provides legal and legislative services to Government and facilitates constitutional amendments as well as the administration of estates, liquidation of companies, and the supervision of the administration of trusts and property of minors deposited in the Guardian's Fund and that of persons under curatorship.
- National Prosecuting Authority 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.

In relation to the above, the Department has achieved the following:

- Underpinning the commitment to improved service delivery and enhanced operational capabilities to provide swift, effective, accessible and efficient justice; the Minister noted key objectives of the Department in the Medium-Term Strategic Framework. Important are: institutional, systemic and structural realignment, improvement of courts infrastructure, institutional, systemic and structural realignment of court and case management and automation, transformation of the

Part 2 - Programme Performance

legal profession and judiciary, establishment of specialised courts and alternative dispute resolution, a restructuring of the maintenance system and improvement of the prosecuting system.

- To improve service delivery the Department's structure was realigned in 2000, leading to the formation of business units, the establishment of a Board of Directors and the transfer of prosecutors to the National Prosecuting Authority (NPA) in 2001. During 2002, corporate governance was enhanced through the further restructuring of the Business Units. The outcomes include greater cohesion regarding strategic matters, in particular relating to aspects such as budgeting and accountability through committees such as the Audit Committee, Remuneration Committee and Budget Review Committee.
- Additional funds were also allocated over the medium term for the establishment of a Public Private Partnership (PPP) to administer monies held by the Department in trust.
- In 2003/04 financial year, the Department will focus on the automation of the Masters' Offices and the Guardian's Fund in particular.
- The promotion of sound international cooperation in criminal matters has led to improved relations with other countries and their law enforcement agencies. In 2000, South Africa became a signatory to the Rome statute on the International Criminal Court.
- The Department continues to increase the accessibility to courts by creating additional facilities and upgrading existing accommodation, especially in previously disadvantaged areas. As an interim measure the Department makes use of temporary court structures and mobile courts. Particular emphasis is being placed on improving access of disabled people to the courts. The infrastructure allocation has been increased over the next three years. Additional funds have specifically been provided for physical security at courts, an integral part of the upgrading of the facilities.
- The re-engineering of court and case management, an integral part of the National Crime Prevention Strategy and also the focus of the Justice, Crime Prevention and Security (JCPS) cluster strategy, continues to lead to improved cooperation between the departments which comprise the Integrated Justice System (IJS) and to heighten the emphasis on modernising IJS service delivery methods. In relation to the Department, the 2002 and 2003 priorities of the IJS, whilst

focusing on promoting excellence in criminal justice system service delivery, continues to be to increase the efficiency of the courts, especially regarding the handling of sexual offences crimes and addressing the needs as well as promoting the rights of other vulnerable groups in dedicated equality courts, family courts, maintenance courts, child justice courts and small claims courts. The Department has consequently devised initiatives to raise the efficiency of the court system through improved case flow management (thereby reducing case cycle time), more effective use of court resources and court management information, increased diversion of offenders from criminal justice system processing, especially for child offenders; the appropriate use of plea and sentencing bargaining and the increased use of alternative dispute resolution processes for civil matters.

- The Department is continuing with the recruitment of Court Managers to take over the administrative functions of the Magistrates as a result of the decision to separate administrative and judicial functions. To align this and various pilot projects regarding different aspects of court administration, the Department initiated the Re aga boswa overarching project. This deals with the decentralisation of authority and delegations to the various courts and includes a general service delivery plan. Part and parcel of the various projects included under the service delivery plan, is the continuation of the Operations Room for the monitoring of case flow management during the past financial year. The development of a Management Information System for courts, in order to identify blockages and devise solutions to accelerate case flow, is also continuing. From these initiatives it is clear that the courts are currently working longer hours. As a result the number of cases finalised in courts has also increased since 2000 and the average conviction rate has improved significantly. To decrease the case backlogs in the courts, Saturday Courts and Additional Courts were instituted. In the period since its inception in 2001, the following successes have been achieved in this regard: 2001 – 14 884 cases finalised; in 2002, 29 383 cases and for the first six months of 2003, 8788 cases; bringing the total to 53 055. The average court hours in these courts are an impressive 5.11 hours. A substantial additional allocation over the next three years has been made for the further improvement of court services.
- In line with IJS priorities for 2003 and beyond, the needs of vulnerable groups will remain a focus and the Department will strengthen measures relating to child maintenance, sexual offences and children's courts. Additional funds allocated in the 2003/04 Budget have been

Part 2 - Programme Performance



earmarked for the protection of vulnerable groups. The promotion of the Child Justice Bill is receiving urgent attention, whilst the review of the childcare legislation is also being fast-tracked. In anticipation of the new legislation, the development of integrated One-Stop Child Justice Centres has started and will continue into the future. The Children's Bill, of which a major part is allocating additional powers and jurisdiction to children's courts in order to protect children, has been approved by Cabinet and has been submitted to Parliament. Attention is also being given to implementing a family court blueprint for dealing comprehensively with family matters at lower court level and strengthening the pilot Family Courts in preparation for countrywide roll-out. A specialised Family Court structure and extended Family Advocate services are priority areas for the Department.

- Another major focal point is child maintenance and efficiency gains in this regard are aimed at removing families from the poverty trap. The Department is currently recruiting dedicated Maintenance Investigators as part of a comprehensive review of the current maintenance system. The Department also continues to establish additional dedicated Specialised Sexual Offences Courts, of which there are currently more than forty (40).
- A key objective for 2002 was to broaden access of the indigent to justice through the Legal Aid Board's (LAB) Justice Centres and Public Defenders. Twenty six Justice Centres have been established to date and an additional twenty three are currently being established. By the end of 2004 the LAB will have a national network of approximately sixty Justice Centres.
- The establishment of the National Prosecution Authority (NPA) in 1998 transformed the management and functioning of the prosecution service. All the offices of the former Attorneys-General were amalgamated into a single organisation headed by the National Director of Public Prosecutions and in 2000 a new management structure of Chief Prosecutors was created for the lower courts and a system of performance targets established. Conviction rate targets have been met and, jointly with Court Services, efforts have resulted in an increase in the number of cases finalised. However, the increasing number of new cases in the courts provides a continuing challenge in the effort to keep backlogs under control. In 1999, the NPA established new specialist units, such as the Specialised Commercial Crimes Unit to improve the investigation, prosecution and adjudication of commercial crime and the Sexual Offences and Community Affairs

Unit (SOCA) to empower prosecutors in the fight to end violent crimes against women and children.

- In order to combat organised crime the Directorate of Special Operations (DSO) and the Asset Forfeiture Unit (AFU) were established. The DSO, also known as the Scorpions, was only legally created in 2001 in terms of the Act, although it initially operated under the auspices of the former Investigating Directorates. The DSO pioneered a new methodology in South Africa, the so-called troika approach which combines investigation, prosecution and crime analysis. The DSO succeeded in obtaining the first convictions ever for racketeering in South Africa. Coupled with the DSO's success in high profile cases involving urban terrorism in the Western Cape and in other cases, public confidence in the organisation's ability to impact on crime in South Africa has grown. Money laundering and racketeering are the new focus areas of the DSO. Likewise, the AFU has enjoyed a success rate of over 91% since 1999. It is ensuring that the powers in the Act, to seize criminal assets, are used to maximum effect in the fight against crime and particularly organised crime.

4. PROGRAMME PERFORMANCE

Programme 1 - Administration

Aim:

Administration concerns the development of departmental systems, strategies and policies. It includes human resource, communications and financial management and other central support services, as well as policy formulation by the Ministry and the Chief Executive Officer. Administration also provides for researching, preparing and promoting of legislation that relates to the Department's functions. Also included in this programme are the advisory and drafting services to relevant parliamentary committees, particularly those concerning changes to the Constitution and the numerous Acts of Parliament, the administration of which are the Department's responsibility. Programme 1 also deals with promoting, maintaining and developing the Constitution and its values by researching, developing and promoting appropriate legislation.

Programme policy development:

The Department of Justice and Constitutional Development has worked in close cooperation with its partners in the Integrated Justice System to develop solutions to weaknesses in the justice system. This has led to projects aimed at modernising the administration of justice and

Part 2 - Programme Performance

transforming both the nature and delivery of the Department's services. Key developments include the following:

- Modernising systems, including financial, administrative and management systems, such as the new Masters' financial, administration
- Introducing measures to ensure that all outstanding financial transactions are processed by April 2003
- Re-engineering the budget management processes, including planning processes, through the Justice Footprint Project that will model and cost the delivery of all services by January 2003.
- Strengthening the internal audit component, which is directly monitored by an Audit Committee, by extending an arrangement with the private sector institutions to develop the capacity of component staff.
- Promoting and maintaining an anti-corruption and fraud strategy that includes a risk assessment component and a fraud prevention plan, and embarking on a significant forensic audit by April 2002.
- Developing mechanisms for assessing and improving performance, such as broadening the focus on service delivery through service level agreements.
- Implementing new legislation dealing with access to information and other constitutional rights.
- Transforming and improving the legal professions while seeking to reconcile independence with public accountability (to be supported through legislation by the end of 2002)
- Continuing to implement measures to remove bottlenecks in the IJS and dealing with the backlog of cases.



Part 2 - Programme Performance

for the year ended 31 March 2003

OUTPUTS AND SERVICE DELIVERY TRENDS

Sub-programme	Outputs	Outputs performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
LEGISLATIVE AND CONSTITUTIONAL DEVELOPMENT				
Chief Directorate: Legislative Development				
	Implementation of the Constitution and its values	<p>Increased representivity in legal professions</p> <p>Reduction in number of bodies in control of legal professions</p> <p>Less complaints regarding jurisdiction of courts</p> <p>Increased number of persons exercising their constitutional rights</p> <p>Reduction in number of complaints</p>	<p>Promote legislation to rationalise and regulate the legal professions and the structure and functioning of the courts</p> <p>Promote legislation to regulate the appointment requirements of magistrates, the remuneration and benefits of judicial officers and to create a mechanism to deal with complaints against members of the judiciary</p> <p>Promote amendments to further implement the legislation dealing with the right of access to information, the right to administrative justice and the right to equality</p>	<p>Discussions between the Chief Justice, representatives of the Department and other key role-players on legislation dealing with the superior courts, have reached an advanced stage and a Superior Courts Bill is being finalised with the view to introducing it into Parliament by August 2003</p> <p>Legislation dealing with the remuneration and benefits of judicial officers has been approved by the National Assembly and legislation dealing with the appointment requirements of magistrates and the complaints mechanism is at an advanced stage in the Portfolio Committee on Justice and Constitutional Development</p> <p>Amendments to the Promotion of Access to Information Act, 2000, the Promotion of Administrative Justice Act, 2000, and the Promotion of Equality and Prevention of Unfair Discrimination Act, 2000, were approved by Parliament during 2002. The comments of role-players on a draft notice for</p>

Part 2 - Programme Performance



				<p>purposes of the exemptions contemplated in section 22(8) of the Promotion of Access to Information Act, 2000, have been obtained. Amendments to the draft rules contemplated in section 79 of the same Act as approved by the previous Rules Board have been formulated and submitted to the new Rules Board. Sections 4 and 10 of the Promotion of Administrative Justice Act, 2000, commenced on 31 July 2002. Comments of role-players on the draft Code of Good Administrative Conduct have been obtained and are being evaluated. Draft regulations on the promotion of equality have reached an advanced stage. The draft regulations on the prevention of unfair discrimination have been finalised and must still be translated into isiZulu. Arrangements for the implementation of the provisions dealing with the prevention of unfair discrimination have reached an advanced stage</p>
			<p>Promote Legislation regulating appeals in criminal cases from the lower courts to give effect to a judgment of the Constitutional Court</p>	<p>Draft legislation was submitted to Parliament and is at an advanced stage in the Portfolio Committee on Justice and Constitutional Development</p>
			<p>Promote legislation regulating crossing the floor in legislatures</p>	<p>Draft legislation was submitted to Parliament and legislation was approved by Parliament in 2002 and at the beginning of 2003</p>

Part 2 - Programme Performance

	<p>Transformation of the legal system</p>	<p>Increase in number of women sharing in a more equitable distribution of pension benefits</p> <p>Increase in number of accused persons being tested for HIV</p> <p>Less complaints relating to the prohibition on the publication of divorce proceedings</p> <p>Less complaints by members of the public in maintenance and insolvency-related matters</p> <p>Increased recovery of assets from insolvent estates</p> <p>Fewer shortcomings in legislation</p> <p>Reduction in industrial action as a result of liquidation of companies</p>	<p>Promote amending legislation on the sharing of pension benefits by divorced persons and the publication of divorce proceedings</p> <p>Promote legislation relating to the compulsory HIV testing of alleged sexual offenders and evaluate the proposals of the SA Law Reform Commission on the creation of statutory offences aimed at harmful HIV-related behaviour</p> <p>Revise the Domestic Violence regulations</p> <p>Revise the regulations in terms of the Maintenance Act, 1998</p> <p>Investigate civil execution in maintenance matters</p> <p>Promote legislation dealing with the review of the Law of Insolvency, as well as interim measures aimed at the protection of employees when their employers are declared insolvent</p>	<p>Draft legislation on these two matters has reached an advanced stage and will be submitted to Parliament as soon as other areas of priority have been attended to</p> <p>Draft legislation has been submitted to Parliament and has been referred to the Portfolio Committee on Justice and Constitutional Development. Recommendations have been made to the Minister on the creation of a statutory offence dealing with harmful HIV related behaviour</p> <p>Proposed amendments to the regulations are being evaluated</p> <p>Comments of selected role-players have been obtained and draft amendments are in the process of being prepared</p> <p>A committee has been appointed for this purpose and draft regulations are being prepared</p> <p>Draft legislation dealing with the review of the Law of Insolvency has been approved by Cabinet and is being prepared by the State Law Advisers for introduction into Parliament</p> <p>Two Insolvency Amendment Bills dealing with the protection of employees were approved by Parliament in 2002</p>
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Part 2 - Programme Performance

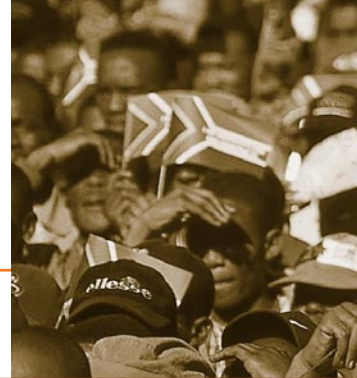


			<p>Promote legislation dealing with numerous ad hoc amendments to numerous Acts of Parliament</p> <p>Promote legislation regulating the re-admission of persons on the roll of attorneys and advocates who were removed from the roll due to their opposition to the previous regime</p> <p>Review the prescribed amounts determined in terms of legislation administered by the Department</p>	<p>A Judicial Matters Amendment Bill was approved by Parliament in 2002</p> <p>Legislation giving effect to this was approved by Parliament in 2002</p> <p>The applicable legislation has been identified and a draft policy is being prepared</p>
Improvement of the criminal justice system	<p>More cases disposed of successfully</p> <p>Improved services to victims of crime</p> <p>Less juveniles in prison</p> <p>Increase in instances of corruption being exposed</p> <p>Fewer problems in surrendering fugitives</p> <p>Increase in prosecutions relating to human rights abuses</p> <p>Reduction in organised crime</p> <p>Increased community participation</p> <p>Increase in number of experts willing to participate in the criminal justice system</p>	<p>Promote legislation dealing with sexual offences</p> <p>Promote legislation dealing with a new criminal juvenile justice system</p> <p>Promote legislation dealing with the right of the prosecution to appeal on questions of fact</p> <p>Implement legislation regulating the use of lay assessors in criminal cases in lower courts</p> <p>Review the current witness fees</p>	<p>Legislation is being finalised with the view to submitting it to Parliament by August 2003</p> <p>A Child Justice Bill has been submitted to Parliament and has been referred to the Portfolio Committee on Justice and Constitutional Development</p> <p>Draft legislation is receiving attention for submission to Parliament as soon as the Parliamentary programme allows</p> <p>Two magisterial districts have been identified as pilot sites for implementation. Draft regulations have been finalised for submission to the Minister</p> <p>Amendments to the regulations prescribing witness fees have been formulated. A costing thereof is under way</p>	

Part 2 - Programme Performance

			<p>Review the current categories of persons qualified as intermediaries for child witnesses</p> <p>Implement legislation further regulating the Directorate: Special Operations</p> <p>Promote legislation to deal with corruption</p> <p>Promote legislation giving effect to the Rome Statute on the International Criminal Court</p> <p>Promote legislation regulating the interception and monitoring of communications</p>	<p>The review of categories of persons qualified as intermediaries has been successfully completed</p> <p>Draft regulations have been formulated by the NDPP</p> <p>A Prevention of Corruption Bill has been submitted to Parliament and has been referred to the Portfolio Committee on Justice and Constitutional Development</p> <p>Legislation giving effect to the Rome Statute was approved by Parliament in 2002. Regulations facilitating the implementation of this Act were published</p> <p>Legislation was approved by Parliament in 2002 regulating anew the interception and monitoring of communications</p>
	Improvement in access to justice	<p>Fewer cases in courts relating to international disputes</p> <p>More cases of arbitration</p> <p>Less delays in finalising disputes</p> <p>Fewer complaints from the public</p> <p>Decrease in litigation relating to contracts</p> <p>Decrease in litigation regarding periods within which to institute proceedings against organs of State</p>	<p>Promote legislation dealing with international and domestic arbitration</p> <p>Increase of amounts determined in terms of the Criminal Procedure Act, 1977</p>	<p>Draft legislation on these matters has reached an advanced stage and will be submitted to Parliament as soon as other areas of priority have been attended to</p> <p>Numerous amounts prescribed under the Criminal Procedure Act, 1977, have been increased with the view to expediting the finalisation of criminal cases and maximising the admission of guilt procedures</p>

Part 2 - Programme Performance



		Fewer cases in lower courts	<p>Implement legislation regulating debt collectors</p> <p>Implement legislation further regulating the appointment of more than one sheriff in a particular area</p> <p>Promote legislation dealing with unreasonable and oppressive contracts</p> <p>Promote legislation regulating the institution of legal proceedings against organs of State</p> <p>Accelerate the development of rules for courts of law</p>	<p>The Debt Collectors Act, 1998, was implemented at the beginning of 2003</p> <p>Draft rules are ready for submission to the new Rules Board</p> <p>Draft legislation on this matter has reached an advanced stage and will be submitted to Parliament as soon as other areas of priority have been attended to</p> <p>Legislation regulating the institution of legal proceedings against organs of State was approved by Parliament in 2002</p> <p>Proposals for a restructured Rules Board for Courts of Law have been prepared. A prioritised rules revision programme has been prepared</p>
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CHIEF DIRECTORATE: CONSTITUTIONAL DEVELOPMENT AND CHAPTER 9 INSTITUTIONS

Directorate: Chapter 9 Institutions

	To enhance the independence and effectiveness of Chapter 9 Institutions	Communication channels enhanced between Chapter 9 Institutions and the Department	<p>Write letters to Chapter 9 Institutions advising them of the establishment of the Chief Directorate</p> <p>Set up consultation meetings with Chapter 9 Institutions</p>	<p>Letters written to all Chapter 9 Institutions informing them of the existence of the Chief Directorate</p> <p>Milestone meeting held with relevant Chapter 9 institutions outlining the purpose of the Directorate</p>
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Part 2 - Programme Performance

		<p>Reduction in number of complaints from Chapter 9 institutions relating to budgets and increased control over budget and expenditure</p> <p>Finalisation of the Report of the Ad Hoc Joint Sub-Committee on Oversight and Accountability</p> <p>Increase in number of reports and recommendations of Chapter 9 Institutions dealt with</p>	<p>Develop proposals to enhance the budgetary process of Chapter 9 Institutions</p> <p>Workshop held with relevant stakeholders to discuss the findings of the Report by the Ad Hoc Joint Sub-Committee</p> <p>Review content and format of reports against administrative and statutory requirements</p> <p>Review existing mechanisms</p> <p>Identify shortcomings in existing procedure with reference to enabling legislation, other statutory provisions, administrative directives and parliamentary process</p> <p>Engage in consultative meetings with institutions and Parliamentary bodies</p>	<p>Bi-lateral meetings held with relevant Chapter 9 Institutions to identify problems experienced with the budgetary process</p> <p>Letter written to the Speaker of the National Assembly offering assistance in arranging the workshop with relevant stakeholders to discuss the findings of the Report and determine a way forward</p> <p>Awaiting the finalisation of the Report of the Ad Hoc Joint Sub-Committee on Oversight and Accountability</p>
DIRECTORATE: CONSTITUTIONAL DEVELOPMENT				
	<p>Development and implementation of the Constitution and its values</p>	<p>Increased funding for the SA Human Rights Commission</p> <p>Increased number of investigations by the SA Human Rights Commission</p>	<p>Promote and promulgate legislation to enhance the effectiveness of the SA Human Rights Commission</p>	<p>Draft legislation providing for the appointment of acting members of the SA Human Rights Commission and the establishment of a Human Rights Fund has been prepared. At the</p>

Part 2 - Programme Performance



				request of the SA Human Rights Commission the introduction of the legislation into Parliament is being held in abeyance
		Reduction in constitutional litigation	Review a need for the establishment of a structure to facilitate and manage the implementation of the Constitution	Draft letters to the former members of the Technical Constitutional Working Group (TCWG), inviting their comments on the need to revive that structure, are being finalised
		Increased number of values of the Constitution implemented	Facilitate and manage the implementation of the Constitution	An audit of outstanding legislation required by the Constitution to be enacted is being conducted
		Increased number of persons exercising their constitutional rights	Render guidance regarding the implementation of the Constitution	Ongoing
		Reduction in the number of problems relating to the implementation of the Constitution	Administer legislation arising from non-specific constitutional provisions	Ongoing
		Increased number of laws emanating from the Constitution	Investigate and evaluate proposed amendments to the Constitution	Constitutional amendments addressing financial crises in municipalities and changing the name of the "Northern Province" to "Limpopo" were passed by Parliament at the beginning of 2003
			Review Constitution to accommodate new developments	In the process of identifying areas for consideration and evaluation with the view to reviewing the Constitution
			Promote amendments to the Constitution to regulate "crossing-the-floor"	Constitutional amendments regulating "crossing-the-floor" were passed by Parliament in 2002 and at the beginning of 2003

Part 2 - Programme Performance

			Promote legislation to enhance the independence of Chapter 9 Institutions	Legislation to further regulate the appointment of the Deputy Public Protector has been introduced into Parliament
COURT SERVICES				
National Inspectorate				
	The purpose of this Division is to promote efficient work performance and service delivery in the Department by means of regular and coordinated quality assurance assessments	The execution of physical work performance quality assurance assessments at National Office, Regional Offices and sub-offices on an ad hoc basis. The conducting of judicial quality assurance assessments at court houses in the clusters. The handling of miscellaneous legal tasks. The rendering of training. The Division is also responsible to coordinate and investigate all corruption and fraud related matters within the Department reported via the hotline.	Sub-offices assessed Organisation and establishment investigations Ad hoc investigations carried out (Criminal activities, Mal-administration, etc.) Ad hoc tasks finalised Legal opinions and advice to the Department Number of Hotline reports	94 133 61 773 340 255
Chief Directorate: Security Management				
	Safeguarding and protection of Court Houses, Masters' Offices, Shared Services Centres, Information, Assets, Staff Members, Prisoners and all members of the public who have access to DOJ offices	129 Offices were allocated with a guarding service provided by private security companies. A total of 481 employment opportunities were created by this Public Private Partnership	129 Offices on tender RT 1288 MD	14 Additional Offices on a quotation basis. The actual total of 143 offices were provided with guarding services
	Installation of physical security measures at the private residences of 32 members of the judiciary in the Western Cape	As a result of the continuous dramatic incidents which heightened the sense of many court officials that the court house is no longer a safe place, 32 houses of members of the judiciary were installed with full packages of physical security measures in the Western Cape	32 Private residences of members of the Judiciary	30 Private residences were installed with physical security measures

Part 2 - Programme Performance



	Safe transit of trust funds such as court bail, court fines, maintenance and estate monies to and from banks	184 Offices country wide were provided with a cash-in-transit services from private security companies	184 Offices provided with a cash-in-transit service.	24 Additional offices were provided with a cash-in-transit service on a quotation basis The actual total of 208 offices were provided with a cash in transit service
	Supply and installation of X-Ray units at court houses	43 X-Ray units were supplied and installed in various court houses	42 X-Ray Units.	43 X-Ray Units
	Response and reaction to activated intruder alarms when activated in various court houses equipped with these electronic devices	136 Alarm systems installed at offices must be monitored	136 Alarm Systems monitored	136 Alarm Systems were monitored
	Allocation of a vehicle for the in-transit protection of Judge President Hlope	One vehicle was purchased and supplied to Judge President Hlope of the Western Cape High Court for purposes of in-transit protection	One vehicle	One vehicle

DIRECTORATE: ACCOMMODATION & FACILITIES

Major Works (Services in excess of R5 million each):

	Building projects completed ,i.e. new buildings/ additions to buildings/ installations at buildings	Eight (8) projects/ new buildings completed	Nine (9)	Eight (8)
	Projects in construction	Fourteen (14) projects in construction	Fourteen (14)	Fourteen (14)
	Projects in planning	Thirteen (13) projects in planning	Thirteen (13)	Thirteen (13)
	Repair and Maintenance Programme (RAMP)	Twenty two (22) services went out on tender	Twenty one (21)	Twenty two (22)

Part 2 - Programme Performance

Minor Works (Services not exceeding R5 million each):				
	Building projects completed	One hundred and five (105) completed	105	105
	Projects in construction	Seventy seven (77) projects in construction	80	77
	Projects in planning	One hundred and sixty (160) projects in planning	170	160
Other services:				
	Community Safety Centre Programme	None completed	Nine (9)	None
	Specialised Commercial Crime Courts	Johannesburg completed Durban, PE, Cape Town and Germiston in planning	One (1)	One (1)
	Facilities for the physically challenged	Accessibility of magistrates' offices — 280 fully accessible and 175 partially accessible	500	455
STATE LEGAL SERVICES				
Legal Process				
	Advise the President, Minister and Director-General on applications for pardon or reprieve in terms of the Constitution	Ensure minimum time delay in investigation, preparation and submission of applications	Facilitate all applications received	1059 applications finalised
	Advise the Minister on applications for exemption from the prohibition of military training and possession of arms in terms of the Criminal Law Second Amendment Act, 1992	Ensure minimum time delay in investigation, preparation and submission of applications	Facilitate all applications received	17 applications finalised
	Advise the President, Minister and Director-General on the appointment of commissions of inquiry in terms of the	Ensure that all legal requirements are met and commissions are appointed. Ensure timely advice to the relevant authorities	Facilitate all applications received	1 commission appointed

Part 2 - Programme Performance



	Commissions Act, 1947.			
	Advise the Minister on petitions received for re-opening of criminal proceedings on the basis of new evidence, in terms of section 327 of the Criminal Procedure Act, 1977	Ensure minimum delay in investigation, preparation and submission of petitions	Facilitate all applications received	3 requests received. All three are still under consideration
	Advise the Minister on requests to refer a question of law to the Supreme Court of Appeal in terms of section 333 of the Criminal Procedure Act, 1977	Ensure proper, well researched and drafted submissions to the Minister	Facilitate all applications received	1 request received. Minister approved the request Request will be decided on by the Supreme Court of Appeal

International Affairs

	Negotiation of extradition and mutual legal assistance in criminal matters treaties	Set up extradition and mutual legal assistance in criminal matters arrangements with countries	<p>South Africa to sign extradition and mutual legal assistance treaties with the following countries: Zambia, Argentina, Hungary, Namibia, Hong Kong and Brazil</p> <p>Ratification of mutual legal assistance treaty with China</p> <p>Department to set up negotiations for the conclusion of extradition and mutual legal assistance treaties with various countries</p> <p>Conclude treaties with the following countries: Egypt, Algeria, Nigeria and China</p>	<p>Dates for the signing of the treaties must still be determined</p> <p>Submitted to Parliament</p> <p>Chile, Peru and Uruguay under consideration</p> <p>South Africa ratified the extradition agreements</p>
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Part 2 - Programme Performance

			<p>Conclude mutual legal assistance with the following countries: Egypt, Algeria, Nigeria and France</p> <p>Southern African Development Community multilateral treaties to enter into force</p>	<p>South Africa ratified the mutual legal assistance in criminal matters treaties</p> <p>Southern African Development Community protocols on extradition and mutual legal assistance in criminal matters were signed by Summit and are to be ratified by South Africa. Will enter into force as soon as two-thirds of member States have ratified</p> <p>African Union Convention on extradition finalised, but must still be approved by Council of Ministers</p> <p>Council of Europe's Convention on extradition entered into force</p>
International Affairs (Other Initiatives)				
	In pursuance of the Council of Europe's Convention on cybercrime, signed on 23 November 2001, the Department is consulting with relevant departments to identify legislation that needs to be developed, whereafter the Convention will be submitted to Parliament for ratification	Combat cybercrime	Convention to be implemented	Under consideration by the Department
	Processing of requests for extradition, mutual legal assistance and service of processes	<p>Process extradition requests</p> <p>Process mutual legal assistance requests</p>	<p>Facilitate all requests for extradition</p> <p>Facilitate all requests for mutual legal assistance</p>	<p>17 requests finalised</p> <p>220 requests finalised</p>

Part 2 - Programme Performance



		Dispose service of process requests	Facilitate all requests for service of process	112 requests finalised
	Processing of reciprocal enforcement of foreign maintenance orders Payments of child maintenance	Ensure that reciprocal maintenance orders are enforced in the shortest possible time	Facilitate all requests for maintenance orders	495 cases ongoing 164 cases received 3 cases closed
	African Union: South Africa to host the 31st Ordinary Session of the African Commission on Human and Peoples' Rights	Demonstrate South Africa's commitment to the promotion and protection of human and peoples' rights and raise awareness regarding the African Human Rights Systems	Hosting of the 31st Ordinary Session of the African Commission on Human and Peoples' Rights	South Africa hosted the 31st Ordinary Session of the African Commission on Human and Peoples' Rights in May 2002
	African Union: South Africa to ratify the protocol and establish the African Court on Peoples' and Human Rights	Take active part in the establishment of the African Court on Peoples' and Human Rights	Participating in the functioning of the African Court on Peoples' and Human Rights	Ratification of the protocol completed. South Africa's call for the submission of the outstanding instruments to ensure the ongoing operation of the African Court on Peoples' and Human Rights
	African Union: South Africa to prepare the First Periodic Country Report on the African Charter on Human and Peoples' Rights	Take active part in the preparation of the First Periodic Country Report on the African Charter on Human and Peoples' Rights	Finalisation of the First Periodic Country Report	Report finalised and presented to the Director-General's Social Cluster
	Commonwealth: Attendance of the Commonwealth Law Ministers' meeting held in St Vincent and Grenades during November 2002	Promote the values of the Commonwealth	Effective participation during the meeting and influencing quality decisions during the meeting	Minister was appointed to chair a meeting of a small group of ministers to reconsider one of the outstanding issues
	Drafting of an interim report on the National Action Plan for the promotion and protection of human rights pertaining to the Justice mandate	Promote and protect human rights	Implementation of the National Action Plan by government departments	Consultations were held with government departments to ensure the National Action Plan is being carried out

Part 2 - Programme Performance

	International Criminal Court to be located at the Hague, Netherlands. South Africa to promulgate the implementation legislation	<p>Passing South African implementation legislation</p> <p>Establishment of the International Criminal Court</p>	Completion and adoption of outstanding instruments of the International Criminal Court, including the definition of the crime of aggression	Outstanding instruments of the International Criminal Court completed and adopted by the First Meeting of the Assembly of State Parties. Court inaugurated on 11 March 2003
Directorate: Law Enforcement				
	Advise the Minister and the Director-General of Justice and Constitutional Development on civil litigation and related matters on behalf of and against the Minister, the Director-General or officials of the Department	Ensure timely institution of legal proceedings or opposition to pre-proceedings or opposition to pre-proceedings instituted against the Minister together with proper instructions to the State Attorney	Attend to all civil litigation matters timeously	<p>193 civil claims received</p> <p>243 notices of motion applications received</p> <p>91 ad hoc matters received</p>
	Collect departmental debts by handling the process from the in mora stage until finalisation	Ensure effective debt collection	Reduce costs and minimum time delay in issuing legal processes and instructions	4 200 debt files. New system is being developed to keep better control
	Advise the Director-General on the recovery or writing off of losses of State funds and property and the finalisation of matters in terms of applicable delegations	Minimise losses to the State	Minimum time delay in the finalisation of the recovery and writing-off of losses to the State	<p>Recovered: R 975 057-25</p> <p>Written off: R 6 306 484-05</p>
	Advise the Director-General and finalise matters in terms of applicable delegations regarding the determination of liability of officials in the Department of Justice and Constitutional Development for losses of State funds and property, as well as legal costs	Minimise losses to the State	Attend to all determinations of liability assessments promptly	All matters received have been dealt with
	Advise the Minister on the appointment of peace officers in terms of the Criminal Procedure Act, 1977	Ensure minimum time delay in the finalisation of appointments of peace officers	Attend to all requests for appointing peace officers timely	3 peace officers appointed

Part 2 - Programme Performance



	Advise the Minister on the exercise of his powers in respect of estates of deceased black persons in terms of the Black Administration Act, 1927	Ensure minimum time delay in furnishing advice to the Minister	Finalise all legislative amendments timely	Black Administration Act and regulations are currently under review by the Department
	Advise the Minister on his power of approval of grants from the Attorneys Fidelity Fund in terms of the Attorneys Act, 1979	Ensure minimum time delay in furnishing advice to the Minister	Attend to all applications for grants in terms of the Attorneys Act timely	No applications for grants received
	Designate a magistrate to hold an inquest in terms of the Inquest Act, 1959 (approve appointment of assessors to assist in an inquest)	Ensure minimum time delay in the appointing of magistrates to hold inquests	Attend to all applications to hold inquests timely	28 designations made
	Estreating bail to the State under certain circumstances in terms of section 66 and 67 of the Criminal Procedure Act, 1977	Ensure minimum time delay in finalising entreated bail applications	Attend to all estreated bail applications timely	42 estreated bail applications finalised

PUBLIC EDUCATION AND COMMUNICATION SERVICES (PEC)

Promotion of Access to Information Act, Office of the Chief Director in the PEC Unit

	A structure in place to effectively deal with access to information	Design a new structure and have it approved. Obtain funding for approved structure	An approved funded structure	Work study to finalise the creation of posts Partially funded
	To effectively educate and communicate with internal staff with reference to the Promotion of Access to Information Act and how to deal with it	<ul style="list-style-type: none"> a. Briefing sessions b. Pamphlets c. Posters d. Written articles in internal newsletters e. Written articles in professional magazines 	<ul style="list-style-type: none"> 20 briefing sessions held 19 000 brochures distributed 2 000 posters distributed 2 articles in Hearsay 15 articles in external publications 	Achieved
	Effective user-friendly system that is adapted to our needs	Installation of an electronic and track record system, which will facilitate reporting progress	Compatible system in place that can be utilised with confidence Trained staff	Quotations received, funding to be obtained

Part 2 – Programme Performance

Compliance with Section 47 of the Act	To publish in the Government Gazette, in the form of a notice, the received information from stakeholders	Published advertisements	Achieved
Applications for exemptions	Receiving applications for exemption from submitting a manual to SAHRC from Private Bodies	84 applications received	6 were denied 1 granted – exemption granted for period of 5 years 77 awaiting decision from Minister
Applications for access to records	Receiving applications/requests for access to records from public and personnel	96 applications received	51 granted 16 denied 14 under search instructions 8 referred back to requestors for non-compliance 4 refused
Appeals	Appeal structure in place to ensure that the remedy is available to the requestor when access to records are denied	3 appeals received	In process
Section 32 report	Prerequisite of the Act is that public bodies submit a detailed report to the SAHRC once a year	1 report submitted to the SAHRC	Achieved
Section 14 manual	Prerequisite of the Act is that each public body has a manual on the contact details of the accounting officer, information officer, deputy information officer/s and the records being kept by that public body	1 manual submitted to the SAHRC Translated into 2 other languages	Achieved, to be updated annually
Section 15 list of voluntary information	Prerequisite of the Act that public bodies submit the section 15 list to the Minister for publishing in the Gov. Gazette	8 section 15 lists received, published in the Gov. Gazette	Achieved

Part 2 - Programme Performance

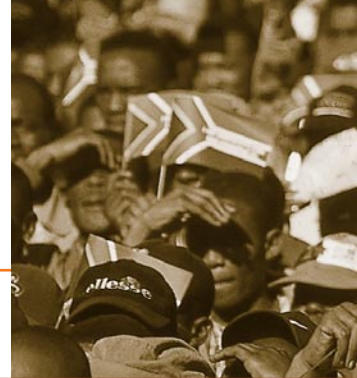


	Secretarial function to the management committee	The secretarial function to the management committee lies within the Access to Information Unit. The function was performed bi-weekly until April 2003, whereafter it's performed on a monthly basis	17 bi-monthly minutes (recording and transcription) 3 monthly minutes (recording and transcription)	Bi-weekly Monthly and ongoing
	Address pertinent concerns raised by private bodies	Organising a workshop on Promotion of Access to Information Act for public and private bodies	One workshop (17 February 2003) addressing various problems and concerns that have been experienced since the Act was promulgated	Achieved
Chief Directorate: Corporate Affairs				
	Corporate look and user-friendly reception area at National Office	Revamp the reception area at National Office to be more public-friendly	Furniture in reception area	Achieved during March 2003
	Establish Business Units/ PEC relationship	Conducting regular meetings with Masters and Court Services to determine their needs	Holding of regular meetings as and when needed, i.e Launch of the Masters Business Unit and Re Aga Boswa	Achieved
	Marketing and promoting the Department	Organise open court days	3 courts during 2002 22 Exhibitions undertaken throughout the country at events such as WSSD, Pretoria Show, Macufe Cultural Show, launching of MPCCs, new court buildings, Human Rights Day, World Aids Day, International Children's Day, Women's Day, Career Guidance in schools, open days of several academic institutions such as UNISA, University of Durban-Westville	Achieved
	Showcase of service delivery	Organising functions for Official Opening of Courts (New and refurbished court buildings)	Magistrates' Courts -Kroonstad, Queenstown, Peddie, Botshabelo, Mitchells Plain, Patensie and Ramsgate	Achieved

Part 2 – Programme Performance

	Meeting the needs of the Department and Business Units, i.e. organise functions, launches, workshops, conferences and seminars	Organising of functions /activities as & when required	Child Justice Bill, 31st Ordinary African Session, Effective Service Delivery through Judicial Decision-making, National Imbizo, Constitutional Focus Week	Achieved
	Sensitising officials on issues pertaining to domestic violence, maintenance and other areas of interest	Organise information sessions for staff – domestic violence and maintenance or any other area of interest	3 session in Gauteng on Domestic Violence and Maintenance	Achieved
	Building relations between management and staff	Organising welcome address for the DG	January 2003	Achieved
	Updating officials on important issues affecting them	Produce information leaflets/ newsflashes (electronic) informing officials about moving offices and other matters of interest	3 Newsflashes	Achieved
	Recognising service excellence	Organising activities taking place during Public Service Week	Officials participating in Public Service Week activities	Achieved
	Enhancement of quantity and quality of visual material	Purchasing corporate equipment – 1x Digital Camera	One digital camera bought to be used to take pictures at events for use in publications, such as Hearsay Newsletter, Annual Report and other magazines, such as Nokuphilar, Tribute, Equinox, JSE magazine, Opportunity, Progress Magazine, AFICAN Communication Magazine, African Leader Magazine, Pretoria News, Sowetan Newspaper, Acumen Magazine, SA Financial Journal, Global Trade, GCIS BUA Newsletter and other Government Departments' Newsletters	Achieved

Part 2 - Programme Performance



	Information dissemination of DOJCD events	Electronically distributed to all DOJCD, Govt Departments and GCIS	Regular updating of events calendar	Achieved
	Raising awareness on Justice-related matters	Distribution of Information to visitors to the World Summit and delegates from the SADC countries	445 000 copies of leaflets, flyers and posters	Achieved
	Raising awareness on Justice-related matters	Distribution of information to members of the public at the Pretoria Show	485 000 copies of leaflets, flyers and posters	Achieved
Chief Directorate: Community Legal Education				
	<p>Community outreach programmes in all Provinces: Informed and motivated communities; improved image of Department</p> <p>Specific awareness programmes relating to:</p> <ul style="list-style-type: none"> • Human Rights • Maintenance • Domestic Violence • Customary Marriages <p>Children aware of rights and procedures; to assist guardians to enforce their rights</p>	<p>Conduct information sessions with the NGOs</p> <p>Present workshops organised by NGOs at their communities</p> <p>Visits to schools to inform children of Maintenance and Domestic Violence procedures (Child Protection Week)</p> <p>Presentations to men at labour meetings on Domestic Violence and Maintenance; Recognition of Customary Marriages</p> <p>Outreach to be conducted in the previously disadvantaged areas with the marginalised communities, eg. women, children, the rural poor, etc.</p>	Three presentations per province per month	Achieved
	<p>Imbizos</p> <p>Direct community involvement, so that Ministers can showcase improvements made</p>	<p>Imbizo to be arranged through community leaders where the Ministers can meet with the communities face to face</p>	1 Imbizo to be held at Sebokeng	Achieved

Part 2 – Programme Performance

Marketing of Court Services: Community involvement with court procedures to achieve an effective system of justice	Arranging open court day to view: Intermediary services, Sexual offences courts and Family court	Five open days per year	Achieved
Identified needs of communities on a national basis with organisations involved in justice-related matters	Arranging information sessions with community leaders or organisations, with the purpose of ascertaining the community needs for that area	20 per province	Achieved
Provide legal information to the broad community, so as to uplift them and secure their participation in the process of justice	Updating the database on legal information, in many official languages, of the Department's priorities: - Maintenance - Bail - Human Rights - Sexual offences - Witness information - Domestic violence - Small claims courts - Family courts - Family courts	Documents up to date and available on demand	Achieved
Contact with organisations through mail / correspondence and providing material to them regularly	Develop a database of our partner agencies / organisations (NGOs, CBOs, MPCCs, Social workers and Advice centres)	List updated monthly	Ongoing
Visually stimulated and educated communities who are not afraid to take part in court proceedings, which will lead to more effective trials and an effective justice system	Develop and distribute Informational videos	Developing of two new videos: Domestic Violence and Court Procedure	Achieved
Promote user-friendly courts and access to information: Administration of donor-funded Ireland Aid CITIZEN'S ADVICE DESKS	Desks installed and functional audits completed	Additional two Citizen's Advice Desks per province	Achieved



Part 2 - Programme Performance

	<p>Informed communities Utilise radio programmes: Community radio - package relevant information suitable for this group SABC regional stations</p> <p>(Dominating languages in specified areas)</p>	<ul style="list-style-type: none"> - To educate the public about court services - To instil a respect for the rule of law - To educate on relevant legislation and how it can impact on their lives - Emphasis may also be on: Specialised courts 	<p>Every second week: Lesedi</p> <p>Weekly: Legwalagwala Phalaphala Thobela</p> <p>Occasionally: PM Live Motswedding Mhlobo wenene</p>	<p>Achieved</p>
	<p>Create awareness and educate on women's rights: Domestic Violence Act Maintenance Act Rape / Sexual Offences Legislation Human Rights – in general</p>	<p>Organise seminars or imbizos</p> <ul style="list-style-type: none"> - Celebrate internally 	<p>Actual celebrations in all the provinces in designated areas</p> <p>21 March: Human Rights Day (Western Cape)</p> <p>16 June: Youth Day (Eastern Cape)</p> <p>9 August: National Women's Day (Limpopo Province)</p> <p>24 September: Heritage Day (Gauteng)</p> <p>26 November: No Violence Against Women (Gauteng)</p> <p>10 Dec: International Human Rights Day (Gauteng)</p>	<p>Achieved</p>
Chief Directorate: Media Services				
	<p>Newspaper clipping service</p>	<p>News clippings daily</p>	<p>Daily</p>	<p>Daily</p>
	<p>Media trends: Strategic analysis of media news with the objective of servicing our principals</p>	<p>Repackage publications and improve on the design in line with our new logo</p> <p>Ensure timely and consistent delivery of the publication</p> <p>Informed target audience</p>	<p>Informed principals on the consequences of media coverage, both positive and negative and advise on possible action</p> <p>Weekly provision</p>	<p>Achieved and ongoing</p>

Part 2 - Programme Performance

	<p>Media enquiries: - Develop one-on-one relationships with members of the media</p>	<p>Exchange of information with the media Target a particular group of journalists who deal with justice-related issues Arrange for visits to discuss mutual needs Daily contact with the media Repackage fact sheets in a user-friendly way and share with the media Make ourselves available to respond to enquiries on time</p>	<p>More coverage of our issues and empowered relationship with media More enquiries from the media handled effectively</p>	<p>Achieved and ongoing</p>
	<p>Press statements, press conferences, seminars, radio and television interviews: To measurably and continuously improve customer service, based on trust Effective penetration of the target groups via media. Intensified internal communication with employees</p>	<p>Regular visits to statutory bodies and business to organise sponsorships for quarterly meetings with media Nurture relationships with identified media contacts on daily basis Make our press statements user-friendly, appealing, easy to access and placing them on the web on time Make ourselves available to respond to calls Improve on tailor-made packages for conferences and seminars Ensure our presence at all conferences in order to conduct our own interviews, facilitate interviews and distribute materials Arrange regular press conferences with and for the Minister, the Deputy Minister, DG and senior officials of the Department when there is a need to do so</p>	<p>More requests from our customers for assistance Customers' knowledge of our business More enquiries from our external customers</p>	<p>Achieved and ongoing</p>

Part 2 - Programme Performance



	Feature Articles: Large penetration of the existing markets	Submission of articles to various publications on a regular basis	Exploit our relationship with the journalists to ensure placement of articles Target magazine editors to ensure appearance of articles	5 Promotional articles 10 Adverts
Other Activities				
	Information dissemination to the public through the media	Package fact sheets in a user-friendly way and share with the media	Accurate and effective reflection of departmental activities	Achieved and ongoing
	Providing speech writing skills to principals	Write and edit speeches for principals	Assist principals with obtaining accurate information and translating such information into speech format	Achieved
CHIEF DIRECTORATE: PUBLICATIONS				
Subdirectorates: Electronic Publications				
	Needs analysis and specs for new posts.	Positive Work Study report and approved posts	Establishment of new posts	3 posts created and funded
	Restructuring of web pages according to new BU structures	Designing of user-friendly website and BU web pages	Completion of design of Business Unit pages	Masters BU, TRC, Equality Legislation, Access to Info completed
	Maintaining and updating of website on daily basis	Constant updating of site with new and relevant information in user-friendly manner	User-friendly website; Improved hits on site	Daily
	Setting up of Intranet, design, story boards and drafting of specifications	Design of intranet web pages to facilitate and enhance free-flow of information. Compiling of BU specifications	First phase to be presented to role-players An intranet contact person for B/U to specify requirements for intranet	Achieved

Part 2 - Programme Performance

Subdirectorate: Printed Publications				
	Annual Reports DoJCD SALC JSC	Copy-writing, layout and publication and distribution to Parliament of attractive and user-friendly annual reports	1 500 delivered 1 500 delivered 1 500 delivered	Achieved
	Hearsay Internal Newsletter	Copy-writing, layout and publication of 3 editions to disseminate departmental information to internal readership	15 000 copies per edition distributed	Achieved
	Gender & Children's Newsletter Publication and distribution	Copy-writing, layout and publication of 3 editions to disseminate related information on gender and children's issues to identified target audiences	15 000 copies distributed in April 2002	Achieved
	Compilation of copy for SA Yearbook and Statesmen's Yearbook	Copy-writing of inputs and forwarding of information to GCIS for publication	Input approved by GCIS	Achieved
	Production of Departmental Calendars	Compilation of information, design and layout and production of calendars	1000 wall calendars 10 000 desk calendars Timely delivery	Achieved
	Production of Business Cards for Senior Management	Timely delivery of business cards to customers	Quarterly or on demand	Achieved
	Seasons Cards and diverse corporate stationery	Design and printing of various items, i.e seasons cards, letterheads, complimentary slips, folders, writing pads	Folders, writing pads, multi-purpose cards for departmental and ministerial use	Achieved
	Training manuals - Finance - State Law Advisers (Reprint)	Production of quality manuals to inform officials of new procedures	Delivery of: 1 000 Financial Instruction Manuals 200 Legislative drafting manuals	Achieved

Part 2 - Programme Performance



	Promotional material to enhance public awareness of days of national celebration and campaigns	The design, layout and production of posters, pamphlets, flyers, banners, t-shirts and other promotional items for: 16 Days of Activism on No Violence Against Women and Children, Human Rights Day, National Youth Day, Child Protection Week, Constitutional Week	Printed and promotional material produced and distributed to identified stakeholders	Achieved
	Corporate branding of Business Units, eg. Masters, ISM and Internal Audit	Designing and printing of corporate stationery for Business Units	Printing and delivery of corporate stationery	Achieved
	Production of the final version of Victims' Charter	Production of attractive publication	2 000 delivered	Achieved
	Public awareness of departmental initiatives and human rights issues	Development and production of exhibition material for community outreach programmes	Career exhibition Human Rights exhibition 16 Days of No Violence Against Women Domestic Violence Maintenance	Achieved
	Merchandising and production of material for conference / workshop / symposia	Development of artwork, printing and sourcing of merchandising and conference material Delivery of all products to Events Management Team	31st Ordinary Session of the African Commission on People's and Human Rights Workshop on the Commissioners of Child Justice Corporate Launch of Masters Business Unit State Law Advisers Annual Workshop Internal Audit E-Justice Bi-Annual Workshop	Achieved

Part 2 - Programme Performance

INFORMATION SYSTEM MANAGEMENT (ISM)				
Strategic Interventions and Programme Management	This project or result area provides a home for all the programme management and cross-cutting activities of the E-Justice programme	Establishing a programme office and operationalise the office	By the end of 2003	In progress, Microsoft Service Framework (MSF) adopted, Enterprise Project Management (EPM) implemented
		Quality assurance mechanism in place	By June 2002	Achieved
		Change management strategy developed and implemented	Implemented by January 2003	Achieved. Implementation ongoing
		Communication strategy developed, integrated with change management strategy and implemented	Implemented by January 2003	Achieved. Implementation ongoing
		Monitoring and Evaluation (M&E) framework developed and finalised. M&E system designed, M&E manual developed and M&E training completed. M&E system fully functional	By the end of December 2003	In progress
		Develop Terms of Reference (TOR) for mid-term review and develop TOR framework and implementation strategy. Undertake programme and literature review. Develop indicators; complete baseline, if necessary and design impact assessment framework	By the end of June 2003	In progress
HUMAN RESOURCE				
	Restructuring of the HR business unit: in order to be leaders in shaping the HR solution	Develop a two-pronged strategy viz: (a) Transformational strategy that will offer enabling, value-adding and sustainable human capital services which drive strategic business objectives	Creation of 3 business components to deliver a strategic value through an enabling structure	The Business Unit was developed 3 chief director posts were created and filled

Part 2 - Programme Performance



		<p>(b) Transactional strategy which will offer efficient and consistent HR administration services that meet the time and quality requirements of the end users.</p> <p>Alignment of HR strategy and objectives to that of DoJ&CD.</p>	Develop business plans and operational plans	Business and operational plans developed per directorate/program
	Key Projects	<p>The following projects will be undertaken to speed up service delivery:</p> <ul style="list-style-type: none"> - development of a business case for automation of CMC processes - Run a pilot of leave automation project to determine readiness for computerisation - Development of Integrated assessment centre - Improvement of employee/employer relationship - Management & leadership development programme - Recognition & rewards project 	All projects to have project plans and at least 60% thereof to be executed	<ul style="list-style-type: none"> - a business case has been finalised and automated leave project is running in the masters office - chamber meetings have been very regular. Backlog of Misconduct cases have been reduced by almost 60%. - Competency Assessment tool for higher level posts have been developed - Visits to other departments & private sector has been made to assess their assessment centre. A business plan is being developed for the centre - A policy on non-monetary rewards is being developed.
	HR programs output	<p>Development of various HR policies in following areas:</p> <ul style="list-style-type: none"> - Develop high level structures for all BU's - Develop a change management strategy/initiative for DNS project and the Department at large. 	Develop at least five policies per directorate	<p>Directorate: Personnel Utilisation</p> <ul style="list-style-type: none"> - Utilisation Policy (includes transfers, translations and secondments etc) - Remuneration Policy (contains mainly different types of allowances that employees are entitled to)

Part 2 - Programme Performance

				<ul style="list-style-type: none">- Appointment Policy (mainly refers to how and when employees are appointed and what the requirements are)- Policy on the remuneration for employees after job evaluation- Bursary Policy (refers to the method and criteria for awarding bursaries for part-time studies)- Policy on resettlement expenditure (refers to benefits that employees may be entitled to when a transfer occurs at state expense)- Remunerative work outside work in the public service (refers to the framework in which an employee may apply for approval to do extra work for remuneration)- Leave Policy (refers to different kinds of leave and how it should be taken and credits that employees are entitled to)- Special Study Leave (refers to the criteria for taking study leave and employees entitlements)- Overtime Policy (refers to overtime and the applicable tariffs for overtime) <p>Directorate: Training and Development</p> <ul style="list-style-type: none">- Internship and Learnership Policy- Training and Development Policy
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Part 2 - Programme Performance



			<p>All 8 BU's structures to be completed</p> <p>To cover all provinces with target groups/audience to identify areas of concern and determine point of approach for the initiative</p>	<p>Directorate: Transformation and Equity and Recruitment</p> <ul style="list-style-type: none"> - Policy on the promotion of representivity and employment equity - Employee assistance programme - Employment Equity Policy - Recruitment and selection Policy <p>Directorate: Work Study and Advisory Services</p> <ul style="list-style-type: none"> - Policy guidelines on job evaluation in the Department of Justice and Constitutional Development: - Job Profiling Policy <p>Directorate: Employee Relations:</p> <p>The following documents have been circulated due to promulgated government gazettes and PSCBC Resolutions.</p> <ul style="list-style-type: none"> - Code of conduct and do's and don'ts : developed in a booklet according to code of conduct as described in the Public Service Regulations - Grievance Procedure - Disciplinary Code and Procedure <p>All BU's structures have been developed</p> <p>All provinces were covered and the strategy has been developed</p>
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Part 2 - Programme Performance

OFFICE OF THE CHIEF FINANCIAL OFFICER (CFO)							
See Paragraph 9: Progress with financial management improvements in the Management Report (Part 4 of this report) below.							
Sub-programme	Outputs	Outputs performance measures/ service delivery indicators	Target	Actual performance against target			
				Courses Planned	Courses Presented	Courses Cancelled	Number Trained
	1. Develop and implement effective entry level training programmes for magistrates, prosecutors, masters, interpreters and clerks of the courts.	Justice College should ensure that Departmental officials are:	Prosecutors Courses: Decentralised courses	12	12	0	361
		- Well-trained	Domestic violence	1	1	0	17
		- Professional	State Advocates	5	5	0	99
			Trial Advocacy	4	4	0	144
	2. Through continuous consultations, redesign existing training programmes for all occupational groups within the Department to ensure that the training needs of our customers are addressed.	- Sensitive to people's different cultural experiences	Aspirant Prosecutors	2	2	0	140
		- Sensitive to people's different race and gender experiences, and	Advanced Prosecutors	7	7	0	189
		- Respectful of everybody's dignity and human rights	Administrative Justice Course	2	2	0	84
	3. Develop a human rights culture within the ranks of our departmental officials. To reach this goal, we integrate reference to the Constitution, constitutional values and human rights in all courses offered by the College.	by developing and facilitating training programmes, integrated courses and workshops	Social Context	1	0	1	0
			Ad hoc: Additional prosecutors' courses for prosecutors, members of SAPS and various other Departments	38	38	0	1026
			SUBTOTAL				2060
	4. Facilitate and sensitise officials to issues of social context, race and gender, we include these topics in all courses offered by the College.		Civil Court Training: Acting Magistrates' Courses	4	4	0	63
			Magistrates' Courses	14	14	0	338
	5. Afford officials the opportunity to attend short, intensive workshops that deal specifically with domestic violence, maintenance and child law issues.		Magistrates' Decentralised Courses	1	1	0	33

Part 2 - Programme Performance



6. Promote awareness of the new constitutional legislation and to update on all other and new legislation.	Presiding Officers of the Family Court	1	1	0	63
	Clerks of civil Court	4	4	0	418
	Clerks of civil Court Decentralised courses	1	1	0	58
	Clerks of the Family Courts	4	4	0	6
	Registrars of the High Courts	3	3	0	150
	SUBTOTAL				634
	Magistrates' Criminal Court Training:				
	Acting Magistrates Seminar	4	4	0	63
	Magistrates' Decentralised Courses	12	12	0	418
	Regional Magistrates' Seminars	1	1	0	58
	Acting Regional Magistrates' Seminars	1	1	0	6
	Ad hoc: Additional Courses presented to members of SAPS and other organisations	3	3	0	150
	SUBTOTAL				695

Part 2 - Programme Performance

			Quasi Judicial Training:				
			Commissioners of Child Welfare	1	1	0	119
			Clerks of the Small Claims Court	3	3	3	69
			Maintenance Clerks	11	11	0	251
			Human Rights training for clerks and interpreters	9	9	0	158
			Training of Control Officers	8	8	0	260
			Probation Officers	3	3	0	157
			Intermediaries	2	2	0	84
			SUBTOTAL				1098
			Interpreters' Courses:				
			Interpreters Courses	6	6	0	154
			SUBTOTAL				154
			Masters' Training				
			Course on the Administration of Deceased Estates	4	4	0	100
			Guardian's Fund Course	1	1	0	3
			Deceased Estate Appointments Course	2	2	0	13
			Course on Insolvency Meetings for Magistrates	2	2	0	58

Part 2 - Programme Performance



			Course on Trusts	1	1	0	32	
			Course on Service Delivery/Conflict Resolution	3	3	0	66	
			Moseneke Case Information Seminars	2	2	0	37	
			SUBTOTAL				309	
			TOTAL NUMBER OF OFFICIALS TRAINED					4950

PROGRAMME 2 – ADMINISTRATION OF COURTS

Aim:

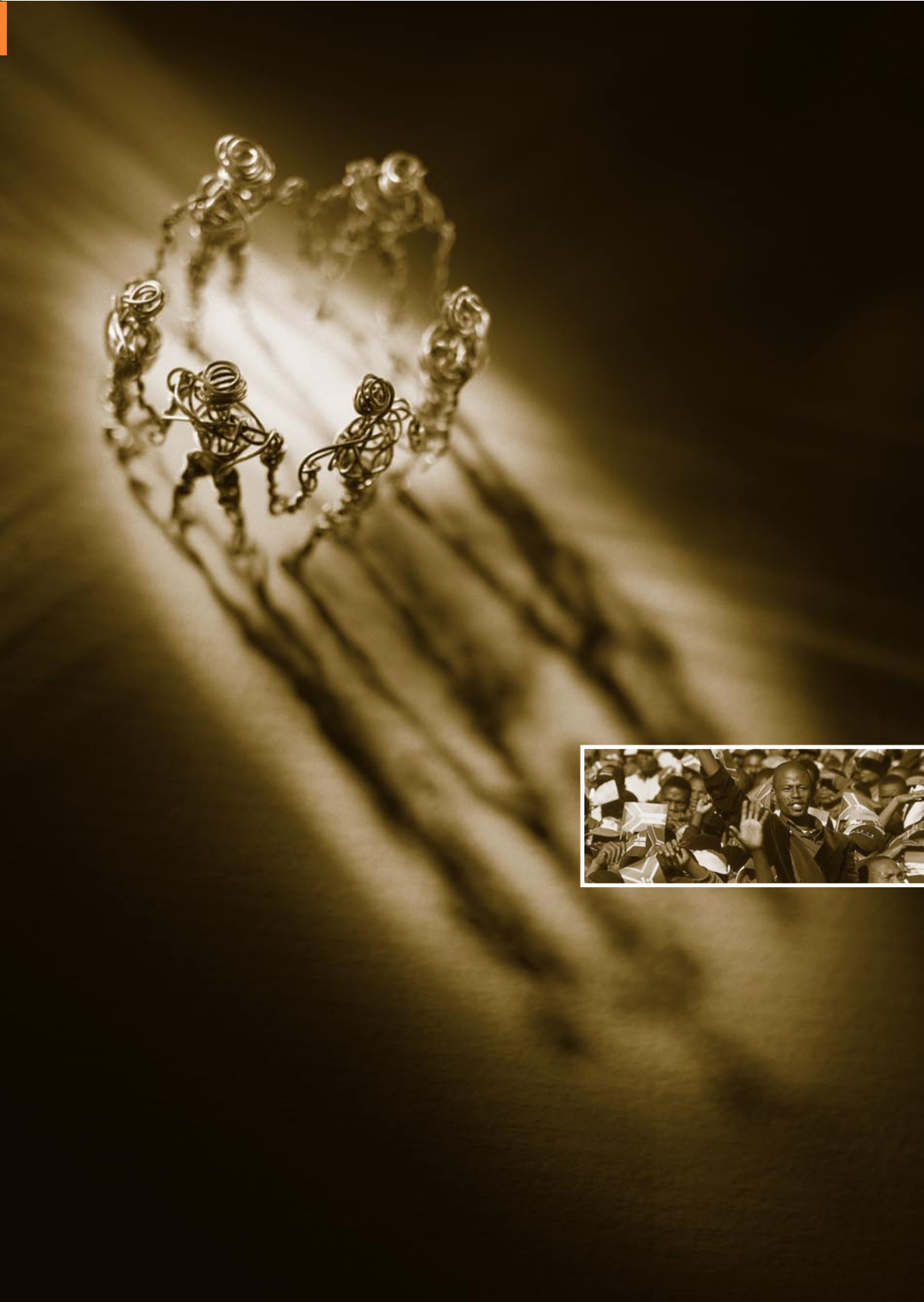
Court Services provides for the services rendered by South African courts, in terms of Chapter 8 of the Constitution. The programme has nine subprogrammes. The Constitutional Court deals with constitutional matters and the Supreme Court of Appeals, High Courts, Lower Courts and Specialised Courts deal with cases in the first instance or on appeal. The Labour and Labour Appeal Courts, the Land Claims Court, the Special Tribunal, and the Family Courts are provided for in the Specialised Courts subprogramme.

Programme policy development

In collaboration with the other departments in the Integrated Justice System and Business Against Crime, the Department continues to deal with the re-engineering of court process to increase effectiveness and efficiency. Initiatives are consistent with the tenets of the National Crime Prevention Strategy and include projects relating to the automation of process and management systems in courts. Key developments include:

- Developing professional court managers to separate administrative from judicial and prosecutorial functions, with many administrative staff in court having been trained in 2001

- Implementing procedures, and providing appropriate facilities, to ensure that the rights of victims and witnesses are secure, and that their experience of the IJS improves, using new technologies and by improving the skills of department personnel.
- Appointing lay assessors to increase the participation of communities in courts.
- Establishing a Court Operations Room and a Court Performance Review Committee to monitor performance and implement interventions where required.
- Continuing to seek to define a role for traditional courts and law in the administration of justice.
- Re-engineering the maintenance system through statutory and administrative reforms.
- Attending to the number, distribution and jurisdiction of courts in order to improve delivery, while also increasing the number of hours that courts sit every week.
- Putting in place programmes to improve confidence in the court and the legal system.
- Developing a national action plan to transform the profession.
- Facilitating the promotion of the rights of children in court, ensuring the provision of legal representation to children, reducing the number of children awaiting trial and establishing one stop child justice centres to improve services.



Part 2 - Programme Performance



OUTPUTS AND SERVICE DELIVERY TRENDS

Sub-programme	Outputs	Outputs performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
COURT SERVICES				
Efficient and rationalised courts	Structural and legal court framework corrected	Number of new High Courts; Lower Courts; Specialised Courts	Legislation passed; courts functioning in improved manner feedback; Finalised before March 2006	Government Notice No. 937, dated 27 June 2003, was published wherein alteration of areas of jurisdiction of various High Courts were established. A memorandum dated 27 May 2003 was forwarded to the Minister with regard to the interim rationalisation of the areas of jurisdiction of the Eastern Cape and KwaZulu-Natal High Courts. The Department is awaiting the approval of Parliament

Part 2 - Programme Performance

Constitutional Court	Accessible, fair, efficient and transparent court processes	Number of cases finalised Court hours worked		* see note under table * see note under table
Supreme Court of Appeal	Accessible, fair, efficient and transparent court processes	Number of cases finalised Court hours worked		* see note under table * see note under table
High Courts	Accessible, fair, efficient and transparent court processes	Number of cases finalised Court hours worked	1 000 cases 4 hours per day per court	1 468 cases finalised 3h28
Specialised Courts	Accessible, fair, efficient and transparent court processes	Number of cases finalised		* see note under table
FAMILY ADVOCATE				
Specialised Services and Promotion of Rights of Vulnerable Groups	Provide specialised court services to address the needs of the disempowered and vulnerable groups	<ul style="list-style-type: none"> The rendering of family advocacy services in relation to family law-related disputes The provision for the establishment, extension and management of equality courts, sexual offences courts, small claims courts, family courts, children's courts, commercial crime courts, immigration courts and other specialised courts The implementation of the child justice system in accordance with child justice legislation 	Please see details below.	Please see details below.
Specialised Courts: Equality Courts	Adjudication/ resolution of cases based on unfair discrimination	Reduction of cases based on unfair discrimination and efficient and speedy adjudication/ resolution of equality cases and cases based on unfair discrimination	Establishing 47 Equality Courts within the existing dispensation	60 identified equality courts in the nine provinces, designated by notice in the Government Gazette No. 878 of 13 June 2003
Family Courts	<ul style="list-style-type: none"> A streamlined family court dispensation within the existing court structures; Strengthen the 5 family court pilot centres and extend the family concept to all other courts 	Integration of family law related matters, including divorce, maintenance, domestic violence and children's courts, including custody, protection of children and adoption	<ul style="list-style-type: none"> Creating a service delivery foundation Creating a Human Resources Foundation Spatial reconfiguration 	<ul style="list-style-type: none"> Finalised tender specification to scope various automated initiatives Conducted audits of training material

Part 2 - Programme Performance



			<ul style="list-style-type: none"> • Policy formulation • Monitoring and evaluation. 	<p>Human Resources and Spatial Reconfiguration needed at Five Pilot Courts</p> <ul style="list-style-type: none"> • Completed Family Court Blueprint • Appointed Project Manager to work with Family Court Task Team in strengthening existing five (5) Pilot Family Court Centres and fast-tracking rollout
Sexual Offences Courts	Specialised and dedicated courts which are sensitive to victims of sexual abuse	Establishment, strengthening and extension of Sexual Offences Courts	Ensure existing 40 established and dedicated courts are efficiently operational; and establish extra 10 dedicated courts	Twenty-six (26) dedicated Sexual Offences Courts have been established; and twenty-four (24) regional courts are dedicated to hearing sexual offences cases and are in the process of being strengthened for full establishment
Small Claims Courts	Accessible, speedy, efficient and low-cost access to Small Claims Courts, in order for small claims-cases to be solved effectively for indigent and vulnerable members of society	Establishment of extra Small Claims Courts.	Establishment of Circuit Small Claims Courts where there are no District Small Claims Courts.	Four new Small Claims Courts have been established in the rural areas in Eastern Cape and Northern Province Consultations with Law Society to establish Circuit Small Claims Courts in order to improve access to justice for vulnerable groups, is under way
Family Services: Maintenance services	An efficient maintenance recovery and maintenance payment system	More effective, efficient and speedy recovery of maintenance for children	<ul style="list-style-type: none"> • Progressive realisation of the appointment of Maintenance Investigators • Permanent appointment of Maintenance Investigators in Maintenance Courts and 5 Pilot Family Court Centres; 	<ul style="list-style-type: none"> • Contract appointments of 56 Maintenance Investigators with effect from 1 April 2003 to 30 September 2003 – Extending appointments until permanent appointments are made; • Two (2) Training Workshops were held in May and June 2003

Part 2 - Programme Performance

			<ul style="list-style-type: none"> • Training of Maintenance Investigators 	
Family Advocacy	Affordable services to victims of family law disputes.	Extension of family advocacy services to all lower courts and all victims of family disputes	Appointment of family advocates for every family court	Workshop to review legislation and role of Family Advocates, held in June 2003 Started with further appointments of Family Advocates in all nine provinces
Domestic Violence	Protocols/guidelines approved by all stakeholders involved in the implementation of the Domestic Violence Act, 1998	Develop and disseminate guidelines for the implementation of the Domestic Violence Act, including Magistrates	<ul style="list-style-type: none"> • Draft Magisterial Domestic Violence Guidelines 	Magisterial Guidelines were drafted
Child Justice Legislation	Establish and sustain a criminal justice system befitting child offenders by implementing child justice legislation once passed by Parliament.	<ul style="list-style-type: none"> • Efficient preparation and planning for implementation of Child Justice Bill No. B.49 of 2002 • More children diverted from the mainstream criminal justice system • Less children awaiting trial in prison 	<p>Implementation of Child Justice Bill No. B.49 of 2002, once passed by Parliament</p> <p>Diversion programmes for child offenders</p>	Extensive amendments to Bill as requested by Chair of Portfolio Committee, has been done Readiness of Provincial Departments of Social Development and Education to handle children, because there are not enough places of safety and reform schools, addressed by way of Intersectoral Child Justice Committee
Lower Courts	Accessible, fair, efficient and transparent court processes	Court hours worked	<p>40 cases per month per District court and 15 cases per month per Regional Court</p> <p>5 hours per District Court and 4 hours per Regional Court per day</p>	<p>District courts: 34 cases finalised per court room per month Regional courts: 38 390 cases finalised in total</p> <p>District courts: 4h11 Regional courts: 4h00</p>

Part 2 - Programme Performance



- * In regard to these particular courts it should be noted that their operations differ from that of other criminal and civil courts. In general these courts function on a different level; for example the Constitutional Court deals with highly complex constitutional matters referred to it and do not deal with the hearing of ordinary criminal/civil matters. The Supreme Court of Appeal deals with appeal matters and again not the hearing of cases as such. The performance measurement of these courts thus differs from the other courts. The number of cases finalised and hours sat are not proper criteria.

There has been an impressive improvement in court hours of especially District and Regional Courts. District Courts improved drastically from the 3:39 hours registered in 1999 to 4:11 hours in 2002. Regional Court hours increased from 3:35 in 2000 to 4:00 in 2002, whilst High Court hours increased from 3:22 in 2000 to 3:28 in 2002. The District Courts improved their average conviction rate from 76% in 2000 to 83% in 2002; the Regional Courts' average conviction rate improved from 64% in 2000 to 74% in 2002, and the High Courts from 77% in 2000 to 82% in 2002.

PROGRAMME 3 – STATE LEGAL SERVICES

Aim:

State Legal Services aims to provide efficient, professional and reliable legal services to Government, and is organised into two subprogrammes.

- Legal Services provides for the work of the State Attorney, who acts as attorney, notary and conveyancer for Government. The state law advisers provide legal opinions, scrutinise international agreements, scrutinise and correct draft legislation, as well as attend relevant Parliamentary Portfolio Committees as legal advisers for all national departments. The Legal Services subprogramme is also responsible for the administration of estates and liquidation of companies, and for supervising the administration of trusts, and the property of minors deposited in the Guardian's Fund and of persons under curatorship.
- Legislative Services provides for the research activities of the South African Law Reform Commission. The Commission's work includes extensive reviews of wide areas of law and legal practice. The Commission Tables a separate report in Parliament, dealing in detail with its activities.

Programme policy development:

The establishment of a Constitutional Litigation Unit is planned to represent the state in all constitutional matters, advise Parliament on constitutional issues, guide the drafting of legislation when constitutional matters arise and train all state attorneys in trial advocacy.

A comprehensive juri-linguistic service is being established. This will help to promote the legislative use of official languages other than English and Afrikaans.

State Legal Services is being restructured to improve efficiency and increase professionalism. As part of the process of expanding our services and in order to save costs, a policy of cooperation between the State Law Advisers and State Attorneys was implemented. At this stage requests for opinions, in which no litigation is contemplated, are forwarded to the State Law Advisers by the State Attorneys after the relevant department has been contacted by the State Attorneys to obtain permission for such action. Since January 2003 we have received 32 requests from the State Attorneys for opinions for client departments. This policy of cooperation is definitely bringing about savings in legal costs for government departments.

The Law Reform Commission does research with reference to all branches of the law in order to make recommendations for the development, improvement and modernisation thereof. The procedures and practices of the Commission are open and inclusive. This requires canvassing a wide range of people effected by and concerned with the law and justice, and giving a voice to those not ordinarily heard. The Commission is committed to making its work responsive and accessible to South Africans. The Commission also understands the law as part of the broader social and economic environment.

A computerised information system is being developed for the Masters' Offices. This will allow electronic access to estate information and will allow liquidators, executors, creditors and others to do their Master's Office business online. The process of finalising estates will be reduced by months.

Part 2 - Programme Performance

OUTPUTS AND SERVICE DELIVERY TRENDS

Sub-programme	Outputs	Outputs performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
STATE LEGAL SERVICES				
Chief State Law Adviser/State Law Advisers				
	Formulating of opinions to all organs of the State	Ensure opinions of a high quality and standard and consequently bring about savings in legal costs for the State	450 opinions	588 opinions received and finalised
	Scrutinising of international agreements, including extradition agreements	Ensure that international agreements are not in conflict with the domestic law and are drafted in the correct form and style	480 agreements	672 agreements received and finalised
	Scrutinising of draft subordinate legislation	Ensure that regulations are authorised in terms of the empowering legislation and are drafted in the correct form and style	40 regulations	60 regulations received and finalised
	Scrutinising and certification of draft bills as regards to the language, drafting, form and style, as well as the constitutionality thereof	Ensure that all bills are properly drafted and constitutional	All bills submitted to be dealt with timeously	82 bills finalised
	Rendering of legal advice on bills during the parliamentary process	Assist Parliament in the legislative process	All opinions sought to be given expeditiously	117 opinions (oral and written) finalised
	Attending of Parliamentary Portfolio Committees as legal adviser to those Committees	Assist Parliament in the legislative process by drafting amendments	All amendments proposed to be drafted and certified timeously	58 amendments to bills drafted and certified

Part 2 - Programme Performance



Chief State Law Adviser/Secretariat				
	Redistribute resources to those areas where they are most needed	Well resourced and equipped Legal Advisory Services	Identify where the needs are the greatest in Legal Advisory Services	Personnel transferred to offices where the needs are greater
	Minimise losses to the State	Saving of legal costs and reducing negligence	Reduction of defaults and prescriptions by 30%	Defaults and prescriptions reduced by more than 30%
	Enhance skills and create new expertise	Develop and retain skilled professional and administration staff	Develop policies and training for Legal Advisory Services by January 2003	In house training in clusters implemented by January 2003 and March 2003
	Instill new norms of accountability and professionalism	Case reporting system in place to ascertain work load Time reporting system in place to ascertain value of work performed by State Attorneys	Implementation of the system within six months before June 2003 Implementation of the system within six months before June 2003	System implemented by March 2003 System implemented by March 2003
	Review policies and procedures to align with constitutional and international imperatives	Broaden the pool of experienced counsel and upliftment of previous disadvantaged legal practitioners	Implement policy to achieve outputs by February 2003	Policy successfully implemented by March 2003
State Attorneys				
	Representation of the State in civil litigation in the High Courts and the Magistrates' Courts	Ensure costs effective litigation by (a) improving the quality of legal representation by providing timeous advice (b) ensuring more appearances by State Attorneys and less use of counsel	Reduce counsels' fee disbursements	A marked increase of appearances by attorneys in all courts. 60 High Court appearances by attorneys 12 894 Court cases finalised
	Representation of the State in constitutional litigation in the Constitutional Court	Assist the courts and the State in the application and interpretation of constitutional litigation	Development of a healthy constitutional jurisprudence	Facilitation of various matters before the Constitutional Court. Specialisation in constitutional matters were achieved

Part 2 - Programme Performance

	Representation of the State in other tribunals, including labour matters litigation in the CCMA and the Labour Courts	Represent the State in labour litigation and save costs of counsel	Reduce counsels' fee disbursement	Training and specialisation programmes in labour matters were created. Work allocated to specialised individuals resulted in a costs saving. 1 253 matters finalised
	Representation of the State in land claims, including litigation in the Land Claims Courts	Ensure a fair application of the related legislation	Achieve finality in the land claims disputes involving the State	All land claim court matters enrolled were finalised
	Representation of the State in respect of tax services, including litigation in tax tribunals, liquidations and insolvency enquiries	Assist SARS in recovery of outstanding losses, appeals, liquidations, sequestrations and litigation generally	Recover outstanding taxes and save the fiscus legal costs	More than R 100 million were collected in regard to outstanding taxes and related matters
	Defense of state officials in various forums, including criminal cases and inquests	Ensure justice and fairness	Reduce costs and increase appearances by attorneys	A marked increase of appearances by attorneys in all forums. 60 High Court appearances by attorneys. 1 032 cases finalised
	Acting as arbitrators in interdepartmental arbitrations	Saving on costs of outsourcing or hiring of private arbitrators	Reduce costs and minimum time delay in investigation and finalisation of arbitration decisions	Quicker finalisation of arbitrations by allocating work to specialised individuals resulted in a cost-saving
	Formulating of opinions to organs of the State	Saving on costs of outsourcing to private firms or counsel	Reduce costs and minimum time delay in research and finalisation of opinions	Quicker finalisation of opinions by allocating work to specialised individuals and State Law Advisers resulted in a cost-saving. 50 written opinions finalised by the State Law Advisers. 3 807 written and 1 848 oral opinions finalised by the State Attorneys

Part 2 - Programme Performance



	Drafting and settling of domestic agreements for organs of the State	Ensure high quality contracts and savings on costs of outsourcing to private firms or counsel	Reduce costs and minimum time delay in drafting of agreements	Quicker finalisation of agreements by allocating work to specialised individuals resulted in a cost saving. 241 Contracts finalised.
	Conveyancing and Notarial Services, including the registration of Trusts and Companies	Ensure that all the necessary deeds and instruments are registered on behalf of organs of the State by reducing costs and increasing the provision of housing	Reduce costs and minimum time delay in registration of deeds and instruments	Quicker finalisation of registration of deeds and other instruments by allocating work to specialised individuals resulted in a cost -saving. 3 424 matters finalised
	Recover debts on behalf of the State	Increase the effectiveness of debt collecting procedures	Reduce costs and minimum time delay in the issuing of legal processes and to increase the amount recovered on behalf of the State	Quicker finalisation of debt collections by allocating the work to specialised individuals resulted in a cost saving. 8999 matters finalised. The amount of R 41 658 297 was recovered on behalf of client departments

LEGISLATIVE AND CONSITUTIONAL DEVELOPMENT

South African Law Reform Commission

	Promote, implement, maintain and develop the Constitution and its values	Reduction in constitutional litigation Increased access to statutes Reduction in number of obsolete provisions	Unit for Statutory Law Revision established and research commenced	Technical assistance (including funding) has been made available by the German Technical Co-operation (GTZ) since January 2003. Consultants have been contracted to review the Black Administration Act 38 of 1927
	Transform and maintain the legal system	Increase in number of cases dealt with by traditional courts Increase in number of adoptions Fewer foster care arrangements Reduced number of children in residential care	Legislative proposals on traditional courts developed Legislative proposals on the review of the Child Care Act developed	Draft report approved by Commission and submitted to Minister Draft report approved by Commission and submitted to Minister

Part 2 - Programme Performance

		<p>Reduction in time spent on child care proceedings</p> <p>Reduced incidences of child labour</p> <p>Less complaints relating to the prohibition on the publication of divorce proceedings</p> <p>Increased number of partners sharing in patrimonial consequences</p> <p>Increase in number of valid Islamic marriages</p> <p>Increased mechanisms to support adults with impaired decision-making capacity</p> <p>More women will inherit</p> <p>Elimination of different laws regulating administration of estates</p> <p>Increase in corruption reported</p> <p>Reduction in litigation</p> <p>Reduction of court applications and subsequent costs</p> <p>Increase in court productivity</p> <p>Savings in expenditure for witnesses attending court proceedings</p>	<p>Legislative proposals on the publication of divorce proceedings developed</p> <p>Legislative proposals on domestic partnerships developed</p> <p>Legislative proposals on Islamic marriages developed and consulted on</p> <p>Legislative proposals on incapable adults developed</p> <p>Legislative proposals on customary law of succession developed</p> <p>Legislative proposals on the administration of estates developed</p> <p>Legislative proposals on protected disclosures developed</p> <p>Legislative proposals on privacy and data protection developed</p> <p>Legislative proposals on prescription periods developed</p> <p>Legislative proposals on the Apportionment of Damages Act developed</p>	<p>Draft report approved by Commission and submitted to Minister</p> <p>Draft discussion paper containing draft legislation developed</p> <p>Draft discussion paper developed and 3 workshops held</p> <p>Draft discussion paper developed</p> <p>Draft discussion paper developed and 9 workshops held</p> <p>To be finalised after completion of the review of customary law of succession</p> <p>Draft issue paper approved by Commission and published for comment</p> <p>Further research and consultation</p> <p>Draft issue paper developed</p> <p>Further consultation with experts</p>
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Part 2 - Programme Performance



		<p>Reduction in the number of accused persons escaping from custody</p> <p>Increased access to justice</p> <p>Reduction in delays in finalisation of cases</p>	<p>Legislative proposals on the use of electronic equipment in court proceedings developed</p> <p>Legislative proposals on the review of the rules of evidence developed</p>	<p>Draft report developed</p> <p>Draft discussion paper developed</p>
	Transform and improve the criminal justice system	<p>More cases disposed of</p> <p>Improved services to victims</p> <p>Increased investor confidence</p> <p>Increased community participation</p> <p>Reduction of awaiting trial prisoners</p> <p>Increased prosecutions</p> <p>Reduction in organised crime</p>	<p>Criminal procedure simplified</p> <p>The viability of a compensation fund for victims of crime investigated</p> <p>Sexual offences reviewed</p> <p>Legislative proposals on terrorism developed</p>	<p>Draft report on out of court settlements in criminal cases approved by Commission and submitted to Minister</p> <p>Draft report on a more inquisitorial approach to criminal procedure approved by Commission and submitted to Minister</p> <p>Further consultation</p> <p>Draft report approved by Commission and submitted to Minister</p> <p>Draft report approved by Commission and submitted to Minister</p>
	Promote access to justice	<p>Fewer cases in lower courts with a concomitant increase in cases in community courts</p> <p>Increased community participation</p> <p>Fewer cases in courts</p> <p>Decrease in litigation costs</p>	<p>Legislation on community courts developed</p> <p>Legislation on international cooperation in civil matters developed</p>	<p>Further consultation with experts</p> <p>Issue paper approved by Commission and published for comment</p>

Part 2 - Programme Performance

PUBLIC EDUCATION AND COMMUNICATION SERVICES				
Chief Directorate: Constitutional Education				
	An informed and knowledgeable education sector and teacher constituency	Facilitating a seminar with education sector	Material developed and packaged and teachers trained to implement	Achieved
	Informed and motivated communities, specifically on constitutional matters	Presentations at Workshops on Constitutional Education Matters to the following target audiences: Government Departments Unemployed Law Graduates Church Youth Paralegals Unions Tertiary Institutions	One presentation per identified target audience	Achieved
MASTER'S OFFICE				
Master of the High Court				
	Ensure an effective and easily accessible system of administering justice which is geared to service delivery, by the following:			
	Supervision of the administration of deceased estates	Computerisation of deceased estates administration by the implementation of the Masters Administration System for Estates, Trust and Insolvencies (MASETI) at all Masters' Offices	By the end of December 2003	MASETI has been successfully piloted at the Pretoria and Kimberley Offices. Roll out in progress.
	Supervision of the administration of insolvent estates	A fully transformed Liquidations Industry, which provide access to all. Elimination of fraud and corruption	Implementation of a policy document by the end of October 2003 Elimination of fraud and corruption - ongoing	Policy document drafted and awaiting final approval Ongoing
	Supervision of the registration of trusts	Computerisation of deceased estates administration by the implementation of the Masters Administration System for Estates, Trust and Insolvencies (MASETI) at all Masters' Offices	By the end of December 2003	MASETI has been successfully piloted at the Pretoria and Kimberley Offices. Roll out in progress.

Part 2 - Programme Performance



	Supervision the administration of fiduciary estates	Computerisation of deceased estates administration by the implementation of the Masters Administration System for Estates, Trust and Insolvencies (MASETI) at all Masters Offices	By the end of December 2003	MASETI has been successfully piloted at the Pretoria and Kimberley Offices. Roll out in progress.
	Management of the Guardian's Fund	Automation of the Guardian's Fund administrated by all the Masters' Offices	End of March 2005	System is currently piloted at the Bloemfontein Master's Office
	Rationalise the Guardian's Fund	Ensure uniformity in the administration of the Guardian's Fund throughout the country in compliance with the Rationalisation Bill passed in June 2001	End of March 2005	Rationalisation of the former Transkei and Ciskei (Coastal Areas) completed Rationalisation of the former Venda and Bophuthatswana (Inland Areas) are currently in progress
	Provide Web-based access to information for all stakeholders, role-players and interested parties	Launch an interactive Website to ensure that information is easily accessible.	Launched June 2002 Ongoing	A-static Website was launched in June 2002. Adjustments still required for a fully operational interactive Website
	Reconciliation of funds invested with the Public Investment Commission (PIC)	Monthly reconciliation of the invested funds	End of March 2005	Dependent on the computerisation of the Guardian's Fund, as this was set as a prerequisite for a meaningful end results. Computerised system is currently piloted at the Bloemfontein Master's Office
	Reconciliation and closure of the Pay-Master General (PMG) Account	Final closure of all the PMG accounts as a result of the commercialisation of the Guardian's Fund	End of March 2004	8 PMG Accounts closed 2 PMG Accounts in the process of being finanlised

Part 2 - Programme Performance

	Give effect to the Moseneke Judgement (Mveledziso project)	Making the administration of estates conform with the Constitution. Making the administration of deceased estates accessible to previously disadvantaged thereby eliminating any forms of discrimination	All logistics in place by the end of September 2003	All Masters' Offices carry out the administration of deceased estates and other services offered by the Master. A number of service points across the country are operational in partnership with Court Services
	Establish additional Masters' Offices	Opening 4 new establishments in order to provide effective services to the community	End of March 2004	The following new offices will start operating as from 1 October 2003: Port Elizabeth Durban Johannesburg Polokwane (sub-office)
	Create specialisation in the Master's Office	The establishment of a highly specialised pool of expertise. A competent, specialised, highly skilled and efficient unit	End of March 2004	The specialisation process has just begun with Pretoria Office being the pilot site.
	Prepare guidelines for the appointment of liquidators	A fully transformed liquidation/insolvency industry that is economy friendly and provides equal opportunities for all.	End of October 2003	Policy document is being developed and debates are ongoing with stakeholders and interested parties.
	Streamline and align policies and directives	Ensure uniformity regarding the operations in all the Masters' Offices	End of March 2004	The standardisation of operations at the Master's offices are being carried out following uniformed directives.

Part 2 - Programme Performance



PROGRAMME 4 – NATIONAL PROSECUTION AUTHORITY

Aim:

The National Prosecuting Authority programme aims to provide a prosecution service that is prompt, vigorous and fearless, promoting the public interest and ensuring that all people are treated with dignity.

- The National Prosecuting Authority coordinates and assists prosecuting structures in the Office of the Director of Public Prosecutions and Lower Court Prosecutors.
- Witness Protection Programme coordinates the safekeeping and protection of witnesses in certain serious criminal cases.
- Special Operations funds the Directorate of Special Operations, also known as the Scorpions, which came into operation in January 2001. The Directorate of Special Operations investigates serious organised crime, aiming to prosecute these offences effectively.
- The Sexual Offences and Community Affairs Unit (SOCA), was established to prosecute escalating violent crimes against women and children and consists of four (4) sub-units: Child Justice, Maintenance, Sexual Offences and Victim Assistance.

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

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

PROGRAMME 5 – AUXILIARY AND ASSOCIATED SERVICES

Aim:

Auxiliary and Associated Services provides for services associated with the Department's aims.

- The Judicial Service Commission makes recommendations on the appointment, removal from office and tenure of judges, and advises Government on the administration of justice.

- The Magistrates Commission plays various statutory roles in relation to the development of the magistracy and magistrates.
- The Office for the Control of Interception and Monitoring of Communication administers the Interception and Monitoring Prohibition Act, 1992 (Act 127 of 1992).
- The South African Human Rights Commission promotes compliance with the Bill of Rights.
- The Commission on Gender Equality promotes gender equality in South Africa.
- The Special Investigating Unit investigates allegations of maladministration and corruption by public officials and institutes proceedings in the Special Tribunal to recover government property or money.
- The Legal Aid Board ensures that funds are available for providing indigent accused persons with legal advice, and assists them with various civil and administrative proceedings.
- The Public Protector conducts investigations into allegations of various forms of corruption and maladministration in the exercise of administrative powers and the use of public funds.
- The National Crime Prevention Strategy subprogramme funds some activities of the departments involved in the Integrated Justice System in order to give effect to the modernisation of the IJS.
- The President's Fund gives effect to the reparations policy flowing from the work of the Truth and Reconciliation Commission.
- Government Motor Transport manages vehicles for departmental use.

Programme policy development:

The e-Justice Programme modernises systems and brings them in line with international best practice, by building IT infrastructure for electronic financial and case management systems.

The transformation of the Legal Aid Board includes moving from the Judicare system towards one that offers legal representation through

Part 2 - Programme Performance

lawyers employed by justice centres. These centres will reduce the cost of making justice accessible by reducing the reliance on attorneys and advocates in private practice. Twenty-four justice centres are already operating and the LAB aims to have 60 established in two years. A recent court decision that provides for automatic appeals from Lower Courts to High Courts is expected to increase demand for services.

The promulgation of the Promotion of Access to Information Act, 2000 (Act 2 of 2000) and the Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act 4 of 2000) will continue to place additional obligations and responsibilities on the South African Human Rights Commission. These will include running public education campaigns, developing guides on the legislation, training information officers and Equality Court officials, assisting complainants,

and compiling reports for Parliament. The establishment of the National Centre for Human Rights Education and Training has generated considerable interest from all sectors of society and will benefit the Commission's human rights training work and building a culture of human rights.

The Special Investigating Unit has been restructured into a permanent anti-corruption entity. A project management approach to investigations is being adopted and certain work will be outsourced to other forensic specialists.

The Commission on Gender Equality continues to provide input into policy development by Government, especially in cooperation with the Office on the Status of Women in the Presidency.

OUTPUTS AND SERVICE DELIVERY TRENDS

Sub-programme	Outputs	Outputs performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
President's Fund				
	Pay final reparation to Victims of Gross Human Violation as declared by the Truth and Reconciliation Commission (TRC)	Finalisation of all payment to victims	22 000 victims paid	This target could not be achieved due to legal challenges by the IFP, against the report of the TRC. The final report of the TRC was handed over on 21/03/2003 the report was tabled in Parliament by the State President on 15 April 2003

Part 2 - Programme Performance



INFORMATION SYSTEM MANAGEMENT (ISM)				
National Crime Prevention Strategy				
DNS PROJECT				
To provide networked infrastructure and training, enabling connectivity and easing the flow of information within the Department firstly and also to allow for the exchange/ flow of data within the Integrated Justice System	Develop Terms of Reference (TOR) and award DNS tender in 2001	Tender awarded November 2001	Achieved	
	Complete DNS conceptualisation and design phases in 2001		Achieved	
	Set-up network infrastructure at 100 sites by the end of 2002 and 200 by end of 2003 and the balance of 300 smaller sites by end of 2004		Work completed at 48 sites by end of 2002, and 128 sites in progress to be completed	
	Connect these networks to wide area network and regional LAN	End of 2002	Work completed at 48 sites end 2002, 16 sites connected to WAN	
	Establish a fully operational helpdesk for desktop support in place	Mid-2002	Established November 2001	
	Users trained in basic computer-literacy	End of 2004	1379 users trained at the end of 2002, another 1857 users trained by end March 2003	
	Integration of MIS in functional / operational system of the department	End of 2003	Incorporated in FAS and CPP systems	
FAS PROJECT				
The Department has embarked upon an exercise to automate the administration and management of trust funds within its magistrates' offices, state attorneys and masters' offices. The FAS system is divided into three subprojects, namely the Justice Deposit Account System (JDAS), the State Attorney System (SAS) and the Guardian's Fund system.	Deploy Justice Deposit Account system (JDAS) to 54 sites	By March 2004	Strategic decision to deploy to 18 sites by March, roll out subjected to pilot sign off	
	Design, construct and deploy Guardian's Fund system to 11 masters' offices	By end 2004	Development of solution completed System was implemented for beta testing at the Bloemfontein Master's Office pilot site	
	Deploy the State Attorney's Administration System at 8 sites	By end 2001	Achieved	

Part 2 - Programme Performance

		<p>Ensure that 90% of users at sites receive 1 week classroom training on JDAS</p> <p>Ensure that data are verified, audited and signed-off by internal audit for each site that goes live</p> <p>Capturing of manual data using JDAS front-end application system</p>	<p>By end of 2003</p> <p>Ongoing</p> <p>Ongoing</p>	<p>In progress, classroom training given at pilot sites</p> <p>In progress, masters' offices in Kimberley, Bloemfontein and Grahams town signed off</p> <p>Capturing at 65 sites completed</p>
CPP PROJECT				
	<p>Project involves all four departments in the integrated justice system cluster. The cluster deals with a case from its inception through to finalisation. The project will pilot a streamlined court and case management process through the use of information technology and business process re-engineering</p>	<p>Durban Pilot implemented by end of May 2003</p> <p>Rollout of Pilot to Amanzintoti and Wentworth and its associated SAPS offices by July 2003.</p> <p>Roll out system to further identified sites</p>	<p>End of May 2003</p> <p>End of July 2003</p> <p>Ongoing</p>	<p>Achieved</p> <p>In progress – Awaiting SAPS fiscal infrastructure readiness</p> <p>Ongoing</p>



PART three



Part 3 - Report of the Audit Committee



PART 3: REPORT OF THE AUDIT COMMITTEE

We are pleased to present our report for the financial year ended 31 March 2003.

1. Audit Committee members and Attendance:

The audit committee consists of the members listed below and meets four times per annum as per its approved terms of reference. During the current year four meetings were held.

Name of Member	Number of meetings attended
S.A. Patterson (Chairperson)	4
K. Buthelezi (appointed May 2002)	3
R. Lubisi (appointed May 2002)	3
J. Noeth	4
P. Wilmot	3

2. Audit Committee Responsibility

The audit committee reports that it has complied with the 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.

3. The effectiveness of internal control

The extent of audit coverage by internal audit was limited during the year, due to staffing limitations and deployment of internal audit staff in review of new processes, advising management on new initiatives, providing recommendations on systems development processes, training management on corporate governance, risk management and controls.

The Department has significant vacancies in the financial division. Control weaknesses continue to be reported through Internal Audit reports, due to lack of compliance with prescribed policies and procedures. Inadequate management, lack of supervision, discipline, accountability and responsibility as well as financial management capacity, continue to be major factors contributing to internal control

weaknesses. These weaknesses have not been addressed satisfactorily by the accounting officer and his management team.

Significant control weaknesses have been reported by the Auditor-General under emphasis of matter and in the management letter. The effect of these instances has been included in the annual financial statements and in the report of the accounting officer.

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

The committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the accounting officer and the Department during the year under review. Considerable progress was made in investigation of suspense accounts which have built up over prior years. As a result significant irrecoverable amounts were uncovered which require to be dealt with once Treasury approval has been obtained.

Part 3 - Report of the Audit Committee

5. 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; and
- reviewed significant adjustments resulting from the audit.

The audit committee concurs and accepts the conclusion of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.



S.A. Patterson

Chairperson of the Audit Committee

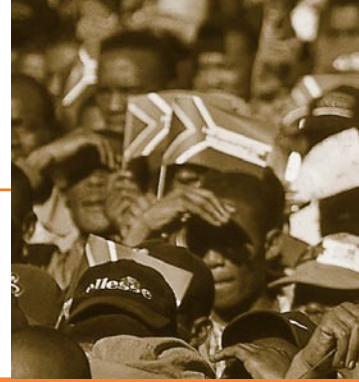
Date: 06 August 2003



PART 5



Part 5: Human Resource Management (Oversight Report)



The statistics and information published in this part of the annual report are required in terms of Chapter 1, Part III J.3 of the Public Service Regulations, 2001 and have been prescribed by the Minister for the Public Service and Administration for all departments within the Public Service.

The statistical tables provide high-level information on key human resource issues. The information aims to empower legislatures, the media, the public and other key stakeholders to monitor whether the department:-

- Are exercising the powers granted under Public Service and Public Finance legislation in a responsible manner,

- Are achieving national transformation priorities established by the Cabinet, for example, affirmative action.

1. Service delivery

All departments are required to develop a Service Delivery Improvement (SDI) Plan. The following tables reflect the components of the SDI plan as well as progress made in the implementation of the plans.

TABLE 1.1 – Main Service for Service Delivery Improvement and Standards

Main Services	Actual Customers	Actual Achievement against Standards
<p>We offer enabling value-added sustainable human capital services, which drive strategic business focus</p> <p>Contribute to attainment of strategic business objectives.</p> <p>Deliver strategic enabling Human Resources management and development services.</p> <p>We offer efficient and consistent Human Resources administrative services that meet the time and quality requirements of our end-users.</p> <p>Role focus: Strategic partner, change agents; Administrative experts and Employee champion</p>	<p>Various Business Units; Employees, DG's office and Ministry</p>	<p>Not yet measured against the new strategy</p>

TABLE 1.2 – Consultation Arrangements for Customers

Type of Arrangement	Actual Customers	Potential Customers	Actual Achievement against
Workshops with customers			Workshops have been conducted
Service Level Agreements	Still in process	Still in process	Service level agreements are being drawn up

Part 5: Human Resource Management (Oversight Report)

TABLE 1.3 – Service Delivery Access Strategy

Access Strategy	Actual Achievement
New structure has been designed to achieve access as there are business managers attached to each business unit	Not yet implemented as the structure has just been approved by the

TABLE 1.4 – Complaint Mechanism

Complaint Mechanism	Actual Achievement
Service Level Agreements have been designed to incorporate this.	Service Level Agreements are being drawn up.

2. Expenditure

Departments budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 2.1) and by salary bands (Table 2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the department.

TABLE 2.1 – Personnel costs by Programme

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel cost as percent of Total Expenditure	Average Personnel Cost per Employee (R'000)	Employment
Programme 1: Administration	462,432	242,440	0	84,067	52.43%	153,249	1,582
Programme 2: Administration of Courts	1,531,706	1,161,029	0	99,323	75.80%	124,507	9,325
Programme 3: State Legal Services	167,703	133,550	0	12,533	79.40%	137,127	971
Programme 4: National Prosecuting Authority	923,877	663,414	0	86,729	71.81%	171,336	3,872
Programme 5: Auxiliary and Associated Services	1,223,843	2,117	0	42,738	0.17%	45,043	47
TOTAL	4,309,561	2,202,550	0	325,390	51.10%	139,403	*15,797

* Includes NPA employee's

Part 5: Human Resource Management (Oversight Report)

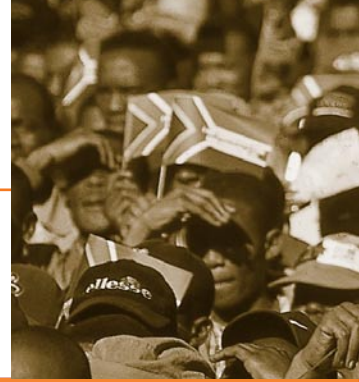


TABLE 2.2 – Personnel costs by Salary band

Salary Bands	Personnel Expenditure (R'000)	Percentage of Total Personnel Cost	Average Personnel Cost per Employee (R)	Total Personnel Expenditure	Number of Employees
Lower skilled (Levels 1-2)	54,897	3.16%	1,359	1,738,397	1,279
Skilled (Levels 3-5)	252,351	14.52%	432	1,738,397	4,020
Highly skilled production (Levels 6-8)	432,994	24.91%	442	1,738,397	3,930
Highly skilled supervision (Levels 9-12)	527,477	30.34%	915	1,738,397	1,900
Senior management (Levels 13-16)	317,358	18.26%	2,184	1,738,397	796
Other	108,377	8.82%	0	1,738,397	0
TOTAL	1,693,454	100.00%	145,778	1,738,397	*11,925

* Excludes NPA employee's and includes Statutory Appointment.

The following tables provide a summary per programme (Table 2.3) and salary bands (Table 2.4), of expenditure incurred as a result of salaries, overtime, home owners allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

TABLE 2.3 – Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme

Programme	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost (R'000)
Programme 1: Administration	267,479	71.7%	1,206	0.3%	3,710	1.0%	19,434	5.2%	372,935
Programme 2: Administration of Courts	851,410	69.7%	8,736	0.7%	18,908	1.5%	66,670	5.5%	1,221,162
Programme 3: State Legal Services	93,960	69.1%	159	0.1%	2,349	1.7%	6,697	4.9%	135,991
Programme 5: Auxiliary and Associated Services	5,140	61.9%	3	0.0%	101	1.2%	457	5.5%	8,308
TOTAL	1,217,989	70.1%	10,104	0.6%	25,068	1.4%	93,258	5.4%	1,738,396

TABLE 2.4 – Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band

Salary bands	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost (R'000)
Lower skilled (Levels 1-2)	38,550	70.2%	421	0.8%	581	1.1%	3,953	7.2%	54,897
Skilled (Levels 3-5)	181,015	71.7%	1,724	0.7%	3,848	1.5%	19,071	7.6%	252,351
Highly skilled production (Levels 6-8)	299,247	69.1%	2,211	0.5%	10,516	2.4%	31,100	7.2%	432,994
Highly skilled supervision (Levels 9-12)	387,680	73.5%	3,637	0.7%	7,300	1.4%	18,267	3.5%	527,477
Senior management (Levels 13-16)	206,553	65.1%	2,111	0.7%	2,823	0.9%	12,507	3.9%	317,358
Other	104,944	68.4%	0	0.0%	0	0.0%	8,360	5.5%	153,319
TOTAL	1,217,989	70.1%	10,104	0.6%	25,068	1.4%	93,258	5.4%	1,738,396

Part 5: Human Resource Management (Oversight Report)

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 that are additional to the establishment. This information is presented in terms of three key variables:- programme (Table 3.1), salary band

(Table 3.2) and critical occupations (Table 3.3). The Department has identified critical occupations that need to be monitored. Table 3.3 provides establishment and vacancy information for the key critical occupations of the department.

The vacancy rate reflects the percentage of posts that are not filled.

TABLE 3.1 – Employment and Vacancies by Programme at end of period

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Programme 1: Administration	2,038	1,582	22.4%	8
Programme 2: Administration of Courts	10,935	9,325	14.7%	21
Programme 3: State Legal Services	1,178	971	17.6%	2
Programme 5: Auxiliary and Associated Services	65	47	27.7%	-
TOTAL	14,216	11,925	16.1%	31

TABLE 3.2 – Employment and Vacancies by Salary Band at end of period

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2)	1,426	1,145	19.7%	-
Skilled (Levels 3-5)	5,521	4,247	23.1%	1
Highly skilled production (Levels 6-8)	4,237	3,856	9.0%	22
Highly skilled supervision (Levels 9-12)	2,121	1,881	1.3%	5
Senior management (Levels 13-16)	911	796	12.6%	3
TOTAL	14,216	11,925	16.1%	31

TABLE 3.3 – Employment and Vacancies by Critical Occupation at end of period

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Administrative related, Permanent	122	97	20.5%	2
Administrative related, Temporary	2	2	0.0%	-
Advocates, Permanent	57	51	10.5%	-
Advocates, Temporary	1	1	0.0%	-
Attorneys, Permanent	132	111	15.9%	-
Attorneys, Temporary	4	4	0.0%	-
Building and other property caretakers, Permanent	26	24	7.7%	-
Bus and heavy vehicle drivers, Permanent	5	5	0.0%	-
Cleaners in offices, workshops, hospitals, etc., Permanent	330	311	5.8%	-
Client information clerks, Permanent	95	78	17.9%	-
Client information clerks, Temporary	4	4	0.0%	-
Communication and information related, Permanent	11	10	9.1%	1
Communication and information related, Temporary	4	4	0.0%	-
Computer programmers, Permanent	1	1	0.0%	-
Finance and economics related, Permanent	138	114	17.4%	1

Part 5: Human Resource Management (Oversight Report)



TABLE 3.3 – Employment and Vacancies by Critical Occupation at end of period (continue)

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Finance and economics related, Temporary	3	3	0.0%	-
Financial and related professionals, Permanent	76	71	6.6%	-
Financial and related professionals, Temporary	17	17	0.0%	-
Financial clerks and credit controllers, Permanent	185	136	26.5%	-
Financial clerks and credit controllers, Temporary	35	35	0.0%	-
Food services aids and waiters, Permanent	13	11	15.4%	-
Food services aids and waiters, Temporary	1	1	0.0%	-
General legal administration and related professionals, Permanent	343	261	23.9%	3
General legal administration and related professionals, Temporary	36	36	0.0%	-
Head of Department/Chief Executive Officer, Permanent	1	1	0.0%	-
Head of Department/Chief Executive Officer, Temporary	1	1	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	41	40	2.4%	2
Human resources and organisational development and related professionals, Temporary	2	2	0.0%	-
Human resources clerks, Permanent	244	210	13.9%	-
Human resources clerks, Temporary	5	5	0.0%	-
Human resources related, Permanent	54	41	24.1%	-
Human resources related, Temporary	6	6	0.0%	-
Information technology related, Permanent	5	5	0.0%	-
Judges, Permanent	287	208	27.5%	-
Language practitioners, interpreters and other communicators, Permanent	177	165	6.8%	-
Language practitioners, interpreters and other communicators, Temporary	3	3	0.0%	-
Legal and support personnel, Permanent	1	-	100.0%	-
Legal and support personnel, Permanent	1	-	100.0%	-
Legal-related, Permanent	99	89	10.1%	-
Librarians and related professionals, Permanent	16	15	6.3%	-
Librarians and related professionals, Temporary	1	1	0.0%	-
Library mail and related clerks, Permanent	386	238	38.3%	-
Library mail and related clerks, Temporary	210	210	0.0%	-
Light vehicle drivers, Permanent	21	17	19.0%	-
Light vehicle drivers, Temporary	1	1	0.0%	-
Logistical support personnel, Permanent	37	32	13.5%	-
Magistrates, Permanent	1,828	1,674	8.4%	-
Magistrates, Temporary	28	28	0.0%	-
Management and general support personnel, Permanent	1	-	100.0%	-
Material-recording and transport clerks, Permanent	81	63	22.2%	-

Part 5: Human Resource Management (Oversight Report)

TABLE 3.3 – Employment and Vacancies by Critical Occupation at end of period (continue)

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Messengers, porters and deliverers, Permanent	410	347	15.4%	-
Messengers, porters and deliverers, Temporary	32	32	0.0%	-
Other administrative and related clerks and organisers, Permanent	4,526	3,661	19.1%	5
Other administrative and related clerks and organisers, Temporary	72	72	0.0%	-
Other administrative policy and related officers, Permanent	610	539	11.6%	13
Other administrative policy and related officers, Temporary	4	4	0.0%	-
Other information technology personnel, Permanent	1	1	0.0%	-
Other occupations, Permanent	9	9	0.0%	-
Prosecutor, Permanent	10	5	50.0%	-
Risk management and security services, Permanent	7	7	0.0%	-
Secretaries and other keyboard operators, Permanent	971	794	18.2%	1
Secretaries and other keyboard operators, Temporary	57	57	0.0%	-
Security guards, Permanent	100	88	12.0%	-
Security guards, Temporary	3	3	0.0%	-
Security officers, Permanent	481	409	15.0%	-
Security officers, Temporary	18	18	0.0%	-
Senior managers, Permanent	156	147	5.8%	3
Senior managers, Temporary	3	3	0.0%	-
State law adviser, Permanent	1	-	100.0%	-
Statisticians and related professionals, Permanent	2	2	0.0%	-
Translators and air traffic communicators, Permanent	1,418	1,137	19.8%	-
Translators and air traffic communicators, Temporary	45	45	0.0%	-
TOTAL	14,216	11,925	16.1%	31

The information in each case reflects the situation as at 31 March 2003. For an indication of changes in staffing patterns over the year under review, please refer to section 5 of this report.

4. Job Evaluation

The Public Service Regulations, 1999 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations

all vacancies on salary levels 9 and higher must be evaluated before they are filled. This was complemented by a decision by the Minister for the Public Service and Administration that all SMS jobs must be evaluated before 31 December 2002.

The following table (Table 4.1) summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Part 5: Human Resource Management (Oversight Report)



TABLE 4.1 - Job Evaluation

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Downgraded	% of Downgraded Posts Evaluated
Lower skilled (Levels 1-2)	1,426	-	0.0%	-	0.0%	-	-
Skilled (Levels 3-5)	5,521	1	0.0%	1	100.0%	-	-
Highly skilled production (Levels 6-8)	4,237	19	0.4%	1	5.3%	-	-
Highly skilled supervision (Levels 9-12)	2,121	171	8.1%	4	2.3%	-	-
Senior Management Service Band A	580	6	1.0%	-	0.0%	-	-
Senior Management Service Band B	35	11	31.4%	-	0.0%	-	-
Senior Management Service Band C	295	1	0.3%	-	0.0%	-	-
Senior Management Service Band D	1	-	0.0%	-	0.0%	-	-
TOTAL	14,216	209	1.5%	6	2.9%	-	-

The following table summarises the number of cases where remuneration levels exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

TABLE 4.3 - Employees whose salary level exceed the grade determined by Job Evaluation [i.t.o PSR 1.V.C.3]

Total Number of Employees whose salaries exceeded the grades determined by job evaluation in 2002/ 03	None

5. Employment Changes

This section provides information on changes in employment over the financial year.

Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band (Table 5.1) and by critical occupations (Table 5.2).

Part 5: Human Resource Management (Oversight Report)

TABLE 5.1 – Annual Turnover Rates by Salary Band

Salary Band	Employment at Beginning of Period	Appointment	Terminations	Turnover Rate
Lower skilled (Levels 1-2)	1,009	984	805	40.4%
Skilled (Levels 3-5)	3,644	3,039	2,987	44.7%
Highly skilled production (Levels 6-8)	4,021	263	453	10.6%
Highly skilled supervision (Levels 9-12)	1,705	409	459	21.7%
Senior Management Service Band A	550	57	76	12.5%
Senior Management Service Band B	67	193	5	1.9%
Senior Management Service Band C	19	19	5	13.2%
Senior Management Service Band D	2	-	-	0.0%
TOTAL	11,017	4,964	4,790	30.0%

The Turnover rate = Terminations / (Employment at beginning + Appointments)

* Excluding Statutory Appointments and Recruitment

TABLE 5.2 – Annual Turnover Rates by Critical Occupation

Occupation	Employment at Beginning of Period	Appointment	Terminations	Turnover Rate
Administrative related, Permanent	71	2	5	6.8%
Administrative related, Temporary	-	5	3	60.0%
Advocates, Permanent	38	4	6	14.3%
Advocates, Temporary	-	11	11	100.0%
Attorneys, Permanent	85	13	10	10.2%
Attorneys, Temporary	-	20	18	90.0%
Building and other property caretakers, Permanent	26	-	2	7.7%
Bus and heavy vehicle drivers, Permanent	12	-	-	0.0%
Cleaners in offices, workshops, hospitals, etc., Permanent	328	-	18	5.5%
Cleaners in offices, workshops, hospitals, etc., Temporary	-	18	18	100.0%
Client information clerks, Permanent	79	2	5	6.2%
Client information clerks, Temporary	1	23	24	100.0%
Communication and information related, Permanent	9	1	-	0.0%
Communication and information related, Temporary	-	3	3	100.0%
Computer programmers, Permanent	4	-	3	75.0%
Computer system designers and analysts., Permanent	1	-	1	100.0%
Custodian personnel, Permanent	-	-	1	0.0%
Finance and economics related, Permanent	62	10	3	4.2%
Finance and economics related, Temporary	-	3	3	100.0%
Financial and related professionals, Permanent	56	17	-	0.0%
Financial and related professionals, Temporary	-	53	50	94.3%
Financial clerks and credit controllers, Permanent	139	4	4	2.8%
Financial clerks and credit controllers, Temporary	1	110	90	81.1%
Food services aids and waiters, Permanent	13	-	1	7.7%
Food services aids and waiters, Temporary	-	2	1	50.0%
General legal administration and related professionals, Permanent	278	16	41	13.9%

Part 5: Human Resource Management (Oversight Report)



TABLE 5.2 – Annual Turnover Rates by Critical Occupation (continue)

Occupation	Employment at Beginning of Period	Appointment	Terminations	Turnover Rate
General legal administration and related professionals, Temporary	2	98	81	81.0%
Head of Department/Chief Executive Officer, Permanent	1	-	-	0.0%
Human resources and organisational development and related professionals, Permanent	40	-	17	42.5%
Human resources and organisational development and related professionals, Temporary	-	8	8	100.0%
Human resources clerks, Permanent	202	15	6	2.8%
Human resources clerks, Temporary	1	34	34	97.1%
Human resources related, Permanent	43	-	7	16.3%
Human resources related, Temporary	-	15	15	100.0%
Information technology related, Permanent	2	1	2	66.7%
Judges, Permanent	-	242	29	12.0%
Language practitioners, interpreters and other communicators, Permanent	238	1	11	4.6%
Language practitioners, interpreters and other communicators, Temporary	5	3	4	50.0%
Legal and support personnel, Permanent	1	-	-	0.0%
Legal-related, Permanent	92	-	8	8.7%
Legal-related, Temporary	-	1	1	100.0%
Librarians and related professionals, Permanent	15	1	-	0.0%
Librarians and related professionals, Temporary	-	3	2	66.7%
Library mail and related clerks, Permanent	231	15	8	3.3%
Library mail and related clerks, Temporary	3	430	278	64.2%
Light vehicle drivers, Permanent	12	-	-	0.0%
Light vehicle drivers, Temporary	-	11	10	90.9%
Logistical support personnel, Permanent	28	-	1	3.6%
Magistrates, Permanent	1,582	93	126	7.5%
Magistrates, Temporary	2	273	275	100.0%
Management and general support personnel, Permanent	-	-	-	-
Material-recording and transport clerks, Permanent	61	5	1	1.5%
Material-recording and transport clerks, Temporary	-	12	12	100.0%
Messengers, porters and deliverers, Permanent	339	38	19	5.0%
Messengers, porters and deliverers, Temporary	11	192	182	89.7%
Other administrative and related clerks and organisers, Permanent	3,711	165	250	6.4%
Other administrative and related clerks and organisers, Temporary	25	1,662	1,687	100.0%
Other administrative policy and related officers, Permanent	486	8	28	5.7%
Other administrative policy and related officers, Temporary	3	13	16	100.0%
Other information technology personnel, Permanent	22	-	19	86.4%
Other occupations, Permanent	138	2	38	27.1%
Other occupations, Temporary	1	1	2	100.0%
Prosecutor, Permanent	48	2	35	70.0%
Prosecutor, Temporary	-	46	46	100.0%
Risk management and security services, Permanent	7	-	-	0.0%
Secretaries and other keyboard operators, Permanent	796	48	45	5.3%
Secretaries and other keyboard operators, Temporary	9	353	328	90.6%
Security guards, Permanent	94	-	2	2.1%

Part 5: Human Resource Management (Oversight Report)

TABLE 5.2 – Annual Turnover Rates by Critical Occupation (continue)

Occupation	Employment at Beginning of Period	Appointments	Terminations	Turnover Rate
Security officers, Permanent	432	5	20	4.6%
Security officers, Temporary	13	102	108	93.9%
Senior managers, Permanent	125	4	5	3.9%
Senior managers, Temporary	2	7	8	88.9%
Statisticians and related professionals, Permanent	1	-	-	0.0%
Translators and air traffic communicators, Permanent	974	101	44	4.1%
Translators and air traffic communicators, Temporary	13	603	616	100.0%
TOTAL	11,017	4,964	4,790	30.0%

Table 5.3 identifies the major reasons why staff left the department.

TABLE 5.3 – Reasons why staff are leaving the department

Termination Type	Number	Percentage of Total Resignation	Percentage of Total Employment	Total	Total Employment
Death, Permanent	62	1.3%	0.6%	4,790	11,017
Death, Temporary	2	0.0%	0.0%	4,790	11,017
Resignation, Permanent	329	6.9%	3.0%	4,790	11,017
Resignation, Temporary	178	3.7%	1.6%	4,790	11,017
Expiry of contract, Permanent	34	0.7%	0.3%	4,790	11,017
Expiry of contract, Temporary	3,862	80.6%	35.1%	4,790	11,017
Dismissal-operational changes, Permanent	44	0.9%	0.4%	4,790	11,017
Dismissal-operational changes, Temporary	1	0.0%	0.0%	4,790	11,017
Discharged due to ill health, Permanent	29	0.6%	0.3%	4,790	11,017
Discharged due to ill health, Temporary	1	0.0%	0.0%	4,790	11,017
Dismissal-misconduct, Permanent	17	0.4%	0.2%	4,790	11,017
Dismissal-misconduct, Temporary	2	0.0%	0.0%	4,790	11,017
Retirement, Permanent	87	1.8%	0.8%	4,790	11,017
Retirement, Temporary	2	0.0%	0.0%	4,790	11,017
Other, Permanent	29	0.6%	0.3%	4,790	11,017
Other, Temporary	111	2.3%	1.0%	4,790	11,017
TOTAL	4,790	100.0%	43.5%	4,790	11,017

Resignations as % of Employment

43.5

Part 5: Human Resource Management (Oversight Report)



TABLE 5.4 - Promotions by Critical Occupation

Occupation	Employment at Beginning of Period	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progression as a % of Employment
Security guards, Temporary			3	34	35 94.6%
Administrative related	71	16	22.5%	5	7.0%
Advocates	38	-	0.0%	5	13.2%
Attorneys	85	7	8.2%	10	11.8%
Building and other property caretakers	26	-	0.0%	-	0.0%
Bus and heavy vehicle drivers	12	-	0.0%	-	0.0%
Cleaners in offices, workshops, hospitals, etc.	328	-	0.0%	3	0.9%
Client information clerks	80	-	0.0%	7	8.8%
Communication and information-related	9	1	11.1%	2	22.2%
Computer programmers	4	-	0.0%	1	25.0%
Computer system designers and analysts	1	-	0.0%	-	0.0%
Finance and economics related	62	30	48.4%	17	27.4%
Financial and related professionals	56	4	7.1%	9	16.1%
Financial clerks and credit controllers	140	5	3.6%	33	23.6%
Food services aids and waiters	13	-	0.0%	-	0.0%
General legal administration and related professionals	280	4	1.4%	21	7.5%
Head of Department/Chief Executive Officer	1	-	0.0%	-	0.0%
Human resources and organisational development and related professionals	40	1	2.5%	3	7.5%
Human resources clerks	203	4	2.0%	20	9.9%
Human resources related	43	1	2.3%	4	9.3%
Information technology related	2	4	200.0%	-	0.0%
Judges	-	2	0.0%	-	0.0%
Language practitioners, interpreters and other communicators	243	3	1.2%	6	2.5%
Legal and support personnel	1	-	0.0%	-	0.0%
Legal-related	92	5	5.4%	8	8.7%
Librarians and related professionals	15	-	0.0%	1	6.7%
Library mail and related clerks	234	2	0.9%	24	10.3%
Light vehicle drivers	12	-	0.0%	-	0.0%
Logistical support personnel	28	4	14.3%	-	0.0%
Magistrates	1,584	15	0.9%	2	0.1%
Material-recording and transport clerks	61	3	4.9%	4	6.6%
Messengers porters and deliverers	350	-	0.0%	24	6.9%
Other administrative and related clerks and organisers	3,736	21	0.6%	108	2.9%
Other administrative policy and related officers	489	48	9.8%	20	4.1%
Other information technology personnel	22	-	0.0%	-	0.0%
Other occupations	139	4	2.9%	6	4.3%
Prosecutor	48	-	0.0%	-	0.0%
Risk management and security services	7	1	14.3%	-	0.0%
Secretaries and other keyboard operators	805	1	0.1%	51	6.3%
Security guards	97	-	0.0%	2	2.1%
Security officers	445	-	0.0%	43	9.7%
Senior managers	127	9	7.1%	26	20.5%
Statisticians and related professionals	1	-	0.0%	1	100.0%
Translators and air traffic communicators	987	1	0.1%	24	2.4%

Part 5: Human Resource Management (Oversight Report)

TABLE 5.5 – Promotions by Salary Band

Salary Band	Employment at Beginning of Period	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progression as a % of Employment
Lower skilled (Levels 1-2)	1,009	-	0.0%	40	4.0%
Skilled (Levels 3-5)	3,644	8	0.2%	222	6.1%
Highly skilled production (Levels 6-8)	4,021	91	2.3%	134	3.3%
Highly skilled supervision (Levels 9-12)	1,705	71	4.2%	59	3.5%
Senior Management	-	26	0.0%	33	0.0%
Senior Management (Levels 13-16)	638	-	0.0%	-	0.0%
Other	-	-	0.0%	2	0.0%
TOTAL	11,017	196	1.8%	490	4.4%

6. Employment Equity

The numbers included in this section were drawn from the Persal system, and do not reconcile with the total number of employees in the Department (excluding the NPA). The HR Business Unit has embarked on a process to correct the discrepancies.

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

TABLE 6.1 – Total number of Employees (incl. Employees with disabilities) per Occupational Category (SASCO)

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Legislators, senior officials and managers	39	5	7	61	20	4	3	13	152
Professionals	351	30	24	155	233	34	37	209	1,073
Clerks	2,121	152	54	176	2,034	362	172	1,546	6,617
Service and sales workers	206	62	16	131	83	12	1	23	534
Plant and machine operators and assemblers	27	-	1	-	-	1	-	-	29
Elementary occupations	125	1	-	9	220	1	-	5	361
Other	12	2	1	2	14	9	1	16	57
TOTAL	2,881	252	103	534	2,604	423	214	1,812	8,823
Employees with disabilities	75	4	1	14	54	5	4	23	180
TOTAL	75	4	1	14	54	5	4	23	180

TABLE 6.2 – Total number of Employees (incl. Employees with disabilities) per Occupational Bands

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Top Management	6	1	2	8	4	-	-	-	21
Senior Management	28	4	5	47	16	3	3	8	114
Professionally qualified and experienced specialists and mid-management	329	28	18	150	234	34	33	206	1,032
Skilled technical and academically qualified workers, junior management, supervisors, foremen	1,194	37	11	79	1,176	140	49	526	3,212
Semi-skilled and discretionary decision-making	1,270	183	68	262	1,007	244	132	1,079	4,245
Unskilled and defined decision-making	129	3	-	2	221	7	1	16	379
TOTAL	2,956	256	104	548	2,658	428	218	1,835	9,003

Part 5: Human Resource Management (Oversight Report)

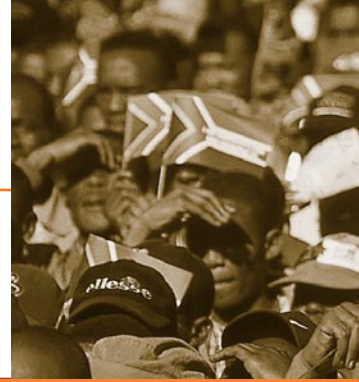


TABLE 6.3 - Recruitment

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Top Management	-	1	-	-	-	-	-	-	1
Senior Management	1	-	-	1	4	1	1	3	11
Professionally qualified and experienced specialists and mid-management	25	4	2	7	24	6	2	9	79
Skilled technical and academically qualified workers, junior management, supervisors, foremen	70	8	1	5	55	14	7	10	170
Semi-skilled and discretionary decision-making	100	28	5	21	108	40	15	32	349
Unskilled and defined decision-making	5	-	-	-	2	1	-	-	8
TOTAL	201	41	8	34	193	62	25	54	618

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Employees with disabilities	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-

TABLE 6.4 - Promotions

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	1	-	-	1	-	2
Professionally qualified and experienced specialists and mid-management	13	3	-	8	7	2	-	22	55
Skilled technical and academically qualified workers, junior management, supervisors, foremen	59	3	2	4	60	4	4	24	160
Semi-skilled and discretionary decision-making	56	11	5	11	62	33	6	35	219
Unskilled and defined decision-making	-	-	-	-	3	-	-	-	3
TOTAL	128	17	7	24	132	39	11	81	439

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Employees with disabilities	1	-	-	-	-	-	-	-	1
TOTAL	1	-	-	-	-	-	-	-	1

TABLE 6.5 - Terminations

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Top Management	1	-	-	1	-	-	-	1	3
Senior Management	-	1	-	2	2	-	-	-	5
Professionally qualified and experienced specialists and mid-management	25	1	5	9	15	2	4	19	80
Skilled technical and academically qualified workers, junior management, supervisors, foremen	54	1	1	2	16	8	2	19	103
Semi-skilled and discretionary decision-making	79	15	3	20	40	17	5	73	252
Unskilled and defined decision-making	3	4	1	1	8	3	1	4	25
TOTAL	162	22	10	35	81	30	12	116	468

Part 5: Human Resource Management (Oversight Report)

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Employees with disabilities	2	-	-	-	3	-	-	1	6
TOTAL	2	-	-	-	3	-	-	1	6

TABLE 6.6 - Disciplinary Action

Disciplinary action	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total	Not Available
	158	10	4	20	48	9	2	12	263	-
TOTAL	158	10	4	20	48	9	2	12	263	-

TABLE 6.7 - Skills Development

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Legislators, Senior Officials and Managers	24	4	1	34	15	1	1	9	89
Professionals	233	7	8	63	135	6	21	82	555
Technicians and Associate Professionals	146	4	-	7	95	11	3	16	282
Clerks	586	31	33	55	667	109	108	549	2,138
Service and Sales Workers	43	13	-	18	104	7	2	18	205
Skilled Agriculture and Fishery Workers	-	-	-	1	-	-	-	-	1
Craft and related Trades Workers	-	-	-	-	-	-	-	-	-
Plant and Machine Operators and Assemblers	-	-	-	-	3	5	-	-	8
Elementary Occupations	11	-	-	8	8	-	-	2	29
TOTAL	1,043	59	42	186	1,027	139	135	676	3,307

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Employees with disabilities	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-

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 6.1), salary bands (table 6.2) and critical occupations (Table 6.3).

TABLE 7.1 - Performance Rewards by Race, Gender and Disability

Occupational Bands	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
African, Female	319	3,154	10.1%	2,664	8,351
African, Male	381	3,624	10.5%	4,365	11,457
Asian, Female	96	324	29.6%	973	10,135
Asian, Male	62	184	33.7%	759	12,242
Coloured, Female	82	575	14.3%	685	8,354
Coloured, Male	43	347	12.4%	384	8,930
White, Female	615	2,323	26.5%	7,692	12,507
White, Male	291	1,357	21.4%	6,710	23,058
Employees with a disability	1	37	2.7%	20	20,000
TOTAL	1,890	11,925	15.8%	24,252	12,832

Part 5: Human Resource Management (Oversight Report)

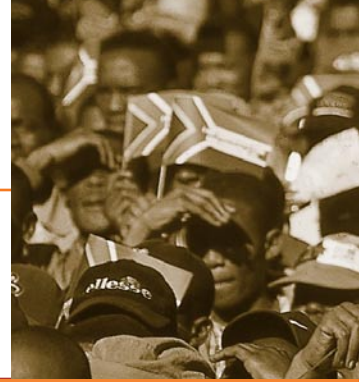


TABLE 7.2 – Performance Rewards by Salary Band for Personnel below Senior Management Service

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Lower skilled (Levels 1-2)	93	1,279	7.3%	372	4,000
Skilled (Levels 3-5)	467	4,235	11.0%	2,631	5,634
Highly skilled production (Levels 6-8)	807	3,930	20.5%	8,224	10,191
Highly skilled supervision (Levels 9-12)	444	1,900	23.4%	10,624	23,928
TOTAL	1,811	11,344	16.0%	21,851	12,066

TABLE 7.3 – Performance Rewards by Critical Occupation

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Administrative related	24	90	26.7%	547	22,792
Advocates	10	55	18.2%	211	21,100
Attorneys	15	99	15.2%	246	16,400
Building and other property caretakers	1	24	4.2%	4	4,000
Bus and heavy vehicle drivers	1	12	8.3%	7	7,000
Cleaners in offices, workshops, hospitals, etc.	13	312	4.2%	53	4,077
Client information clerks	9	80	11.3%	52	5,778
Communication and information-related	3	15	20.0%	102	34,000
Finance and economics related	21	110	19.1%	344	16,381
Financial and related professionals	11	92	12.0%	224	20,364
Financial clerks and credit controllers	21	165	12.7%	200	9,524
Food services aids and waiters	1	14	7.1%	3	3,000
General legal administration and related professionals	85	291	29.2%	1,707	20,082
Human resources and organisational development and related professionals	13	38	34.2%	201	15,462
Human resources clerks	76	205	37.1%	853	11,224
Human resources related	19	49	38.8%	461	24,263
Language practitioners, interpreters and other communicators	36	229	15.7%	361	10,028
Legal and support personnel					
Legal-related	56	88	63.6%	1,216	21,714
Librarians and related professionals	4	18	22.2%	73	18,250
Library mail and related clerks	57	453	12.6%	369	6,474
Light vehicle drivers	4	12	33.3%	19	4,750
Logistical support personnel	18	30	60.0%	200	11,111
Magistrates	314	1,631	19.3%	8,423	26,825
Material-recording and transport clerks	19	60	31.7%	119	6,263
Messengers porters and deliverers	47	380	12.4%	180	3,830
Other administrative and related clerks and organisers	593	4,106	14.4%	4,438	7,484
Other administrative policy and related officers	86	535	16.1%	1,054	12,256
Other occupations	4	87	4.6%	54	13,500
Prosecutor	2	25	8.0%	21	10,500
Risk management and security services	3	7	42.9%	31	10,333
Secretaries and other keyboard operators	178	840	21.2%	1,570	8,820
Security guards	3	85	3.5%	9	3,000
Security officers	60	440	13.6%	365	6,083
Senior managers	4	144	2.8%	84	21,000
Translators and air traffic communicators	79	1,104	7.2%	451	5,709
TOTAL	1,890	11,925	15.8%	24,254	12,832

Part 5: Human Resource Management (Oversight Report)

TABLE 7.4 – Performance Related Rewards (Cash Bonus) by Salary Band for Senior Management Service

SMS Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)	% of SMS Wage Bill	Personnel Cost SMS (R'000)
Band A	73	545	13.4%	2,287	31,329	1.0%	224,054
Band B	6	36	16.7%	114	19,000	0.7%	16,321
TOTAL	79	581	13.6%	2,401	30,392	100.0%	240,375

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 by Salary Band

Salary Band	Employment at Beginning Period	Percentage of Total	Employment at End of Period	Percentage of Total	Change in Employment	Percentage of Total	Employment at Beginning of Period	Employment at End of Period	Total Change in Employment
Lower skilled (Levels 1-2)	-	0.0%	1	3.0%	1	5.3%	14	33	19
Skilled (Levels 3-5)	3	21.4%	5	15.2%	2	10.5%	14	33	19
Highly skilled production (Levels 6-8)	1	7.1%	3	9.1%	2	10.5%	14	33	19
Highly skilled supervision (Levels 9-12)	6	42.9%	7	21.2%	1	5.3%	14	33	19
Senior Management (Levels 13-16)	-	0.0%	2	6.1%	2	10.5%	14	33	19
Other	4	28.6%	15	45.5%	11	57.9%	14	33	19
TOTAL	14	100.0%	33	100.0%	19	100.0%	14	33	19

TABLE 8.2 – Foreign Workers by Major Occupation

Major Occupation	Employment at Beginning Period	Percentage of Total	Employment at End of Period	Percentage of Total	Change in Employment	Percentage of Total	Employment at Beginning of Period	Employment at End of Period	Total Change in Employment
Administrative office workers	5	35.7%	20	60.6%	15	78.9%	14	33	19
Other occupations	1	7.1%	1	3.0%	-	0.0%	14	33	19
Professionals and managers	8	57.1%	12	36.4%	4	21.1%	14	33	19
TOTAL	14	100.0%	33	100.0%	19	100.0%	14	33	19

9. Leave utilisation for the period 1 January 2002 to 31 December 2002

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

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Sick Leave	% of Total Employees using Sick Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of Employees using Sick Leave	Total number of days with medical certification
Lower skilled (Levels 1-2)	4,852	24.5%	645	8.4%	8	581	7,692	1,191
Skilled (Levels 3-5)	21,960	24.4%	2,932	38.1%	7	3,512	7,692	5,356
Highly skilled production (Levels 6-8)	20,285	21.9%	2,615	34.0%	8	5,526	7,692	4,440
Highly skilled supervision (Levels 9-12)	10,887	15.7%	1,179	15.3%	9	6,276	7,692	1,711
Senior Management (Levels 13-16)	2,698	13.6%	311	4.0%	9	2,162	7,692	367
Other	32	31.3%	10	0.1%	3	3	7,692	10
TOTAL	60,714	21.5%	7,692	100.0%	7	18,060	7,692	13,075

Part 5: Human Resource Management (Oversight Report)

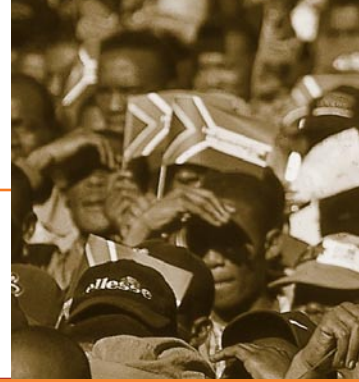


TABLE 9.2 - Disability Leave (Temporary and Permanent)

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Disability Leave	% of Total Employees using Disability Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of days with medical certification	Total number of Employees using Disability Leave
Lower skilled (Levels 1-2)	872	15.1%	41	12.7%	21	106	132	322
Skilled (Levels 3-5)	1,997	12.2%	122	37.9%	16	330	243	322
Highly skilled production (Levels 6-8)	3,700	8.7%	144	44.7%	26	964	323	322
Highly skilled supervision (Levels 9-12)	347	7.5%	10	3.1%	35	194	26	322
Senior Management (Levels 13-16)	171	7.0%	5	1.6%	34	263	12	322
TOTAL	7,087	10.4%	322	100.0%	26	1,857	736	322

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

Salary Band	Total Days Taken	Average per Employee	Employment
Lower skilled (Levels 1-2)	20,462	20	1,022
Skilled (Levels 3-5)	69,434	18	3,950
Highly skilled production (Levels 6-8)	88,189	22	3,953
Highly skilled supervision (Levels 9-12)	46,110	25	1,852
Senior Management (Levels 13-16)	16,182	28	579
Other	317	10	32
TOTAL	240,694	21	*11,388

* This total represents staff members who took leave during the period under review and will thus not balance to the total number of employees in the department.

TABLE 9.4 - Leave Payouts

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 (R)
Leave payout for 2002/03 due to non-utilisation of leave for the previous cycle	98	20	4,900
Capped leave payouts on termination of service for 2002/03	2,154	53	40,642
Current leave payout on termination of service for 2002/03	49	52	942
TOTAL	2,301	125	18,408

Part 5: Human Resource Management (Oversight Report)

10. HIV/AIDS & Health Promotion Programmes

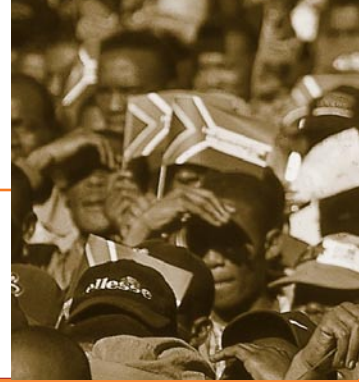
TABLE 10.1 – Steps taken to reduce the risk of occupational exposure

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	Nil

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.	Yes		The Department has a coordinator for the HIV/AIDS programmes: Mr. T. Z. Malema - Director
2. Does the Department have a dedicated unit or have you designated specific staff members to promote health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		The Unit which is responsible for it, is called Transformation and Equity
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	Yes		The Department has the Employee Assistance Programmed in place
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.	Yes		The Department has a committee which is comprised of members from various divisions. The following are the names: 1. Mr. SN Thomas 2. Mrs. C Sekgoele 3. Ms. M Ngomane 4. Mr. A Moathudi 5. Mrs. M Khoa 6. NEHAWU shop steward 7. PSA shop steward
5. Has the Department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		
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.	Yes		List of reviewed policies: Affirmative Action, Recruitment, Employment Equity, Appointment Policy, Overtime Policy and Special Study Leave.
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		Yes, confidentiality and privacy are respected.
8. Has the Department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.		No	Results achieved for encouraging VCT: 1. The use of condoms have increased; 2. Changed sexual behavioural patterns 3. Most employees reserved their right of non-disclosure regarding their HIV-status.

Part 5: Human Resource Management (Oversight Report)



11. Labour Relations

The following collective agreements were entered into with trade unions within the department.

TABLE 11.1 – Collective Agreements

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 Discipline Hearings Finalised

Outcomes of disciplinary hearings	Number	Percentage of Total
Withdrawn	94	34.3%
Written warning	50	18.2%
Dismissal	40	14.6%
Final Written Warning	26	9.5%
Not guilty	12	4.4%
Suspension w/o pay	12	4.4%
Resigned	11	4.0%
Verbal warning	6	2.2%
Corrective counseling	5	1.8%
Leave w/o pay	4	1.5%
Abscondment	3	1.1%
Demotion	2	0.7%
Died	2	0.7%
Fine	2	0.7%
Rehabilitation	2	0.7%
Ill Health Discharge	1	0.4%
Repayment of money	1	0.4%
Transfer	1	0.4%
TOTAL	274	100.0%

TABLE 11.3 – Types of Misconduct Addressed at Disciplinary Hearings

Type of misconduct	Number	% of total
Unauthorised Absence	41	14.96%
Theft	26	9.49%
Fraud	20	7.30%
Alcohol on duty	18	6.57%
Insubordination	18	6.57%
Non-submission of report 14's and bank reconciliation statements	16	5.84%
Loss (State money)	12	4.38%
Assault	11	4.01%
Unbecoming behaviour	10	3.65%
Irregular use of day-to-day maintenance	9	3.28%
Negligence	8	2.92%
Non-submission of moneys in trust account	5	1.82%
Corruption	5	1.82%
Failure to carry out a lawful order	5	1.82%

Part 5: Human Resource Management (Oversight Report)

TABLE 11.3 - Types of Misconduct Addressed at Disciplinary Hearings

Outcomes of disciplinary hearings	Number	Percentage of Total
Non-submission of reconciliation sheets	5	1.82%
Non-submission of trust account reconciliation sheets	5	1.82%
Poor Performance	5	1.82%
Unprotected strike	4	1.46%
Abuse (State Property)	3	1.09%
Loss of State property	3	1.09%
Loss of W/Vouchers	3	1.09%
Quality Assessment Report	3	1.09%
Racism	3	1.09%
Unauthorised use of telephone	3	1.09%
Contravened the Code of Conduct	2	0.73%
Prejudiced Admin	2	0.73%
Previous Convictions (Security Clearance)	2	0.73%
Unacceptable conduct	2	0.73%
Abscondment	1	0.36%
Attempting to defeat the ends of Justice	1	0.36%
Complaints/grievances from officers in the Directorate: IT	1	0.36%
Contempt of Court	1	0.36%
Disrespect	1	0.36%
Drinking and driving	1	0.36%
Embezzlement	1	0.36%
Extortion	1	0.36%
Failure to disclose pending misconduct proceedings against him	1	0.36%
Failure to submit Snr Certificate	1	0.36%
Indecent Assault on minor	1	0.36%
Intimidation	1	0.36%
Intoxication	1	0.36%
Misuse of government vehicle	1	0.36%
Misuse of state vehicle	1	0.36%
Money lending scheme	1	0.36%
Murder	1	0.36%
Nepotism	1	0.36%
Possession of stolen property	1	0.36%
Reconciliation sheets not balancing	1	0.36%
Sexual harassment	1	0.36%
Shoplifting	1	0.36%
Shortage	1	0.36%
Unauthorised use of government vehicle	1	0.36%
Use of Vulgar Language	1	0.36%
TOTAL	274	100.00%

TABLE 11.4 - Grievances Lodged

Number of grievances addressed	Number	% of total
Resolved	25	100.00%
Not resolved	0	0.00%
TOTAL	25	100.00%

Part 5: Human Resource Management (Oversight Report)

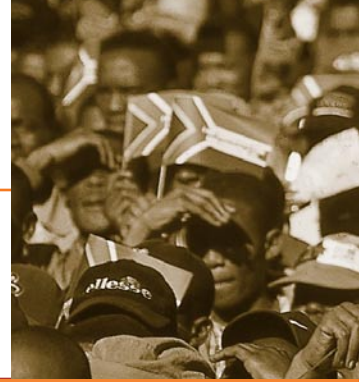


TABLE 11.5 – Disputes Lodged

Number of disputes addressed	Number	Percentage of Total
Upheld	2	33.3
Dismissed	4	66.7
TOTAL	6	100.00%

TABLE 11.6 – Strike Actions

Strike Actions	Number
Total number of personnel working days lost	2 5
Total cost(R'000) of working days lost	-
Amount (R'000) recovered as a result of no work, no pay	3

TABLE 11.7 – Precautionary Suspensions

Precautionary Suspensions	Number
Number of people suspended	34
Number of people whose suspension exceeded 30 days	32
Average number of days suspended	354
Cost (R'000) of suspensions	4,640

12. Skills development

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

TABLE 12.1 – Training Needs identified

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	0	0	3	0	3
	Male	0	0	2	0	2
Technicians and associate professionals	Female	0	0	166	0	166
	Male	0	0	163	0	163
Clerks	Female	0	6	10,853	0	10,859
	Male	0	6	7,436	0	7,442
Elementary occupations	Female	0	0	363	0	363
	Male	0	0	405	0	405
Gender subtotals	Female	0	6	11,385	0	11,391
	Male	0	6	8,006	0	8,012
TOTAL		0	12	19,391	0	19,403

Part 5: Human Resource Management (Oversight Report)

TABLE 12.2 - Training Provided

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	0	0	18	0	18
	Male	0	0	15	0	15
Technicians and associate professionals	Female	0	0	1,857	0	1,857
	Male	0	0	2,312	0	2,312
Clerks	Female	0	0	4,905	0	4,905
	Male	0	0	3,146	0	3,146
Elementary occupations	Female	0	0	37	0	37
	Male	0	0	66	0	66
Gender subtotals	Female	0	0	6,817	0	6,817
	Male	0	0	5,539	0	5,539
TOTAL		0	0	12,356	0	12,356

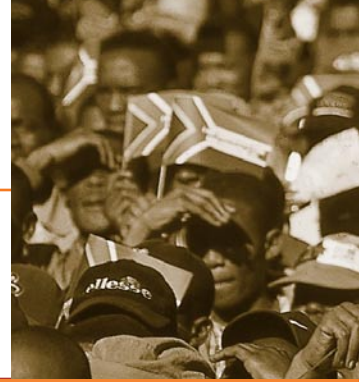
13. Injury on duty

The following tables provide basic information on injury on duty.

TABLE 13.1 - Injury on Duty

Nature of injury on duty	Number	Percentage of Total
Cases still to be finalised, nature of injury can therefore not yet be ascertained	21	100%

Part 5: Human Resource Management (Oversight Report)



14. Utilisation of Consultants

TABLE 14.1 – Report on consultant appointments using appropriated funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand (R')
Building a Project Management Capability Secretariat Services	1	16	48,600
Restructuring of the Business Unit (LAS)	4	512	1,843,882
Team Building (Security)	5	5	26,000
E-Justice	168	*	54,643,637
Social Context & Management Training	1	7	67,000
Social Context & Management Training	1	3	13,500
Child Care Act	1	47	128,592
Proposed Amendments to Rules of Court	1	5	9,000
Shared Internal Audit Services	52	1,746	4,758,392
Managing of Internal Audit: HO	1	60	29,640
Managing of Internal Audit: KZN	1	60	30,000
Logical Access review of Windows 2000	2	30	15,965
Anti-Corruption Hotline	3	395	75,240
Rolling Stone	734	220	8,000,000
Justice Footprint	8	377	1,205,134
HR Consultants	12	2,608	7,303,656
* Information not available			

TABLE 14.1 – Report on consultant appointments using appropriated funds

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
Seventeen	996	6,311	78,352,341

TABLE 14.2 – Analysis of consultant appointments using appropriated funds, i.t.o. HDIs

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Team Building	50%	50%	2
Social Context & Management Training	50%	50%	1
Management of Internal Audit: HO	100%	100%	1
Shared Internal Audit Services	37.50%	45.7%	24
Anti-Corruption Hotline	100%	100%	1

Part 5: Human Resource Management (Oversight Report)

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
Draft practice Guide for One-Stop Child Justice Centres	1	60	25,000
UN Child Justice Project	3	365	1,381,696
Sida Children and Justice Project	1	182	3,172,753
Development of the Restorative Justice Video and Booklet	3	153	211,153
Editing of the Child Justice Bill Video	3	210	72,758
Costing Study on appointment of Maintenance Investigators	3	276	300,000
Fast Tracking for Civil Magistrates	2	2	18,000
Training of Maintenance Investigators	2	6	102,600
E-Justice	168		3,788,724
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
Nine	186	1254	9,072,684

TABLE 14.4 – Analysis of consultant appointments using Donor funds, i.t.o. HDIs

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
E-Justice	92.3%	56.3%	96
Fast Tracking for Civil Magistrates	100%	50%	1

JUSTICE FOR ALL



**Department of Justice
and Constitutional Development**

Financial Statements 2002/2003



PART four





Contents Page



PART A:

DEPARTMENT OF JUSTICE AND CONSTITUTIONAL DEVELOPMENT (EXCL. NPA)

Annual Financial Statements

for the year ended 31 March 2003

Management report and approval	1-18
Report of the Auditor-General	20-23
Statement of accounting policies and related matters	24-26
Appropriation statement	27-34
Notes to the appropriation statement	35
Income statement	36
Balance Sheet	37
Statement of changes in net assets/equity	38
Cash flow statement	39
Notes to the annual financial statements	40-52
Disclosure notes to the Annual Financial Statements	53-55
Annexures	56-57

PART B:

NATIONAL PROSECUTING AUTHORITY (NPA)

Annual Financial Statements

for the year ended 31 March 2003

Management report and approval	58-62
Report of the Auditor-General	63
Statement of accounting policies and related matters	64-65
Appropriation statement	66
Notes to the appropriation statement	67
Income statement	68
Balance Sheet	69
Statement of changes in net assets/equity	70
Cash flow statement	71
Notes to the annual financial statements	72-79
Disclosure notes to the Annual Financial Statements	80-82
Annexures	83

PART C:

CONSOLIDATED FINANCIAL STATEMENT

Annual Financial Statements

for the year ended 31 March 2003

Income statement	84
Balance Sheet	85
Statement of changes in net assets/equity	86
Cash flow statement	87

PART A: Management Report

for the year ended 31 March 2003

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 following is a comparison between the previous and the current financial year's budget reconciliation:

A. VOTED FUNDS RECEIVED BY THE DEPARTMENT (Excluding National Prosecution Authority)	2002/03 R '000	2001/02 R '000
Appropriated Amount	3 303 258	3 001 302
Adjustments	0	0
Virement (NPA)	11 806	96 764
Total amount appropriated	3 315 064	3 098 066
Less total expenditure	3 396 939	3 037 564
(Excess) / Surplus to be surrendered	(81 875)	60 502

B. STATUTORY APPROPRIATION (Judges' salaries and allowances)	2002/03 R '000	2001/02 R '000
Appropriated Amount	154 318	157 551
Total amount appropriated	154 318	157 551
Less total expenditure	175 296	171 083
Over-expenditure to be funded by National Treasury	(20 978)	(13 532)

C. FOREIGN AID ASSISTANCE (Including RDP funds)	2002/03 R '000	2001/02 R '000
Grants received during the financial year	162 172	4 845
Total amount received	162 172	4 845
Less total expenditure	105 469	7 832
Closing Balance	56 703	(2 987)

PART A: Management Report

for the year ended 31 March 2003



D. REVENUE	2002/03 R '000	2001/02 R '000
Opening Balance	20 170	3 438
Revenue Generated	117 122	93 155
Total revenue generated	137 292	96 593
Less revenue paid to SARS	128 567	76 423
To be surrendered to SARS	8 725	20 170

The most important policy decisions and strategic issues facing the Department is the phasing out of regional offices and re- diversion of the resources residing within the regional structures to the courts. The implementation of this policy is a very complex exercise, compounded by the fact that currently regional offices account for R124 million of the Department's budget; there are huge staff and infrastructure investments deployed to the regions and re-diverting both human and financial resources to the courts have its own complexities. The Re aga boswa project ("we are rebuilding") focuses on ensuring a smooth transition from a three-tier (national, regional and court level operations) to a two-tier (national and court level) operational strategy.

In addition, the hierarchy of the courts are being revisited through a rationalisation of the court processes. The process is led by the Chief Justice and the interim rationalisation of the high courts is nearly concluded. A new Superior Courts Bill is receiving attention. Hereafter the lower courts will receive further attention. Closely related to this process is the re-demarcation of magisterial boundaries. This process has been delayed by the process now under way in the SAPS, but it is hoped that it will continue during 2003. The regional court boundaries are also in the process of being realigned with provincial boundaries.

Some of the most significant events that have taken place in the past year with regard to the implementation of the new Decentralised Court Service Delivery model are the following:

Seminar for Judicial Officers (magistrates) on 22 – 24 July 2002.

Among others the seminar was a consultative event at which the 300 judicial officers who attended, were introduced to the decentralised model and the case flow management system.

- Case Flow Management seminar
- Registrar's seminar
- Interpreter's seminar

The major projects undertaken during the last financial year are:

- Re aga boswa
- Case Flow Management Project
- IJS Court Centres
- A Blueprint for the re-engineering of maintenance as well as the family courts has been developed and implementation is receiving attention
- Audit of security services
- More sexual offences courts were established
- Implementation of equality legislation
- Saturday and additional courts were highly successful in helping to address the huge backlog of cases
- The Child Justice Bill was costed and an intersectoral implementation plan drafted and presented to the Portfolio Committee – if implemented the legislation will increase diversion, one-stop child justice centres and dealing with children in the justice system more effectively.

Overspending in relation to Personnel has been unavoidable. This is a result of the historic budget shortfall in relation to this standard item which is generally known and was brought under the attention of Treasury during 2002. (Treasury has as a consequence already

PART A: Management Report

for the year ended 31 March 2003

allocated an additional amount for the envisaged shortfall for 2003/2004). Matters were compounded by the separation of powers (which required the appointment of office managers and other support staff to deal with functions previously dealt with by the magistrates, so that the latter can be used solely for judicial functions) and the new leave system, which increased the need to employ temporary units, especially at small courts to ensure the continued administration of justice. The shortfall can also partly be ascribed to the impact/carry-through effect of the improvements to the conditions of service for the lower court judiciary. Similarly, because the courts are becoming more efficient and productive, more cases are now being disposed of, which directly impacts on over-expenditure which is unavoidable on items such as witness fees, transcription services, travelling related costs in cases of judicial relief, etc. The upward inflation related trends as well as the fluctuation in the value of the rand and subsequent increases in fuel and telecommunication costs, also influenced the initial budget allocations in a negative sense, leading to unavoidable over-expenditure in certain instances.

Changes that will be introduced through the organisational design and the new model for court management are being factored and integrated in the MTEF budget process to sustain the change process. The cost benefits for the new design and court model are immense in that duplication and overlapping will be eradicated, the efficient and effective justice system will impact positively on preventing and combating crime, ensure good governance, constitutionalism and respect for the rule of law and thereby boosting investor confidence in the country's ailing economy.

Future legislation such as the Child Justice Bill, the Children's Bill and the Sexual Offences Bill will have further positive impact on service delivery, but will also be a further drain on over-extended resources.

2. SERVICES RENDERED BY THE DEPARTMENT

Tariff Policy

In terms of Regulations 7.3.1 of the National Treasury Regulations, the Accounting Officer of an institution must review, at least annually, when finalising the budget, all fees, charges or the rates, scales or tariffs of fees and charges that are not, or cannot be fixed by any law and that relate to revenue accruing to a fund. The Department's services and related charges are all fixed by law and the Directorate: Secondary Legislation is responsible for the promulgation of subordinate legislation in terms of which fees, charges, rates, scales or tariffs of fees are prescribed on a regular basis. These services are discussed in detail under part 2 of the annual report.

Free Services

- Administration of Monies in Trust is currently being done free of charge. Should a fee be charged, it would yield significant revenue.
- Small claims court: The Presiding Officer is normally a lawyer or retired magistrate who is rendering a free service at a magistrate's court.
- A number of free services relating to the activities in the Masters' Offices include:
 - Estate Duty Taxation
 - Administration Services
 - Archive Services
 - Inspection Services
- Various legal and financial services are rendered by the Department on behalf of other government departments in terms of the cooperative requirements of the Constitution of South Africa.
- Provision of free transcription records to the litigants for purposes of challenging the outcome of the case. Should a fee be charged, it would yield significant revenue.

PART A: Management Report

for the year ended 31 March 2003



3. CAPACITY CONSTRAINTS

Resources (Funding, staffing and systems)

Almost all courts, especially lower courts, are experiencing the following capacity constraints:

- Overstretched resources – most courts' infrastructure can no longer cope with the increased workload, which have almost doubled over the last eight years as a result of the justiciable Bill of Rights in the Constitution, which have increased accessibility of services relating to, among others, maintenance of minor children and spouses, domestic violence, equality and discrimination cases and community participation through the lay assessor system. In addition, the historic discrepancies between disadvantaged areas and other areas still exist, though it is receiving attention.
- Inadequate human resource capacity – Increase of the workload necessitate an increase of person power. The staff at most of the courts have remained static despite the increase in the workload, mainly to an insufficient personnel budget allocated to the courts.
- Inability to measure performance properly has been impacting negatively on management of the court processes and the Department.
- Security at courts remain inadequate as a result of insufficient funds.
- Insufficient funds as well as the lack of appropriate financial management skills at the courts have negatively impacted service delivery at court level.
- The lack of translating capacity within the Department gives rise to undue delays.
- Critical vacancies not filled due to embargo by DPSA (PSCBC Resolution 7 of 2002).
- Restructuring of Business Units in process and funds are not always available to give effect to the newly created structures.

Training and skill development

- There is a great need for an effective training programme that takes account of all the ranges of specialisation in the Business Units.
- Lack of necessary skills/expertise – The demands of modern society require different skills and increased knowledge to satisfy the needs. As crime becomes more complex and organised and as the technology age dominates our lives, it becomes increasingly important to improve the skill of the work force in all areas (judicial, prosecution and administration) to keep up with the developments. We have not been able to develop adequate development programmes for the officials at the courts. New legislation have been implemented without an extensive training programme for the implementers of the Act, and part of the reason has been the inadequacy of funds.

Various interventions continue to be made to mitigate the above constraints, and the following warrant mentioning:

- Additional budget allocations have been mobilised from the National Treasury for the next financial year to alleviate the infrastructure and human resources backlog. The additional budget (allocated to Human Resources backlog, Court Improvement, Protection of Vulnerable groups and Security of Courts) will yield positive results for the under-resourced courts.
- The implementation of the new Court Services Delivery Model through Re aga boswa ensures the re-evaluation of the court's organisational structures to provide capacity where needed. The national roll-out of the project is expected to address the structural deficiencies.
- Insourcing of consultants and the appointment of temporary units.
- Financial management improvements as detailed in paragraph 9 *infra*.

PART A: Management Report

for the year ended 31 March 2003

4. UTILISATION OF DONOR FUNDS

Apart from voted funds, the Department also depends heavily 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 be sustainable even after donor funding is withdrawn or has come to an end.

Projects funded through donations during the financial year under review are as follows:

Donor	Project	Short Description
Finnish Government	National Lower Court Management System	<p>Funds granted have been utilised for the implementation of the Judicial, Administration and Prosecutorial manuals in the lower courts throughout the country. The funds were utilised for training sessions/ workshops/ seminars on the manuals and a workshop on the Restructuring of Lower Courts.</p> <p>This grant has been received during the 1998/99 financial year through the Adjustment Estimate and will therefore not be reflected in note 3 (Local and Foreign aid assistance) to the Annual Financial statements of the Department. The expenditure is included in the Income Statement of the Department.</p>
Ireland	Citizen's Advice Desk	To support the Development of a Human Rights Culture in South Africa, to transform the System of Justice and promote the Growth of Open Government.
Radda Barnen (Save the Children – Sweden)	Sexual Offences Against Children	Funds were utilised mainly in order to facilitate the South African Law Reform Commission's consultation processes in its investigation into sexual offences. Several briefing sessions and workshops were held.
	Child Participation	Linked to the SA Law Reform Commission's investigation into the review of the Child Care Act and has as its principal objective the active participation of children in the law review process.
Danish Government	Corporate Planning Team	The Unit was primarily responsible for negotiating and sourcing funding from the international and local donor communities in an effort to gain financial support for the start-up and gradual realisation of the Department's strategic objectives.

PART A: Management Report

for the year ended 31 March 2003



Donor	Project	Short Description
Danish Government	Policy Advisory Task Unit	This Unit was established to further the policy work around transformation initiated by the Planning Unit. It coordinates and spearheads the development of policy documents. The focus was on specific areas such as Legal Aid, Transformation of Courts and the Legal Profession.
Government of Sweden – SIDA	Capacity-building in the Field of Children and Justice – Budget Outreach Programme	The purpose of this programme is to provide assistance to the Department on the improvement of the Criminal Justice System in relation to children's issues, and to develop adequate responses to young offenders with a view to ensuring that the best interests of the child are protected.
	Budget Implementation of Legislation pertaining to Children	
	Budget Preliminary Inquiry	
	Budget One-Stop Service Centres	
Canada	Justice-Canada Linkage Project	Funds are earmarked for the training of judicial officers in the Lower Courts, which are not only experiencing an operational crisis, but which serve the majority of the people.
Netherlands Government	Sectoral Budget Support	The long-term objective of the programme is to contribute to the democratic development of South African society, as well as towards poverty alleviation within the marginalised groups of our society.
USAID	Technical Assistance	Funding of the Coordination Management Unit in terms of staffing to administer the Administration of Justice Bilateral Agreement.
	Tutor programme for Magistrates and Prosecutors – Justice College	Funds were utilised for salaries and for subsistence and travelling allowances for the tutors to enable them to proceed from office to office to carry out the duties of training magistrates and prosecutors.

PART A: Management Report

for the year ended 31 March 2003

Donor	Project	Short Description
USAID	Capacity-building for effective implementation of the promotion of equality and prevention of unfair discrimination	The project was set up to provide capacity-building, focusing on education and training for effective implementation of the Promotion of Equality and Prevention of Unfair Discrimination Act No 4 of 2000. Due to limited funding the core activities of the capacity-building project were narrowed down to Judicial Education (for Judges and Magistrates) and Paralegal Training for Clerks of Court and Registrars of the High Court, with a view to building adequate capacity for effective and responsive implementation of the Promotion of Equality Act.
	Corporate Image	Vision 2000 – Radio Talk shows: The Minister for Justice and Constitutional Development requested Southern Exposure to develop radio talk shows for community radio which would feature the work and achievement of the Department of Justice and Constitutional Development.
EU Foundation	EU Human Rights Programme	The grant is received regarding the finalisation of volume 6 and 7 of the Truth and Reconciliation Report.
Commission of European Community	Sectoral Budget Support	The long-term objective of the programme is to contribute to the democratic development of South African society, as well as towards poverty alleviation within the marginalised groups of our society.

5. TRADING ENTITIES / PUBLIC ENTITIES

The following Public Entities are part of our budget vote:

- a. Legal Aid Board (Schedule 3 – National Public Entity) –** Established under the Legal Aid Board Act, No 22 of 1969. The Legal Aid Board (LAB) provides legal representation to the indigent. It carries out Government's obligation to ensure that the constitutional rights of accused in criminal cases are secured. The method of delivery of legal aid services has proved to be unacceptably expensive and cumbersome to administer. For this reason, the briefing of legal professionals has been scaled down and replaced with the delivery of services by salaried employees in legal aid clinics, advice offices and public defender offices. With effect from 31 May

2001 there is no longer a filter mechanism between Lower Courts and the High Courts in respect of criminal appeals. Every accused person convicted in a magistrate's court has an automatic right of appeal to the High Court. It is estimated that in excess of 100 000 people qualify for legal aid for a criminal appeal per year. The Legal Aid Board renders legal aid in terms of the Constitution.

The chairperson of the Board is Ms V Vedalankaar and the Accounting Officer is Mr Kumaran Naidoo.

- b. Special Investigating Unit –** Established under the Special Investigating Units and Special Tribunals Act, No 74 of 1996. The Unit investigates cases of corruption, fraud and

PART A: Management Report

for the year ended 31 March 2003



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

The Unit works closely with all other bodies, both national and provincial, such as the South African Police Services, the Public Protector, the Investigating Directorate: Serious Economic Offences, the National Prosecuting Authority, the Office of the Auditor-General, the Public Service Commission, the National Intelligence Agency, South African Revenue Services and the Independent Complaints Directorate. In addition to this the Unit also has close links to NGOs and international organisations, while also providing information and assistance to international law enforcement agencies.

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

The Department effects transfer payments to these Public Entities who maintain their own sets of accounts. They are responsible for their own annual report (including audited annual financial statements), which must be submitted to the Executive Authority for tabling in the National Assembly.

6. OTHER ORGANISATIONS TO WHOM TRANSFER PAYMENTS HAVE BEEN MADE

- a. **Commission on Gender Equality (Constitutional Institution)** – The Commission promotes gender equality.
- b. **Public Protector (Constitutional Institution)** – The Public Protector promotes investigations to expose, counteract or rectify maladministration, abuse of power, improper prejudice occasioned by administrative decisions and improper use of or corruption in respect of state funds.
- c. **South African Human Rights Commission (Constitutional Institution)** – The Commission promotes compliance with the Bill of Rights.
- d. **President's Fund** – The fund gives effect to the reparations policy flowing from the work of the Truth and Reconciliation Committee. This Fund is also not listed in the PFMA schedules, as it is temporary in nature.
- e. **Represented Political Parties Funds (Independent Electoral Commission)** – The Fund makes provision for the funding of political parties participating in Parliament and provincial legislatures; to provide for the management of that Fund by the Electoral Commission and for accountability regarding that Fund; to regulate the allocation of monies from that Fund and the purpose for which allocated monies may be used by political parties; and to provide for incidental matters.

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

PART A: Management Report

for the year ended 31 March 2003

7. CORPORATE GOVERNANCE ARRANGEMENTS

Board of Directors

Composition of the Board

The composition of the board as well as information regarding the attendance is as follows:

Name	Designation	Board	Budget committee	Remuneration committee
Dr Penuell Maduna	Minister and Board Chair	1	N/A	N/A
Ms Cheryl Gilwald	Deputy Minister & Deputy chair	3	N/A	N/A
Adv. Vusi Pikoli	Chief Executive	3	N/A	N/A
Hassen Ebrahim	MD: Information Systems Management	3	N/A	N/A
Simon Jiyane	MD: Court Services	4	N/A	N/A
Alan Mackenzie	CFO	4	No information	No information
Adv. Bulelani Ngcuka	National Directorate of Public Prosecution	0	N/A	N/A
Jacqui Ngeva	Human Resources	4	N/A	No information
Deon Rudman	MD: Legislative & Const. Development	4	N/A	N/A
Clive Barrows	MD: Public Education and Communication	3	N/A	N/A
Marion Sparg	CEO: NPA	2	N/A	N/A
Dr Iraj Abedien	Director: Social Strategy and Group Economist-Chair: Budget committee	1	No Information	N/A
Paul Heinamann	Non-exec director Alexander Forbes-Chair	3	N/A	No information
Brian King	Chair: The Logistic Bureau-Chair: Remuneration committee	3	No information	No information
Adv. Patric Mtshaulana	Founding Member of Fountain Chambers	2	No information	No information
Tom Wixley	Chairman: E&Y	4	No information	N/A
Stewart Patterson	CEO: Stewart Patterson	3	N/A	N/A
Gloria Serobe	CEO: whipcapital	3	N/A	No information
Peter Motsepe	Director: Hard Knox Consultancy	3	N/A	N/A
Michael Tshishonga	MD: Masters	4	N/A	N/A
Enver Daniels	MD: Legal Services	3	N/A	N/A

The new unitary Board of the Department of Justice and Constitutional Development, in keeping with the recommendations of the King 11 Report, comprises a majority of non-executive directors. The directors, appointed by the Minister were drawn from diverse backgrounds and bring a wide range of experience and professional skills to the Board.

The term of office of the non-executive directors that were appointed on the conversion of the department is three years. The

executive directors have been appointed for the remaining period of their contracts.

Role and Function of the Board

The Minister is the executive authority of the department in terms of the PFMA and Chairman of the Board.

The Board is responsible for providing strategic direction and leadership, ensuring good corporate governance and ethics,

PART A: Management Report

for the year ended 31 March 2003



determining policy, agreeing on performance criteria and delegating the detailed planning and implementation of policy to the Executive Management Committee (EXCO).

The Board meets quarterly and monitors management's compliance with policy and its achievements against objectives. A structured approach is followed for delegation, reporting and accountability, which includes reliance on various Board committees. The chairman guides and monitors the input and contribution of the directors. The Board has approved a Board charter that provides guidance to the directors in discharging their duties and responsibilities.

Board evaluation and performance

Performance evaluation of the Board as a whole and of individual members will be done on an annual basis. The Remuneration committee will facilitate the evaluation of the performance of the directors and senior management, including the chief executive, who will be appraised by the chairman of the Board. The Board will appraise the performance of the chairman.

Directors' induction and orientation

The new directors appointed to the Board on incorporation were taken through a tailor-made induction programme, which allowed them an opportunity to understand the department's unique legislative framework, its governance and also the nature and operations of the business.

Directors' remuneration

Non-executive directors will receive fees for their contribution to the Board and committees on which they serve (as from 2004 financial year). The remuneration of the directors is determined by the Minister of Finance in consultation with the Minister of Justice and Constitutional Development.

Company secretarial function

The Board secretarial function is fulfilled by the Chief Director: Policy Research, coordination as well as her assistant. The Board members have access to the advice and services of the Board's secretary as well as Secretariat.

The directors are also entitled to obtain independent professional advice, at the department's expense, should they deem this necessary.

The Board is assisted by the secretariat in identifying key issues that should form the focus of the directors' attention. The department also ensures that all relevant matters are placed on the agendas for discussion.

The Board's secretary, together with other assurance functions, monitors the department's compliance with the requirements in terms of the PFMA and other legislation, and regularly reports to the Board in this regard.

Board committees

A number of Board committees exist in order to assist the Board in discharging its responsibilities. Each committee operates within the ambit of its defined terms of reference and delegated duties. A comprehensive framework, which assists in the control of the decision-making process and the delegation of authority is in the process of being approved by the Board.

In accordance with the recommendations of the King 11 Report, all committees, except for EXCO, comprise a majority of non-executive directors and are chaired by an independent non-executive director.

The Board has approved the terms of reference of each of its committees, and will review the performance and effectiveness of the committees on a regular basis.

Executive Management Committee

EXCO comprises the chief executive, the CFO, all Managing Directors of the core business units including NPA, all Managing Directors of the three support business units and the chief executive of the Legal Aid Board. The committee is chaired by the chief executive. Committee meetings of EXCO are held at least monthly.

The committee assists the chief executive in guiding and controlling the overall direction of the business and in exercising executive oversight, and is responsible for ensuring the effective management

PART A: Management Report

for the year ended 31 March 2003

of the day-to-day operations of the business. EXCO is in turn assisted by its subcommittees like the technical committee which comprises chief directors from all business units (i.e one for each business unit), Departmental Tender Committee etc in carrying out its delegated responsibilities.

Audit Committee

Refer to part 3 of this Annual Report.

Risk Management Committee

Refer to risk management and risk assessment.

Budget Committee

The committee comprises four non non-executive directors, and the CFO. The committee is chaired by an independent non-executive director. Committee meetings are held regularly.

The budget committee reviews and makes recommendations to the Board regarding the department's financial strategy. It evaluates business cases for new projects and give recommendations regarding criteria and guidelines for investments.

The committee monitors and oversees financial health of the department, including the review of budgets and financial business plans.

Remuneration Committee

The committee comprises five non-executive directors and one executive director. It is chaired by an independent non-executive director. Committee meetings are held regularly.

The remuneration committee:

- Influences human resources policies and strategies and monitors compliance with Employment Equity;
- Make recommendations on the remuneration policy for executive and non-executive directors;
- Makes recommendations on appointment and removal of directors;
- Monitors the ethical conduct of the department, its management, employees and suppliers.

PUBLIC FINANCE MANAGEMENT ACT (PFMA)

The PFMA focuses on financial management with related output and responsibilities. The department has established an ongoing process of awareness, education and advice on the PFMA to the business.

The directors comply with their fiduciary duties as set out in the PFMA. Responsibilities of the Board as executive authority in terms of the PFMA and other regulations include taking appropriate action to ensure:

- Economic, efficient, effective and transparent systems of financial and risk management, and internal control are in place;
- A system is maintained for properly evaluating all major capital projects prior to a final decision on each project;
- The implementation of appropriate and effective measures to prevent unauthorised, irregular, fruitless and wasteful expenditure, losses from criminal conduct and expenditure not complying with legislation;
- Revenue due to the department is collected;
- The efficient and economic management of available working capital;
- The definition of objectives and the allocation of resources in an economic, efficient, effective and transparent manner:

Risk Management and Risk Assessment

The risk management strategy has been finalised, recommended by management and approved by the Audit Committee as well as the Board. With the guidance and direction of the Chief Audit Executive, a risk profile per business unit has been prepared by risk officers within each business unit and presented to management, the Risk Committee, the Audit Committee as well as the Board.

The internal audit three-year rolling strategic plan has been developed, based on the risk profile as per the PFMA and Treasury Regulations. Independent monitoring and evaluation of risks as they appear on the profile is done by the Internal Audit Unit through conducting regular audits.

PART A: Management Report

for the year ended 31 March 2003



The Chief Director: Strategy is responsible for the implementation of risk management strategy. In response to management as well as the Audit Committee request, the Chief Audit Executive prepared a submission regarding the level and responsibilities of a risk manager for approval. The submission was in line with international best practices.

Risk officers are expected to provide the Risk Committee as well as Internal Audit with progress reports regarding measures put in place to mitigate risks on a regular basis.

Furthermore, top risks have been identified by risk officers in consultation with their managing directors. Such risks were considered by Internal Audit when reviewing their rolling three-year strategic plan, as well as the operational plan.

Fraud Prevention Plan of the Department

The Department has an Anti-Corruption and Fraud Strategy (ACFS) in place in terms of the PFMA and Treasury Regulations, the implementation of which is ongoing. The development, implementation and maintenance of the ACFS is the responsibility of the Operational Committee which consisted of representatives of all role-players within the Department. The Operational Committee reports to the Steering Committee, which in essence, is top management, namely the Director-General and the Managing Directors of the various Business Units. The objectives of the ACFS Operational Committee are the following:

- To develop and facilitate the implementation of the ACFS
- To maintain and review the ACFS on an ongoing basis.

The ACFS has numerous components, two of which are the following:

- A code of ethics
- An anti-corruption and fraud policy.

The Code of Ethics of the Department mirrors the Code of Ethics for the Public Service as set out in the Regulations to the Public Service Act, 1994. The purpose of such a Code is to serve as a brief description of the Department's core values, to provide a framework for identifying conduct that is ethical and acceptable for the employees and officials of the Department, to create the context for the ethical use of authority and to support all

efforts aimed at curbing moral degeneration. The Code is applicable to all officials and employees of the Department, all magistrates and employees of the Magistrates Commission, the Office of the National Director of Public Prosecutions and the Special Investigating Units established by law.

The Anti-Corruption and Fraud Policy sets out the stance of the Department in relation to corruption, fraud, theft and maladministration; in other words it emphasises the fact that the Department has "zero tolerance to corruption". It, among others, sets out how cases of corruption, in the widest sense of the word, should be dealt with.

Other components of the ACFS include the creation of fraud and corruption awareness in general, the implementation of sound internal controls to prevent and detect fraud and corruption, ongoing risk assessment and the development of an anti-corruption and fraud investigating capacity.

Regular monthly meeting of the Anti-Corruption and Fraud Operational Committee have been held where the main focus of discussion was the effective implementation of the Anti-Corruption and Fraud Strategy.

Detailed administration of the functions and responsibilities of members of the ACFS Operational Committee is being controlled by completion of appropriate sections the ACFS Task and Responsibilities Matrix Spreadsheet by designated members of the committee itself. The monitoring of the Matrix is the responsibility of Internal Audit.

One of the successes of the ACFS is the establishment of an Anti-Corruption and Fraud Hotline, which is designed to achieve the following:

- To encourage hesitant whistle-blowers (callers pay nothing and do not have to disclose their identity)
- To raise the level of awareness that the Department is serious about corruption and fraud
- To detect incidents of corruption and fraud
- To assist the Department in managing the requirements of

PART A: Management Report

for the year ended 31 March 2003

the Protected Disclosures Act, 2000, by creating a channel through which whistle-blowers can report incidents of corruption and fraud

- To assist the Department in identifying areas of weakness in its systems and processes so that preventive and detective control measures can be put in place or improved.

The particulars and purpose of the Hotline were made known by way of a circular sent to all Justice Offices. The ACFS Operation Committee has established a Hotline Subcommittee to ensure that all cases received through the hotline are investigated and finalised in the most appropriate manner. All cases received from the Hotline are noted in a register and the ACFS Operational Committee will be expected to monitor this register in order to make certain that each and every case is, in fact, properly dealt with. The National Inspectorate and the Directorate: Internal Audit plays a major role in the Hotline Subcommittee.

The Anti-Corruption and Fraud reporting hotline is fully operational.

The communication subcommittee is responsible for creating awareness of the ACFS.

The training subcommittee is responsible for training officials within DOJ on ACFS. To date 3356 officials received training on the Department's Anti-Corruption and Fraud Strategy.

Furthermore, 220 officials received training on misconduct in general.

Internal Audit and Audit Committee

Internal Audit

Internal Audit has been in operation since September 1999 and has an independent form of reporting structure. The Chief Audit Executive reports administratively to the Director-General and functionally to an independent Audit Committee.

To strengthen the Internal Audit Unit's independence and objectivity the Chief Audit Executive has direct access to the Audit Committee and the Board of Directors. The Department's Internal Audit Unit has a current staff complement of 54 well

qualified permanent employees and comprises the following:

- 1 Chief Audit Executive
- 2 Directors
- 6 Deputy Directors
- 16 Assistant Directors
- 26 Internal Auditors
- 2 Secretaries
- 1 Admin Officer

The unit has a specific mandate of providing an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The unit is responsible for conducting internal audits at 8 business units within DOJCD and 747 justice offices in terms of an approved internal audit charter, reviewed on an annual basis as follows:

- Computer audits
- Regularity audits
- Performance audits
- Ethics and forensic investigations
- Special projects audits
- Risk assessment
- Compliance audits

During the 2002/03 financial year, the unit conducted audits per the approved strategic plan which is risk-based, and operational plan at 132 justice offices, as well as follow-up audits at 124 justice offices and 26 focus areas at National Office.

Due to the size and complexity of the Department of Justice and Constitutional Development, the Chief Audit Executive always coordinates with the Heads of Internal Audit institutions under the control of the Department e.g. National Prosecuting Authority (NPA), Commission on Gender Equality (CGE), Human Rights Commission (HRC), Legal Aid Board and the Public Protector.

PART A: Management Report

for the year ended 31 March 2003



Effectiveness of Internal Audit

The Internal Audit Unit is not involved in operational activities. Since the Department is undergoing a restructuring process, the unit is also involved in the review of new processes, giving advice to management regarding new initiatives, providing recommendations on systems development processes, training management on corporate governance, risk management and controls.

In preparations of the external quality assessment and review which is expected to be conducted once in 5 years per Institute of Internal Auditors (IIA) Standards, the unit is in the process of developing its formal internal quality assessment and review programme.

The unit is regularly coordinating with the external auditors and other assurance providers engaged in the Department to avoid duplication and to ensure full audit coverage.

Although management is striving towards improving financial management within the Department, it is concluded that there is still control weaknesses due to the following:

- Inadequate management
- Non-compliance with rules and regulations
- Non-compliance with laid down systems
- Lack of accounting knowledge and understanding
- Lack of discipline and disciplinary actions against offenders
- Lack of accountability and responsibility
- Lack of financial management capacity
- Inadequate training
- Lack of supervision
- Negligence.

The following are the results of the above problems:

- Corruption and fraud
- Non-compliance
- Qualified Audit Reports by the Office of the Auditor-General.

There is a tremendous improvement regarding receiving management responses. To date all the responses were received from management, including the regions.

Follow-up audits

The follow-up audit process was conducted in terms of the approach agreed with management, where phase one involved sending self-assessment questionnaires to offices reviewed during the 2002 financial year. During phase two, internal auditors visited the specific offices and physically verified information supplied on the self-assessment questionnaires. These follow-ups were conducted in 124 justice and 24 focus areas at National Office. Results of follow-ups regarding management response were categorised as follows:

- 62% of issues raised was actioned appropriately prior to follow-up review being completed
- 16% of issues raised was addressed, but further work is required to complete the corrective action
- 11% of issues raised have not yet been addressed at the time of follow-up
- 2% represents offices where management did not give any follow-up action comments
- 9% represents offices where our recommendations were noted, but management is not able to take action.

Conflict of Interest

All Internal Auditors within the Department completed a conflict of interest form as required by the Standards of Professional Practice of Internal Auditors.

It is compulsory for managers to complete a financial/non-financial disclosure form annually. The Department intends cascading the process down to all employees.

Audit Committee

The report of the Audit Committee is included in Part 4 of the Annual Report.

8. EVENTS AFTER THE ACCOUNTING DATE

No events took place between the date of the financial year-end and the date of the approval of the report, which could materially affect the state of financial affairs of the Department.

PART A: Management Report

for the year ended 31 March 2003

9. PROGRESS WITH FINANCIAL MANAGEMENT IMPROVEMENTS

The Performance Enhancement Programme (PEP) has laid solid foundations to building the future financial management system of the Department. As with foundations in the construction industry, the work done is largely not visible. Visibility will come with the appointment of strong leadership with the ability to sustain the project through continuous improvement processes. The change vision needs to be led and must be driven down through all levels to finance functionaries at the coal face of service delivery to the public. Improving the financial management capacity of the Department must be driven from the bottom. This is being done through the implementation of a financial services franchise concept to Business Units (Court Services etc), by way of implementing a uniform standard that has been documented in, *inter alia*, the “Governor Brown” manual. Recognition for having succeeded will come with an unqualified audit report and this will attract more highly skilled people to the Department, who will be seeking to be associated with a successful turnaround.

Given the prospect that the filling of vacancies may now be entertained, the PEP will, in the year ahead, commence with Phase II. Phase II calls for the specification of Service Level Agreements (SLAs) in the areas of Transaction Processing (Vote Account, Monies in Trust, Donor Funds and Payroll matters), Budget matters, Asset Management and Procurement responsibilities delegated to the Office of the CFO. The SLAs will be underpinned by the documentation of who is to do what, when, with what authority, with stated measurable objectives, etc. This will only be deliverable by a capacitated organisational structure tasked with the implementation of defined financial management processes.

The matters detailed under “Emphasis of matter” within the Audit Report are, in the main, directly a result of a lack of capacity. The position in these matters has improved substantially as can be gleaned from a review of the report on last year’s financial statements. Given the implementation of PEP Phase II, it is anticipated that these matters will be resolved in the year ahead.

PEP Phase II stands at risk should our vacant posts not be filled in the short term. The PEP has in recent years been negatively impacted by the high level of vacancies that have existed in the Office of the CFO. It is anticipated that all the posts vacant at CFO, Chief Director, Director and Deputy Director levels will be filled in the short term.

In the drive to progress the PEP, we should not lose sight of the fact that we have achieved substantial progress in improving the financial management capacity of the Department. During the last year achievements include:

- Completing a national transaction processing backlog reduction exercise to get the vote account bookkeeping records current.
- Completing the training of 2019 finance people in cash hall procedures at 380 venues nationwide.
- Formally assessing and documenting the competency/skills of over 2,000 finance functionaries at court level and completing a skills audit of all these staff.
- Establishing the financial process monitoring unit to monitor the status of transaction processing on a month-to-month basis at all courts and other processing work stations throughout the country in relation to both vote account and trust account matters.
- Re-engineering, standardising and documenting, in detail, the financial business process at court level and commencing the training thereof that will train some 2000 court level staff at venues in all provinces.
- Training some 55 trainers to train staff with the roll-out of the standardised financial transaction processing system.
- Appointing, training and deploying 50 cluster financial operations managers to monitor transaction processing throughout the country.
- Establishing a post graduate degree programme with sixteen staff registered to study cost concepts, strategic analysis, cost management practice, organisational theory, activity-based costing, target costing, Goldratt’s theory of constraints, total quality management, cost estimation, cost volume profit analysis, strategy, budgeting, variance analysis, capital budgeting, relevant costing and decision-making, current

PART A: Management Report

for the year ended 31 March 2003



cost management systems, managing effectiveness and productivity, strategic business units, transfer pricing and management compensation systems. The formal course work for this degree will be completed by July 2003 at which stage staff will commence working on research reports.

- Significantly progressing the outsourcing of cash handling at a court level through the establishment, staffing and funding of a designated project office.
- Designing and implementing a new budgetary framework (Base 80) that has been accepted by stakeholders as significantly enhancing budget management and communication.
- Designing and writing a mainframe zero-based budgeting system (ZBB) to enhance budget allocation decision support.
- Completing a market researched pay model report covering all departmental staff.
- Designing and implementing a right-sizing approach to asset management that has entailed the complete analysis of all activity reports for all courts and the estimation of an optimal footprint to administer Justice in South Africa.
- Leading an anti-corruption drive that is mooted to have entailed one of the largest audits in either the public or private sectors. Some 2000 cases of financial misconduct were established and completing a nationwide forensic audit initiative that has detected significant and widespread fraudulent activity that is estimated to entail hundreds of millions of rands.
- The motivations for the proclamation to secure the services of the Special Investigations Unit have been finalised and the outcome of this process is expected in the short term.
- Establishing a digital video studio at the Justice College that will make a major impact on the quality of distance learning for staff at court level and commencing with the filming by departmental finance staff of an “on-job training video series” that is narrated in multiple languages, to reinforce classroom training.
- Designing a strategy focused public sector performance management process (a strategic framework variant on a balanced scorecard) to strategically focus service delivery

that has been mooted for acceptance to all provincial and national government departments.

- Promoting the establishment of and implementing a three-way alliance between the Department, Business Against Crime and the USAID fund that has significantly enhanced the efficiency and effectiveness of the USAID fund in support of Justice initiatives.
- Establishing a Finance Board of Directors and a Budget Management and Review Committee with participation by senior business personalities that has significantly enhanced governance and transparency.

New priority matters: Buying/Procurement and Asset Management

Buying/Procurement and Asset Management now resort under the management and direction of the Office of the CFO. The following are envisaged:

- The Department is to create an independent tender board. This tender board will report to a Chief Director in the Office of the CFO. Tender Board members will need to be appointed and trained.
- All people that work on the Logis system at head office or at the regional offices are to report directly to the Office of the CFO. These people will be transferred to transaction processing.
- A contract negotiation division is to be created that will be both national and regional. This division will be responsible for the creation of an approved buyers’ guide (yellow pages) for all goods and services that do not fall within the scope of the information technology category as detailed below, as well as for the acquisition and maintenance of court services buildings. All procurement contracts, whether for capital goods, inventories, buildings, maintenance, motor cars, etc, excluding information technology equipment, will be negotiated by this division. This division will report as directed to the Office of the CFO.
- Any business unit that feels it needs to consolidate the acquisition function and to task people to be “buyers” may do so. Buyers will be restricted to acquiring goods listed in the approved buyers’ guide or alternatively they must

PART A: Management Report

for the year ended 31 March 2003

request new listings from the contract negotiation division. Buyers appointed by any business unit will report to the business units that appointed them.

- Any business unit that feels it needs to buy in bulk and thus wants to maintain a large bulk (or small) store for such purchases must maintain such stores whether at local (court) or national level themselves. Such store managers as are appointed by business units will report to such business units.
- All capital asset, inventory (tables, chairs, etc) store managers will report to the Office of the CFO, who is to create an Asset Management Division that is to be responsible for the management of assets that have not been issued to any individual business unit. Assets issued to business units are to be responsible for such assets.
- Information Technology equipment and related services or maintenance is to be dealt with as follows. A departmental Information Technology Committee (ITC) is to be formed. This Committee will report to the ISM Business Unit. The ITC is, in essence to be a "BUYER" that buys goods, services, etc, through the SITA Information Technology Acquisition Committee (ITAC). Thus the departmental buyers' guide (yellow pages) will not deal with information technology equipment. The responsibility for the recording of computer assets on the assets register re-acquisition, disposal, etc will be no different to the requirements for any other asset. All IT purchases are to be processed on Logis as for any other assets purchased. The responsibility for the safe-guarding of any information technology equipment will, as for any other equipment, is the responsibility of the business unit to whom it has been issued. In the same manner Court Services will establish a Buildings Committee (BC) that will deal with building maintenance and acquisition. Buildings will also be subject to the same assets register requirements as for Information Technology goods or any other assets. People will need to be streamlined to support the ITC and the BC and the detailed requirements and delegations will need to be put in place.

10. PROGRESS MADE WITH RESOLVING MATTERS INCLUDED IN PREVIOUS AUDIT REPORT

Below is an executive summary of the progress made in resolving the matters included in the Qualified Audit Report of the Office of the Auditor-General for the financial year ended 31 March 2002:

Paymaster-General account:

The matter of incomplete interfaces has been resolved and the PMG Adjustments account has been cleared. Daily reconciliations are done to ensure that the situation does not recur.

The existence of long outstanding debits on the orders payable account that, in essence, relate to mismatched PMG entries, is taking time to resolve and is the subject of a note under "Emphasis of matter" in the audit report for the year under review. The existence of fraud, in prior years, in these matters cannot be discounted and thus the investigation process needs to be thorough.

Revenue:

A departmental task team investigated the allocation of revenue items included under departmental revenue as opposed to the financial records for trust funds. Various discussions were held with Internal Audit, the National Treasury and the Office of the Auditor-General throughout the process. It was concluded that these amounts were appropriately recorded under departmental revenue.

Suspense and disallowance accounts:

The management, control and follow-up of certain suspense and clearing accounts have been centralised with effect from 1 June 2002. Continuous reconciliations were performed on suspense and disallowance accounts, which included:

- Following up (including reconciling) outstanding amounts with clients/debtors
- The identification of irrecoverable amounts which were submitted for write-off

These factors have had a negative impact on the year under review and is the reason for the qualified audit opinion.

PART A: Management Report

for the year ended 31 March 2003



The amount of R195 million that is carried on the Balance sheet, as a receivable, is so disclosed, as we have not reached agreement with National Treasury on the appropriateness of the write-off. This matter arises as a result of the non-existence of supporting documentation for historical transactions.

We are of the opinion that as all reasonable steps have been taken to recover these inter- governmental debts, the amount of R195 million should be written off. The write-off could not be effected due to the Department's excess spending during the 2003 financial year.

Current policy requires the allocation of expenditure incurred during previous years against the current year's budget to be limited to the extent of savings available on the Vote account. This policy will result in the postponement of write-offs that will accumulate as suspense matters continue to be cleared and as a result of the contingency detailed in Note number 15. National Treasury has been approached to assist the Department to resolve this matter.

An age analysis of all amounts uncleared in suspense and disallowance accounts and a breakdown per department in relation to amounts outstanding for agency services, is available. The R195 million discussed above is included within the R387 million that is disclosed as being uncleared for more than one year. The net amount of R192 million (R387m – R195m) constitutes an amount for which the clearance process, detailed above, is incomplete.

11. PERFORMANCE INFORMATION

At the end of last year the Office of the Director-General established a strategic planning component to formalise the review and monitoring of the implementation of strategic plans. In the year ahead this new component will evaluate and advise the appropriate governance structures on progress against set targets.

During the year under review the strategic plans of each Business Unit were managed by the governance structures of each of

the Business Units that generally include senior business personalities from the private sector. Relevant performance information was supplied to the Board of the Department and to the Departmental Management Exco under the chairmanship of the Accounting Officer.

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

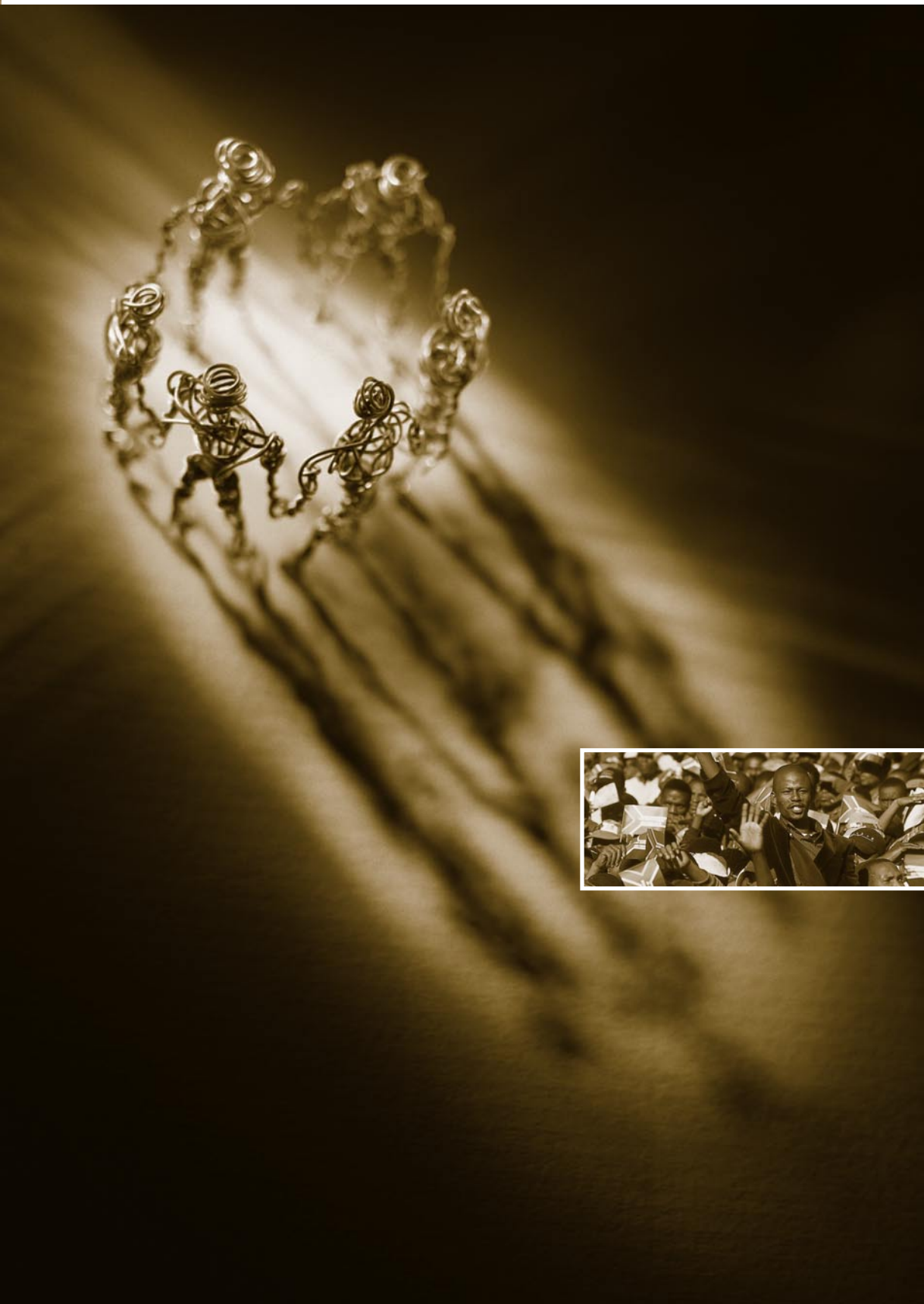
The NPA assumed separate responsibility with effect from 1 April 2001 for all support services previously rendered by the Department. The NPA has since this date run their own accounting systems and therefore separate financial statements have, as was the case last year, been prepared for the NPA as a whole. These financial statements are incorporated into the Department's consolidated financial statements, by agreement with the National Treasury, the Office of the Auditor-General and the Department.

The annual financial statements set out on pages 24 to 57 have been approved by the Accounting Officer.

Adv. V. Pikoli

Director-General: Justice and Constitutional Development

Date: 29 July 2003



PART A: Report of the Auditor-General on the Annual Financial Statements

for the year ended 31 March 2003



1. AUDIT ASSIGNMENT

The financial statements as set out on page 24 to 57 for the year ended 31 March 2003, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 3 and 5 of the Auditor-General Act, 1995 (Act No. 12 of 1995). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements based on the audit.

2. NATURE AND SCOPE

The audit was conducted in accordance with Statements of South African Auditing Standards. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

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

Furthermore, an audit includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations which came to my attention and are applicable to financial matters.

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

3. QUALIFICATION

3.1 Suspense accounts

Suspense accounts balances disclosed on the annual financial statements as receivables gave rise to the following audit concerns:

- a) Transactions totalling R387 million had been uncleared for more than one year. Uncertainty existed with regard to the recoverability of these long outstanding amounts and the possible effect on the balances disclosed in the

financial statements.

- b) Included in the above total for suspense accounts is an amount of R201 million, which could not be substantiated by supporting documents. These transactions resulted mainly from the agency services the department rendered to other government entities in prior years. The unsupported transactions therefore misstate the financial statements of the department, as the debtor from whom the debt should be recovered could not be identified or the debt could not be substantiated.

The department has approached National Treasury for the above amount to be written-off, as disclosed in note 15 to the financial statements.

- c) As a result of the unsupported transactions mentioned above, the intergovernmental debts could not be substantiated and therefore confirmations received from other entities could not be verified.

4. QUALIFIED AUDIT OPINION

In my opinion, except for the effect on the financial statements of the matters referred to in paragraph 3, the financial statements fairly present, in all material respects, the financial position of the Department of Justice and Constitutional Development at 31 March 2003 and the results of its operations and cash flows for the year then ended, in accordance with the prescribed accounting practice.

5. EMPHASIS OF MATTER

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

5.1 Financial management

My evaluation of financial management in the department identified the following continued inefficiencies in controls, which were compounded by the fact that the department had significant vacancies in the finance division:

- Inadequate management of debtors (refer to paragraph 5.3).



- Weaknesses in the administration of employees' leave (refer to paragraph 5.4).
- Accounting for unrecorded liabilities (refer to paragraph 5.5).
- Management of donor funds (refer to paragraph 5.6).
- Management of assets (refer to paragraph 5.7).
- Non-compliance with laws and regulations.
- Inadequate budget management and control.
- Transactions were not approved by delegated officials.
- Inadequate document control, with the result that documentation was not submitted for audit purposes.

The department has identified a culture of non-compliance by department staff, where several disciplinary cases have been instituted. However substantial progress in finalising the disciplinary cases has not been made.

5.2 Paymaster-General account

Transactions in the orders payable account were analysed at year-end and it was revealed that there were long outstanding debit transactions. Transactions originating as far back as 1995, totalling R2,6 million, were still present in the orders payable account.

Debit entries in the orders payable account indicated that the expenditure had not been recorded on the income statement, thereby understating expenditure, although the payment had been processed.

5.3 Management of debtors

Shortcomings in the management of debtors were identified, resulting in an inability to verify the validity and accuracy of debtor balances. The following weaknesses were found:

- Debtors age analysis was not accurately maintained.
- Debt was not recovered timeously.
- Interest was charged on incorrect capital balances.
- Debtors with credit balances totalling R2,2 million resulted

from receipts that were not set off against capital debt.

5.4 Administration of employees' leave

Various shortcomings in the administration of employees' leave were identified, resulting in an inability to verify the completeness and accuracy of leave balances. The leave balances on file did not agree with leave balances on PERSAL. Uncertainty existed with regard to the accurate compilation of the leave pay provision disclosed in note 27 of the annual financial statements.

5.5 Disclosure notes to the annual financial statements

(i) Contingent Liabilities

Housing guarantees – As reported previously, the audit again revealed that the manual guarantee register was not updated and verified to PERSAL reports. This lack of control limited the department's ability to assess the exposure in terms of the Housing Guarantee Policy.

Supporting documentation for guarantees confirmed by banking institutions relating to an unresolved difference as reported in the prior year amounting to R3, 5 million could not be forwarded for audit purposes.

(ii) Accruals

Representations from department officials indicated that the department has not performed an evaluation of payments made subsequent to year-end for services/goods received prior to year-end. The department requested various business units to forward the required information for the provision of accruals on the financial statements. It was further indicated that various responses were not received.

Uncertainty exists with the regard to the accuracy of the amount disclosed as accruals in note 26 of the financial statements.

(iii) Leases

The department has not performed an investigative

PART A: Report of the Auditor-General on the Annual Financial Statements

for the year ended 31 March 2003



exercise to determine their future lease obligations as required to be disclosed per the guideline issued by National Treasury. As a result the department does not have the necessary information to disclose their future lease obligations within the next year, greater than one year less than three years and greater than three years.

Uncertainty exists with regard to the accuracy of the amount disclosed as leases in note 28 of the financial statements

5.6 Donor funding

Amendments to the Value-Added Tax Act of 1991 (VAT), effective 24 November 1999, require all government entities to recover VAT incurred when utilising donor monies. The department had not registered with the South African Revenue Service (SARS) for VAT purposes and the VAT on donor transactions had not been accounted for. Consequently the amount claimable from SARS could not be quantified.

5.7 Control over assets

Various shortcomings in the control over assets were identified. The following matters resulted in an inability to verify the existence and completeness of stock, furniture and equipment:

- Asset and inventory registers were not updated to reflect disposals, transfers, purchases, damaged assets and obsolete inventory items.
- Assets were not uniquely marked, resulting in difficulty to identify specific assets recorded on LOGIS.

5.8 Psychiatric observation

Expenditure relating to psychiatric observation was limited to the budget of R25 million approved by the National Treasury. However, additional invoices were identified, which were not quantified, that required payment. Information forwarded by the department's management indicated that an agreement was reached between the Department of Justice and Constitutional Development

and the Department of Health, which only obligated the department to pay for psychiatric observations within the approved budget.

Further to the above the actual liability of the department regarding psychiatric observation in relation to the annual approved budgets is uncertain. It is not clear whether the invoices that have not been paid within 30 days of receipt of invoice are contrary to requirements of the Treasury Regulations.

5.9 Performance audit

The performance audit on procurement mentioned in the 2001/02 report was completed during the year under review and reported to the accounting officer. The following is a summary of the findings of the investigation finalised during the year under review:

- a) The department had no management information to ensure that items were procured or utilised in the most economic and efficient manner. Consequently the department did not always have measures in place to:
 - Accurately account for the department's procured assets;
 - Reallocate unutilised assets amongst sub-offices;
 - Identify sub-offices that had more assets than required;
 - Identify asset shortages as well as assets that had exceeded their optimal lifespan and needed to be replaced.
- b) The department did not always have measures in place to ensure timeous delivery of procured services, inventory and equipment such as:
 - Ability to adhere to contractual agreements; as well as
 - Follow-up on outstanding orders.

The above indicates ineffective monitoring of procurement activities. It may result in non-compliance with the performance measurement requirements of the Public Finance Management Act, 1999 (Act No.1 of 1999).

The progress of the corrective action implemented by the department will be evaluated during a follow-up audit.



5.10 Forensic audit

The forensic investigation mentioned in my previous report was completed during the year under review. At the request of the department, the investigation was limited to 40 magistrate's offices in eight provinces and all ten master's offices.

The following is a summary of the findings which were reported to the accounting officer:

a) Magistrate's offices

The following shortcomings were identified:

- Numerous instances of non-compliance with the departmental financial instructions.
- A serious lack of segregation of duties.
- Poor control over documentation. In numerous instances the documentation requested for inspection could not be submitted.
- Lack of effective control measures.
- Numerous offices were understaffed and staff employed in the magistrate's offices generally needed training in financial matters.
- Criminal activities to the total amount of R14,3 million. Note should be taken that this amount reflects the monetary value involved in the activities and not the value of losses suffered by the department.

b) Master's offices

The following shortcomings were identified:

- Numerous instances of non-compliance with the departmental financial instructions.
- A serious lack of segregation of duties.
- Lack of effective control measures.
- Numerous offices were understaffed and staff employed in the master's offices generally needed training in financial matters.
- Criminal activities to the total amount of at least R2,9 million.

6. APPRECIATION

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

Shaiket Fakee

S A Fakee
Auditor-General
Pretoria
29/07/2003

PART A: Statements of Accounting Policies and Related Matters

for the year ended 31 March 2003



The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material respects, 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), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 5 of 2002.

1. BASIS OF PREPARATION

The financial statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The reporting entity is in transition from reporting on a cash basis of accounting to reporting on an accrual basis of accounting. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid. Under the accrual basis of accounting transactions and other events are recognised when incurred and not when cash is received or paid.

2. REVENUE

Voted funds are the amounts appropriated to a department in accordance with the final budget known as the Adjusted Estimates of National / Provincial Expenditure. Unexpended voted funds are surrendered to the National/Provincial Revenue Fund.

Interest and dividends received are recognised upon receipt of the funds, and no accrual is made for interest or dividends receivable from the last receipt date to the end of the reporting period. They are recognised as revenue in the financial statements of the Department and then transferred to the National/Provincial Revenue Fund.

3. DONOR AID

Donor Aid is recognised in the income statement in accordance with the cash basis of accounting.

4. CURRENT EXPENDITURE

Current expenditure is recognised in the income statement when the payment is made.

5. UNAUTHORISED, IRREGULAR, AND FRUITLESS AND WASTEFUL EXPENDITURE

Unauthorised expenditure means:

- the overspending of a vote or a main division within a vote; or
- expenditure that was not made in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised expenditure is treated as a current asset in the balance sheet until such expenditure is recovered from a third party or funded from future voted funds.

Irregular expenditure means expenditure, other than unauthorised expenditure, incurred in contravention of or not in accordance with a requirement of any applicable legislation, including:

- The Public Finance Management Act
- The State Tender Board Act, or any regulations made in terms of this act; or
- Any provincial legislation providing for procurement procedures in that provincial government.

Irregular expenditure is treated as expenditure in the income statement.

Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure must be recovered from a responsible official (a debtor account should be raised), or the vote if responsibility cannot be determined.

6. DEBTS WRITTEN OFF

Debts are written off when identified as irrecoverable. No provision is made for irrecoverable amounts.

7. CAPITAL EXPENDITURE

Expenditure for physical items on hand on 31 March 2003 to be consumed in the following financial year, is written off in full when they are received and are accounted for as expenditure in the income statement. Physical assets (fixed assets and movable assets) acquired are expensed, i.e. written off in the income statement when the payment is made.

8. RECEIVABLES

Receivables are not normally recognised under the cash basis of accounting. However, receivables included in the balance sheet arise from cash payments that are recoverable from another party.

Receivables for services delivered are not recognised in the balance sheet as a current asset or as income in the income statement, as the financial statements are prepared on a cash basis of accounting, but are disclosed separately in the notes to enhance the usefulness of the financial statements.

9. PAYABLES

Payables are not normally recognised under the cash basis of accounting. However, payables included in the balance sheet arise from cash receipts that are due to either the Provincial/National Revenue Fund or another party.

10. PROVISIONS

A provision is a liability of uncertain timing or amount. Provisions are not normally recognised under the cash basis of accounting, but are disclosed separately in the notes to enhance the usefulness of the financial statements.

11. LEASE COMMITMENTS

Lease commitments for the period remaining from the accounting date until the end of the lease contract are disclosed as a note to the financial statements. These commitments are not recognised in the balance sheet as a liability or as expenditure in the income statement as the financial statements are prepared on the cash basis of accounting.

12. ACCRUALS

This amount represents goods/services that have been delivered, but no invoice has been received from the supplier at year end, OR where the goods/services have been delivered, and an invoice is on hand but remains unpaid at year end. These amounts are not recognised in the balance sheet as a liability or as expenditure in the income statement as the financial statements are prepared on a cash basis of accounting, but are however disclosed.

13. EMPLOYEE BENEFITS

Short-term employee benefits

The cost of short-term employee benefits is expensed in the income statement in the reporting period that the payment is made. Short-term employee benefits, that give rise to a present legal or constructive obligation, are deferred until they can be reliably measured and then expensed. Details of these benefits and the potential liabilities are disclosed as a note to the financial statements and are not recognised in the income statement.

Termination benefits

Termination benefits are recognised and expensed only when the payment is made.

Retirement benefits

The Department provides retirement benefits for 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 money is paid to the fund. 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 Provincial Revenue Fund and not in the financial statements of the employer department.

Medical benefits

The Department provides medical benefits for its employees through defined benefit plans. These benefits are funded by employer and/or employee contributions. Employer

PART A: Statements of Accounting Policies and Related Matters

for the year ended 31 March 2003



contributions to the fund are expensed when money is paid to the fund. No provision is made for medical benefits in the financial statements of the Department.

Post retirement medical benefits for retired civil servants are expensed when the payment is made to the fund.

14. RECOVERABLE REVENUE

Recoverable revenue represents payments made and recognised in the income statement as an expense in previous years, which have now become recoverable from a debtor due to non-performance in accordance with an agreement.

Repayments are transferred to the Revenue Fund as and when the repayment is received.

15. COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year. The comparative figures shown in these financial statements are limited to the figures shown in the previous year's audited financial statements and such other comparative figures that the Department may reasonably have available for reporting.

PART A: Appropriation Statement

for the year ended 31 March 2003

PROGRAMME

	2002/2003						2001/2002	
	Adjusted Appropriation R' 000	Virement R' 000	Revised Allocation R' 000	Actual Expenditure R' 000	Savings (Excess) R' 000	Expenditure as % of Revised Allocation	Revised Allocation R' 000	Actual Expenditure R' 000
1. ADMINISTRATION	373,935	25,483	399,418	462,432	(63,014)	115.78%	366,653	366,653
Current	356,026	12,265	368,291	437,914	(69,623)	118.90%	358,910	358,910
Capital	17,909	13,218	31,127	24,518	6,609	78.77%	7,743	7,743
2. ADMINISTRATION OF COURTS	1,477,457	8,139	1,485,596	1,531,706	(46,110)	103.10%	1,385,270	1,372,531
Current	1,405,047	8,139	1,413,186	1,496,205	(83,019)	105.87%	1,336,288	1,360,173
Capital	72,410	0	72,410	35,501	36,909	49.03%	48,982	12,358
3. STATE LEGAL SERVICES	195,722	(14,156)	181,566	167,703	13,863	92.36%	161,357	161,357
Current	193,663	(14,676)	178,987	165,124	13,863	92.25%	158,895	158,895
Capital	2,059	520	2,579	2,579	0	100.00%	2,462	2,462
4. NATIONAL PROSECUTING AUTHORITY	948,568	(11,806)	936,762	923,877	12,885	98.62%	725,477	724,809
Current	920,041	(11,806)	908,235	901,324	6,911	99.24%	705,414	707,713
Capital	28,527	0	28,527	22,553	5,974	79.06%	20,063	17,096
5. AUXILIARY AND ASSOCIATED SERVICE	1,256,144	(7,660)	1,248,484	1,223,843	24,641	98.03%	1,184,786	1,160,908
Current	915,016	(1,051)	913,965	904,211	9,754	98.93%	843,949	843,949
Capital	341,128	(6,609)	334,519	319,632	14,887	95.55%	340,837	316,959
TOTAL	4,251,826	0	4,251,826	4,309,561	(57,735)	101.36%	3,823,543	3,786,258
Economic Classification								
CURRENT	3,789,793	(7,129)	3,782,664	3,904,778	(122,114)	103.23%	3,403,456	3,429,640
Personnel	2,167,486	(7,801)	2,159,685	2,202,550	(42,865)	101.98%	1,866,716	1,890,021
Transfer Payments	815,927	0	815,927	815,927	0	100.00%	677,853	677,853
Other	806,380	672	807,052	886,301	(79,249)	109.82%	858,887	861,766
CAPITAL	462,033	7,129	469,162	404,783	64,379	86.28%	420,087	356,618
Acquisition of Capital Assets	462,033	7,129	469,162	404,783	64,379	86.28%	420,087	356,618
TOTAL	4,251,826	0	4,251,826	4,309,561	(57,735)	101.36%	3,823,543	3,786,258
Standard Item Classification								
Personnel Expenditure	2,167,486	(7,801)	2,159,685	2,202,550	(42,865)	101.98%	1,866,716	1,890,021
Administrative Expenditure	257,375	6,352	263,727	324,236	(60,509)	122.94%	241,560	241,472
Inventories	99,338	13,264	112,602	126,880	(14,278)	112.68%	92,661	92,661
Equipment	186,132	(9,152)	176,980	147,752	29,228	83.49%	121,560	93,865
Land and Buildings	288,859	6,609	295,468	278,737	16,731	94.34%	238,923	206,116
Professional and Spec Services	354,356	(19,337)	335,019	325,390	9,629	97.13%	498,566	498,566
Transfer Payments	815,927	0	815,927	815,927	0	100.00%	677,853	677,853
Miscellaneous Expenditure	82,353	5,825	88,178	83,849	4,329	95.09%	70,939	70,939
Special Function	0	4,240	4,240	4,240	0	100.00%	14,765	14,765
TOTAL	4,251,826	0	4,251,826	4,309,561	(57,735)	101.36%	3,823,543	3,786,258

PART A: Appropriation Statement

for the year ended 31 March 2003



STATUTORY APPROPRIATION (JUDGES' SALARIES)

	2002/2003						2001/2002	
	Adjusted Appropriation R' 000	Virement R' 000	Revised Allocation R' 000	Actual Expenditure R' 000	Savings (Excess) R' 000	Expenditure as % of Revised Allocation	Revised Allocation R' 000	Actual Expenditure R' 000
Direct change against the National Revenue Fund								
STATUTORY APPROPRIATION (JUDGES' SALARIES)								
Current	154,318	0	154,318	175,296	(20,978)	113.59%	157,551	171,083
TOTAL	154,318	0	154,318	175,296	(20,978)	113.59%	157,551	171,083
Economic Classification								
CURRENT	154,318	0	154,318	175,296	(20,978)	113.59%	157,551	171,083
Personnel	154,318	0	154,318	175,296	(20,978)	113.59%	157,551	171,083
TOTAL	154,318	0	154,318	175,296	(20,978)	113.59%	157,551	171,083
Standard Item Classification								
PERSONNEL EXPENDITURE	154,318	0	154,318	175,296	(20,978)	113.59%	157,551	171,083
TOTAL	154,318	0	154,318	175,296	(20,978)	113.59%	157,551	171,083

Department of Justice and Constitutional Development - Vote 23

Appropriation Statement

for the year ended 31 March 2003

DETAILS PER PROGRAMME 1: ADMINISTRATION for the year ended 31 March 2003

PROGRAMME 1: ADMINISTRATION

	2002/2003						2001/2002	
	Adjusted Appropriation R' 000	Virement R' 000	Revised Allocation R' 000	Actual Expenditure R' 000	Savings (Excess) R' 000	Expenditure as % of Revised Allocation	Revised Allocation R' 000	Actual Expenditure R' 000
Programme per subprogramme								
MINISTER	691	(502)	189	189	0	100.00%	629	629
Current	691	(502)	189	189	0	100.00%	629	629
DEPUTY MINISTER	536	(405)	131	131	0	100.00%	439	439
Current	536	(405)	131	131	0	100.00%	439	439
MANAGEMENT	13,206	17,208	30,414	30,414	0	100.00%	12,238	12,238
Current	12,918	17,069	29,987	29,987	0	100.00%	11,969	11,969
Capital	288	139	427	427	0	100.00%	269	269
CORPORATE SERVICES	359,502	9,182	368,684	431,698	(63,014)	117.09%	353,347	353,347
Current	341,881	2,712	344,593	407,607	(63,014)	118.29%	345,876	345,876
Capital	17,621	6,470	24,091	24,091	0	100.00%	7,471	7,471
TOTAL	373,935	25,483	399,418	462,432	(63,014)	115.78%	366,653	366,653
Economic Classification								
CURRENT	356,026	12,265	368,291	437,914	(69,623)	118.90%	358,910	358,910
Personnel	224,495	18,874	243,369	242,440	929	99.62%	178,078	178,078
Transfer Payments	0	0	0	0	0	0	1,913	1,913
Other	131,531	(6,609)	124,922	195,474	(70,552)	156.48%	178,919	178,919
CAPITAL	17,909	13,218	31,127	24,518	6,609	78.77%	7,743	7,743
Acquisition of Capital Assets	17,909	13,218	31,127	24,518	6,609	78.77%	7,743	7,743
TOTAL	373,935	25,483	399,418	462,432	(63,014)	115.78%	366,653	366,653
Standard Item Classification								
Personnel Expenditure	224,495	18,874	243,369	242,440	929	99.62%	178,078	178,078
Administrative Expenditure	63,633	0	63,633	82,472	(18,839)	129.61%	57,385	57,385
Inventories	13,258	1,741	14,999	26,303	(11,304)	175.37%	50,384	50,384
Equipment	22,191	(1,741)	20,450	27,059	(6,609)	132.32%	9,681	9,681
Land and Buildings	0	6,609	6,609	0	6,609	0.00%	3	3
Professional and Spec Services	50,358	0	50,358	84,067	(33,709)	166.94%	68,192	68,192
Transfer Payments	0	0	0	0	0	0	1,913	1,913
Miscellaneous Expenditure	0	0	0	91	(91)	0	1,017	1,017
TOTAL	373,935	25,483	399,418	462,432	(63,014)	115.78%	366,653	366,653

Department of Justice and Constitutional Development - Vote 23

PART A: Appropriation Statement

for the year ended 31 March 2003



DETAILS PER PROGRAMME 2: ADMINISTRATION OF COURTS for the year ended 31 March 2003

PROGRAMME 2: ADMINISTRATION OF COURTS

	2002/2003						2001/2002	
	Adjusted Appropriation R' 000	Virement R' 000	Revised Allocation R' 000	Actual Expenditure R' 000	Savings (Excess) R' 000	Expenditure as % of Revised Allocation	Revised Allocation R' 000	Actual Expenditure R' 000
Programme per subprogramme								
CONSTITUTIONAL COURT	13,397	259	13,656	13,656	0	100.00%	7,981	7,981
Current	13,342	(13)	13,329	13,329	0	100.00%	7,892	7,892
Capital	55	272	327	327	0	100.00%	89	89
SUPREME COURT OF APPEAL	6,058	1,965	8,023	8,023	0	100.00%	6,529	6,529
Current	5,986	1,898	7,884	7,884	0	100.00%	6,392	6,392
Capital	72	67	139	139	0	100.00%	137	137
HIGH COURTS	133,691	344	134,035	135,296	(1,261)	100.94%	119,171	119,171
Current	131,989	562	132,551	133,812	(1,261)	100.95%	118,565	118,565
Capital	1,702	(218)	1,484	1,484	0	100.00%	606	606
SPECIALISED COURTS	18,367	(658)	17,709	17,709	0	100.00%	13,845	13,845
Current	17,745	(632)	17,113	17,113	0	100.00%	13,327	13,327
Capital	622	(26)	596	596	0	100.00%	518	518
LOWER COURTS	1,294,267	2,162	1,296,429	1,341,278	(44,849)	103.46%	1,237,744	1,225,005
Current	1,224,608	2,709	1,227,317	1,309,075	(81,758)	106.66%	1,189,908	1,213,793
Capital	69,659	(547)	69,112	32,203	36,909	46.60%	47,836	11,212
FAMILY ADVOCATE	11,677	4,067	15,744	15,744	0	100.00%	0	0
Current	11,377	3,502	14,879	14,879	0	100.00%	0	0
Capital	300	565	865	865	0	100.00%	0	0
TOTAL	1,477,457	8,139	1,485,596	1,531,706	(46,110)	103.10%	1,385,270	1,372,531
Economic Classification								
CURRENT	1,405,047	8,139	1,413,186	1,496,205	(83,019)	105.87%	1,336,288	1,360,173
Personnel	1,056,660	3,899	1,060,559	1,161,029	(100,470)	109.47%	1,035,881	1,059,766
Other	348,387	4,240	352,627	335,176	17,451	95.05%	300,407	300,407
CAPITAL	72,410	0	72,410	35,501	36,909	49.03%	48,982	12,358
Acquisition of Capital Assets	72,410	0	72,410	35,501	36,909	49.03%	48,982	12,358
TOTAL	1,477,457	8,139	1,485,596	1,531,706	(46,110)	103.10%	1,385,270	1,372,531
Standard Item Classification								
Personnel Expenditure	1,056,660	3,899	1,060,559	1,161,029	(100,470)	109.47%	1,035,881	1,059,766
Administrative Expenditure	111,542	13,253	124,795	125,776	(981)	100.79%	113,886	113,886
Inventories	33,052	6,817	39,869	39,853	16	99.96%	29,458	29,458
Equipment	64,937	(1,523)	63,414	44,210	19,204	69.72%	38,031	19,136
Land and Buildings	17,721	0	17,721	7	17,714	0.04%	17,729	0
Professional and Spec Services	142,043	(24,373)	117,670	99,323	18,347	84.41%	85,964	85,964
Miscellaneous Expenditure	51,502	5,826	57,328	57,268	60	99.90%	50,254	50,254
Special Function	0	4,240	4,240	4,240	0	0	14,067	14,067
TOTAL	1,477,457	8,139	1,485,596	1,531,706	(46,110)	103.10%	1,385,270	1,372,531

PART A: Appropriation Statement

for the year ended 31 March 2003

DETAILS PER PROGRAMME 3: STATE LEGAL SERVICES for the year ended 31 March 2003

PROGRAMME 3: STATE LEGAL SERVICES

	2002/2003						2001/2002	
	Adjusted Appropriation R' 000	Virement R' 000	Revised Allocation R' 000	Actual Expenditure R' 000	Savings (Excess) R' 000	Expenditure as % of Revised Allocation	Revised Allocation R' 000	Actual Expenditure R' 000
Programme per subprogramme								
STATE ATTORNEYS	88,933	(3,561)	85,372	83,251	2,121	97.52%	76,954	76,954
Current	87,856	(3,084)	84,772	82,651	2,121	97.50%	76,436	76,436
Capital	1,077	(477)	600	600	0	100.00%	518	518
STATE LAW ADVISER	19,972	(2,135)	17,837	16,267	1,570	91.20%	14,881	14,881
Current	19,460	(2,113)	17,347	15,777	1,570	90.95%	13,927	13,927
Capital	512	(22)	490	490	0	100.00%	954	954
MASTERS/ ADMIN OF ESTATES	72,522	(7,523)	64,999	55,806	9,193	85.86%	50,178	50,178
Current	72,322	(8,588)	63,734	54,541	9,193	85.58%	50,013	50,013
Capital	200	1,065	1,265	1,265	0	100.00%	165	165
FAMILY ADVOCATE	0	0	0	0	0	0.00%	9,556	9,556
Current	0	0	0	0	0	0.00%	9,073	9,073
Capital	0	0	0	0	0	0.00%	483	483
SOUTH AFRICAN: LAW REFORM COMMISSION	10,790	(917)	9,873	9,229	644	93.48%	8,342	8,342
Current	10,590	(892)	9,698	9,054	644	93.36%	7,942	7,942
Capital	200	(25)	175	175	0	100.00%	400	400
CONSTITUTIONAL DEVELOPMENT	3,505	(20)	3,485	3,150	335	90.39%	1,446	1,446
Current	3,435	0	3,435	3,100	335	90.25%	1,446	1,446
Capital	70	(20)	50	50	0	100.00%	0	0
TOTAL	195,722	(14,156)	181,566	167,703	13,863	92.36%	161,357	161,357
Economic Classification								
CURRENT	193,663	(14,676)	178,987	165,124	13,863	92.25%	158,895	158,895
Personnel	163,628	(17,717)	145,911	133,550	12,361	91.53%	130,378	130,378
Other	30,035	3,041	33,076	31,574	1,502	95.46%	28,517	28,517
CAPITAL	2,059	520	2,579	2,579	0	100.00%	2,462	2,462
Acquisition of Capital Assets	2,059	520	2,579	2,579	0	100.00%	2,462	2,462
TOTAL	195,722	(14,156)	181,566	167,703	13,863	92.36%	161,357	161,357
Standard Item Classification								
Personnel Expenditure	163,628	(17,717)	145,911	133,550	12,361	91.53%	130,378	130,378
Administrative Expenditure	16,867	(2,986)	13,881	12,379	1,502	89.18%	13,861	13,861
Inventories	4,658	872	5,530	5,530	0	100.00%	3,415	3,415
Equipment	3,071	640	3,711	3,711	0	100.00%	3,297	3,297
Professional and Spec Services	7,497	5,036	12,533	12,533	0	100.00%	10,406	10,406
Miscellaneous Expenditure	1	(1)	0	0	0	0	0	0
TOTAL	195,722	(14,156)	181,566	167,703	13,863	92.36%	161,357	161,357

PART A: Appropriation Statement

for the year ended 31 March 2003



DETAILS PER PROGRAMME 4: NATIONAL PROSECUTING AUTHORITY for the year ended 31 March 2003

PROGRAMME 4: NATIONAL PROSECUTING AUTHORITY								
	2002/2003						2001/2002	
	Adjusted Appropriation R' 000	Virement R' 000	Revised Allocation R' 000	Actual Expenditure R' 000	Savings (Excess) R' 000	Expenditure as % of Revised Allocation	Revised Allocation R' 000	Actual Expenditure R' 000
Programme per subprogramme								
PUBLIC PROSECUTION	642,398	(11,806)	630,592	621,284	9,308	98.52%	503,467	502,887
Current	637,033	(11,806)	625,227	617,508	7,719	98.77%	483,404	485,691
Capital	5,365	0	5,365	3,776	1,589	70.38%	20,063	17,196
WITNESS PROTECTION PROGRAMME	34,170	0	34,170	30,927	3,243	90.51%	24,894	24,806
Current	34,170	0	34,170	30,496	3,674	89.25%	24,894	24,806
Capital	0	0	0	431	(431)	0.00%	0	0
SPECIAL OPERATIONS	272,000	0	272,000	271,666	334	99.88%	197,116	197,116
Current	253,515	0	253,515	261,088	(7,573)	102.99%	197,116	197,116
Capital	18,485	0	18,485	10,578	7,907	57.22%	0	0
TOTAL	948,568	(11,806)	936,762	923,877	12,885	98.62%	725,477	724,809
Economic Classification								
CURRENT	920,041	(11,806)	908,235	901,324	6,911	99.24%	705,414	707,713
Personnel	719,535	(11,806)	707,729	663,414	44,315	93.74%	519,783	519,203
Other	200,506	0	200,506	237,910	(37,404)	118.65%	185,631	188,510
CAPITAL	28,527	0	28,527	22,553	5,974	79.06%	20,063	17,096
Acquisition of Capital Assets	28,527	0	28,527	22,553	5,974	79.06%	20,063	17,096
TOTAL	948,568	(11,806)	936,762	923,877	12,885	98.62%	725,477	724,809
Standard Item Classification								
Personnel Expenditure	719,535	(11,806)	707,729	663,414	44,315	93.74%	519,783	519,203
Administrative Expenditure	57,993	0	57,993	100,292	(42,299)	172.94%	53,097	53,009
Inventories	12,237	0	12,237	15,227	(2,990)	124.43%	8,301	8,301
Equipment	25,879	0	25,879	24,133	1,746	93.25%	20,751	11,951
Land and Buildings	0	0	0	7,592	(7,592)	0.00%	185	8,985
Professional and Spec Services	102,074	0	102,074	86,729	15,345	84.97%	102,994	102,994
Miscellaneous Expenditure	30,850	0	30,850	26,490	4,360	85.87%	19,668	19,668
Special Function	0	0	0	0	0	0.00%	698	698
TOTAL	948,568	(11,806)	936,762	923,877	12,885	98.62%	725,477	724,809

PART A: Appropriation Statement

for the year ended 31 March 2003

DETAILS PER PROGRAMME 5: AUXILIARY AND ASSOCIATED SERVICES for the year ended 31 March 2003

PROGRAMME 5: AUXILIARY AND ASSOCIATED SERVICES								
	2002/2003						2001/2002	
	Adjusted Appropriation R' 000	Virement R' 000	Revised Allocation R' 000	Actual Expenditure R' 000	Savings (Excess) R' 000	Expenditure as % of Revised Allocation	Revised Allocation R' 000	Actual Expenditure R' 000
Programme per subprogramme								
INTERCEPTION AND MONITORING	271	(32)	239	239	0	100.00%	247	247
Current	271	(35)	236	236	0	100.00%	226	226
Capital	0	3	3	3	0	100.00%	21	21
GOVERNMENT MOTOR TRANSPORT	19,950	0	19,950	15,064	4,886	75.51%	14,494	14,494
Capital	19,950	0	19,950	15,064	4,886	75.51%	14,494	14,494
SA HUMAN RIGHTS COMMISSION	27,401	0	27,401	27,401	0	100.00%	22,612	22,612
Current	27,401	0	27,401	27,401	0	100.00%	22,612	22,612
TRUTH AND RECONCILIATION COMMISSION	0	0	0	0	0	0	10,000	10,000
Current	0	0	0	0	0	0	10,000	10,000
COMMISSION ON GENDER EQUALITY	14,922	0	14,922	14,922	0	100.00%	13,057	13,057
Current	14,922	0	14,922	14,922	0	100.00%	13,057	13,057
PRESIDENT'S FUND	310,001	0	310,001	310,001	0	100.00%	190,000	190,000
Current	310,001	0	310,001	310,001	0	100.00%	190,000	190,000
SPECIAL INVESTIGATING UNIT	22,958	0	22,958	22,958	0	100.00%	21,419	21,419
Current	22,958	0	22,958	22,958	0	100.00%	21,419	21,419
JUDICIAL SERVICE COMMISSION	888	(137)	751	751	0	100.00%	546	546
Current	856	(121)	735	735	0	100.00%	529	529
Capital	32	(16)	16	16	0	100.00%	17	17
MAGISTRATES COMMISSION	4,970	(648)	4,322	4,322	0	100.00%	3,875	3,875
Current	4,937	(727)	4,210	4,210	0	100.00%	3,868	3,868
Capital	33	79	112	112	0	100.00%	7	7
LEGAL AID BOARD	341,827	0	341,827	341,827	0	100.00%	322,103	322,103
Current	341,827	0	341,827	341,827	0	100.00%	322,103	322,103
PUBLIC PROTECTOR	35,135	0	35,135	35,135	0	100.00%	35,766	35,766
Current	35,135	0	35,135	35,135	0	100.00%	35,766	35,766
NATIONAL CRIME PREVENTION STRATEGY	143,000	(6,843)	136,157	116,402	19,755	85.49%	268,678	268,678
Current	93,025	(168)	92,857	83,103	9,754	89.50%	163,386	163,386
Capital	49,975	(6,675)	43,300	33,299	10,001	76.90%	105,292	105,292
INDEPENDENT ELECTORAL COMMISSION	63,683	0	63,683	63,683	0	100.00%	60,983	60,983
Current	63,683	0	63,683	63,683	0	100.00%	60,983	60,983
CAPITAL WORKS	271,138	0	271,138	271,138	0	100.00%	221,006	197,128
Current	0	0	0	0	0	0	0	0
Capital	271,138	0	271,138	271,138	0	100.00%	221,006	197,128
TOTAL	1,256,144	(7,660)	1,248,484	1,223,843	24,641	98.03%	1,184,786	1,160,908

PART A: Appropriation Statement

for the year ended 31 March 2003



DETAILS PER PROGRAMME 5: AUXILIARY AND ASSOCIATED SERVICES for the year ended 31 March 2003

PROGRAMME 5: AUXILIARY AND ASSOCIATED SERVICES								
	2002/2003						2001/2002	
	Adjusted Appropriation R' 000	Virement R' 000	Revised Allocation R' 000	Actual Expenditure R' 000	Savings (Excess) R' 000	Expenditure as % of Revised Allocation	Revised Allocation R' 000	Actual Expenditure R' 000
Economic Classification								
CURRENT	915,016	(1,051)	913,965	904,211	9,754	98.93%	843,949	843,949
Personnel	3,168	(1,051)	2,117	2,117	0	100.00%	2,596	2,596
Transfer Payments	815,927	0	815,927	815,927	0	100.00%	675,940	675,940
Other	95,921	0	95,921	86,167	9,754	89.83%	165,413	165,413
CAPITAL	341,128	(6,609)	334,519	319,632	14,887	95.55%	340,837	316,959
Acquisition of Capital Assets	341,128	(6,609)	334,519	319,632	14,887	95.55%	340,837	316,959
TOTAL	1,256,144	(7,660)	1,248,484	1,223,843	24,641	98.03%	1,184,786	1,160,908
Standard Item Classification								
Personnel Expenditure	3,168	(1,051)	2,117	2,117	0	100.00%	2,596	2,596
Administrative Expenditure	7,340	(3,915)	3,425	3,317	108	96.85%	3,331	3,331
Inventories	36,133	3,834	39,967	39,967	0	100.00%	1,103	1,103
Equipment	70,054	(6,528)	63,526	48,639	14,887	76.57%	49,800	49,800
Land and Buildings	271,138	0	271,138	271,138	0	100.00%	221,006	197,128
Professional and Spec Services	52,384	0	52,384	42,738	9,646	81.59%	231,010	231,010
Transfer Payments	815,927	0	815,927	815,927	0	100.00%	675,940	675,940
TOTAL	1,256,144	(7,660)	1,248,484	1,223,843	24,641	98.03%	1,184,786	1,160,908

PART A: Notes to the Appropriation Statements

for the year ended 31 March 2003

1 Detail of current and capital transfers as per Appropriation Act (after Virement):

Details of these transactions can be viewed in note 9 (Transfer payments) to the annual financial statements.

2 Detail of special functions (Theft and Losses)

Detail of these transactions per programme can be viewed in note 11 (Details of special functions) to the annual financial statements.

3 Explanations of material variances from Amount Voted (after Virement):

Programme 1: Administration

The total excess of R 63 014 000 is explained below per Standard Item:

Administrative

The overspending of R18 839 000 can be attributed to the following:

R 7 726 961 - Increased expenditure on Public Transport due to the closure of Government Garage in Northern Cape and the service subsequently outsourced to Avis, as well as the increased rates on Telephone Expenditure.

R 13 890 623 - Expenditure incurred for the HPC Contract and the new HR plan for the Restructuring of the Department as required by Resolution 7 of 2002 issued by the DPSA.

Inventories

Overspending mainly attributed to the payment of licences necessary to enable the Department to use its software. The excess of R 11 304 000 has been disallowed as unauthorised expenditure.

Professional and Special Services

The overspending of R 33 709 000 can be attributed to the following:

R 19 498 000 - Payments made in respect of work contracted out to outside Attorneys and Counsel for the following reasons:

- Advocate services required that cannot be performed by State Attorneys.
- Conflict of interest cases where the State Attorneys cannot represent both parties involved.
- Instruction to use advocates in Labour Relation cases.

R 5 350 713 - The transfer of Information Service Management (ISM) personnel to SITA as stated in the Contractual Agreement.

R 12 905 339 - Increased Security Guard Services due to the high number of cash-in-transit robberies and safety concerns at the courts.

Programme 2: Administration of Courts

The total excess of R 46 110 000 is explained below per Standard Item:

Personnel

This overspending of R 100 470 000 is a result of the historic budget shortfall, which is generally known and was brought to the attention of National Treasury during 2002. Matters were compounded by the separation of powers and the new leave system, which increased the need to employ temporary staff, especially at small courts to ensure the continued administration of justice. The shortfall can also be partly attributed to the impact/carry-through effect of the improvements to the conditions of service for the lower court judiciary.

Equipment

The underspending of R 19 204 000 is due to physical security projects that were not implemented before year end.

Land and Buildings

The underspending of R 17 714 000 is in respect of child justice centres projects that were not implemented before year end.

Professional and Special Services

The underspending of R 18 347 000 is due to Security Guard Services and Cash-in-Transit paid by National Office (Programme 1).

Programme 3: State Legal Services

Personnel

The underspending of R 12 361 000 is due to the moratorium on the filling of posts.

Programme 4: National Prosecuting Authority (NPA)

Due to the expenditure of the NPA being included in the Appropriation Statement and excluded from the Income Statement and Balance Sheet, the amounts per standard item of the above statements will not correspond. However, the total expenditure is reconciled below.

Detailed explanations of variances are reflected in the Annual Financial Statements of the NPA.

Detailed explanations of variances are reflected in the Annual Financial Statements of the NPA.

Programme 5: Auxiliary and Associated Services

Equipment

The underspending of R 14 887 000 is due to Government vehicles not delivered during the financial year, as well as equipment held at Customs and Excise until early April due to changes in Tax Laws.

Professional and Special Services

The underspending of R 9 646 000 was utilised to partly fund the unauthorised expenditure (R 11 256 000) approved by Parliament, which was not surrendered to National Treasury in the previous financial years. The balance of R 1 502 000 was funded from the saving on Administration Expenditure in Programme 3.

4 Reconciliation of appropriation statement to income statement:

	2002/03 R'000	2001/02 R'000
Total expenditure per Appropriation Statement	4,309,561	3,786,258
Less: National Prosecuting Authority	923,877	724,809
	3,385,684	3,061,449
Add: Statutory Appropriation	175,295	171,083
Add: Unauthorised expenditure approved by Parliament (Funded)	226,411	0
Add: Unauthorised expenditure approved by Parliament (Unfunded)	11,256	0
Add: Local and foreign aid assistance (including RDP funds)	105,469	7,832
Actual expenditure per Income Statement	3,904,115	3,240,364

PART A: Income Statement

(Statement of Financial Performance)

for the year ended 31 March 2003



	Note	2002/03 R'000	2001/02 R'000
REVENUE			
Voted funds			
Charge to National/Provincial Revenue Fund		3,315,064	3,098,066
Statutory appropriation	1	154,318	157,551
Appropriation for unauthorised expenditure approved by Parliament	12	226,411	0
Non-voted funds			
Other revenue to be surrendered to the revenue fund	2	117,122	93,155
Local and foreign aid assistance (incl. RDP funds)	3	162,172	4,845
TOTAL REVENUE		3,975,087	3,353,617
EXPENDITURE			
Current			
Personnel	4	1,714,433	1,541,900
Administrative		223,941	188,463
Inventories	5	111,654	84,360
Machinery and Equipment	6	12,535	9,528
Professional and special services	8	238,660	395,573
Transfer payments	9	815,927	677,853
Miscellaneous	10	57,360	51,271
Special functions: Authorised losses	11	4,240	14,067
Special functions: Unauthorised expenditure approved by Parliament	12	11,256	0
Local and foreign aid assistance (incl. RDP funds)	3	57,142	7,759
Unauthorised expenditure approved by Parliament	12	226,411	0
TOTAL CURRENT EXPENDITURE		3,473,559	2,970,774
Capital			
Machinery and Equipment	6	111,084	72,386
Land and buildings	7	271,145	197,131
Local and foreign aid assistance (incl. RDP funds)	3	48,327	73
TOTAL CAPITAL EXPENDITURE		430,556	269,590
TOTAL EXPENDITURE		3,904,115	3,240,364
NET SURPLUS		70,972	113,253
Add back unauthorised and fruitless and wasteful expenditure disallowed	12	109,968	186,215
NET SURPLUS FOR THE YEAR	13	180,940	299,468

PART A: Balance Sheet

(Statement of Financial Position)

as at 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
ASSETS			
Current assets		697,104	848,371
Unauthorised and fruitless and wasteful expenditure	12	185,098	312,797
Cash and cash equivalents	14	1,230	593
Receivables	15	490,395	430,003
Prepayments and Advances	16	18,358	102,047
Local and foreign aid assistance (including RDP funds) receivable from donors	3	2,023	2,931
TOTAL ASSETS		697,104	848,371
LIABILITIES			
Current liabilities		592,685	803,594
Voted funds to be surrendered	17	7,115	209,300
NPA's unauthorised expenditure to be surrendered		0	523
Revenue funds to be surrendered	18	8,725	20,170
Bank overdraft	19	550,442	560,569
Payables	20	25,071	11,459
Local and foreign aid assistance (including RDP funds) repayable to donors	3	1,332	1,573
TOTAL LIABILITIES		592,685	803,594
NET ASSETS/LIABILITES		104,419	44,777
EQUITY			
Recoverable revenue		12,807	9,201
Local and foreign aid assistance (including RDP funds) rolled over	3	91,612	35,576
TOTAL EQUITY		104,419	44,777

PART A: Statement of Changes in Net Assets/Equity

for the year ended 31 March 2003



	Note	2002/03 R'000	2001/02 R'000
Recoverable revenue			
Opening balance		9,201	8,778
Debts raised		3,606	423
Closing balance		12,807	9,201
Local and foreign aid assistance (including RDP funds) rolled over			
Opening balance	3	35,576	35,676
New grants received	3	159,143	(100)
Less Payments made	3	(103,107)	0
Closing balance		91,612	35,576
TOTAL EQUITY		104,419	44,777

PART A: Cash Flow Statement

for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash flow generated by operating activities	21	611,397	569,058
Cash generated/(utilised) to decrease/(increase) working capital	22	39,992	(104,002)
Voted funds and Revenue funds surrendered	23	(337,867)	(255,700)
Unauthorised expenditure - net movement	12	127,699	0
Net cash flow available from operating activities		441,221	209,356
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(430,556)	(269,769)
Proceeds from sale of equipment	2	99	179
Net cash flows from operating and investing activities		10,764	(60,234)
Net increase/(decrease) in cash and cash equivalents		10,764	(60,234)
Cash and cash equivalents at beginning of period		(559,976)	(499,742)
Cash and cash equivalents at end of period	19	(549,212)	(559,976)

PART A: Notes to the Annual Financial Statements

for the year ended 31 March 2003



	Note	2002/03 R'000	2001/02 R'000
1. Statutory appropriation			
Judges' Salaries		154,318	157,551
		154,318	157,551
<p>Voted by Parliament to an independent account operated by the National Treasury and administrated by this Department. Over-expenditure is funded by the Department prior to repayment by National Treasury.</p>			
2. Other revenue to be surrendered to revenue fund			
Description			
Revenue on FMS			
Material losses recovered	2.1	975	2,591
Recoveries of previous years' expenditure		29,332	13,817
Miscellaneous Revenue		18,446	2,803
Guardian's Fund Interest		7,049	10,697
Interest on Monies in Trust		43,354	42,658
Monies imposed by Law		2,577	2,729
Monies not imposed by Law		3	8
Commission on Insurance		1,935	1,291
Loans and Advances (Subsidised transport)		63	1,065
Rent - Property		1,235	797
Other Interest		682	302
Proceeds from sale of equipment		99	179
Stale warrant vouchers		4,296	0
		110,046	78,937
Revenue not on FMS			
Master Monies		500	2,700
State Attorney Monies		4,165	3,993
Court Fines		1,754	2,892
Third Allowance		237	361
Claimed Contributions		(24)	(19)
Unclaimed Admission of Guilt		0	34
Unclaimed Maintenance Monies		441	0
Pay as You Earn		0	1,365
Miscellaneous		3	2,892
		7,076	14,218
		117,122	93,155

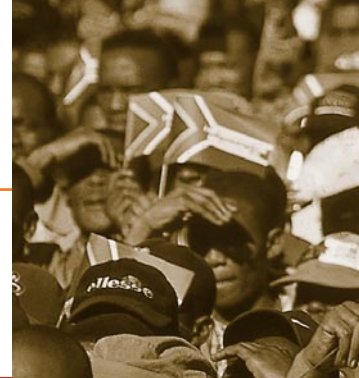
PART A: Notes to the Annual Financial Statements

for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
2.1 Material losses recovered			
Nature of loss recovered			
State Property		46	78
State Money		929	1,373
Fraud / Theft		0	1,140
		975	2,591
2.2 Gifts, donations and sponsorships received in kind, excluding RDP funds by the Department (Total not included above)			
Nature of gift, donation and sponsorship			
Seconded Chief Financial Officer and Assistant from Business Against Crime (BAC)		1,085	986
Painting of various Magistrate's Offices and Family Advocate Offices countrywide in relation to children's intermediary rooms and interview rooms, as well as the upgrading of furniture and purchasing of new furniture for these child-friendly rooms - Plascon and various community organisations		0	50
Television TEK to Magistrate Umtata: Children's Court		2	0
Trophies: Lusikisiki subcluster office management		6	0
Nedcor Ltd has made a building in the CBD of Johannesburg available rent-ree for a period of three years for the establishment of the specialised commercial crime court. The building has been converted into, <i>inter alia</i> , three courtrooms for the regional court, cash hall, offices for magistrates, prosecutors and police, and cells		450	0
Six business enterprises in Port Elizabeth have donated thinners and sanding paper; the use of power tools to renovate furniture; ± 15m ² of carpet tiles; a set of curtains for one office; a sign board; and five litres of interior paint respectively to make the equality court more user-friendly		10	0
Interest on pre-payments made to SITA to be used for services relating to Virtual Private Network establishment		6,915	0
		8,468	1,036

PART A: Notes to the Annual Financial Statements

for the year ended 31 March 2003



	Opening Balance	Revenue	Expenditure		Closing Balance
			Current	Capital	
3 Local and foreign aid assistance (including RDP)					
3.1 Assistance received in cash					
Name of donor and purpose					
Foreign					
Owing by donors					
USAID: Various Projects	(2,781)	2,879	1,655	38	(1,595)
Canada: Justice Canada Linkage Project	(150)	150	428	0	(428)
Owing to donors					
Danish Royal Embassy - Danish Government: Corporate Planning Team & Policy Advisory Task Unit	1,573	0	238	3	1,332
Assistance rolled over					
Government of Ireland: Citizen's Advice Desk Project	208	423	80	6	545
Sweden (SIDA): Capacity-Building in the Field of Children - Budget Outreach Programme	337	1,065	743	0	659
Netherlands Government: Sectoral Budget Support	35,000	91,067	53,889	48,280	23,898
Save the Children (Sweden) - Radda Barnen: Child Participation	31	0	20	0	11
EU Foundation: EU Human Rights Programme	0	105	89	0	16
Commission of European Community (Netherlands): Sectoral Budget Support	0	65,083	0	0	65,083
Denmark: Fast-track training for Civil Magistrates and training of Court Interpreters	0	1,400	0	0	1,400
	34,218	162,172	57,142	48,327	90,921

PART A: Notes to the Annual Financial Statements

for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
Analysis of balance			
Amounts owing by donors		(2,023)	(2,931)
Amounts owing to donors		1,332	1,573
Assistance rolled over		91,612	35,576
		90,921	34,218
3.2 Assistance received in kind			
Name of donor and purpose			
Foreign aid assistance			
Save the Children (Sweden) - Radda Barnen: Accommodation and conference fees for a workshop held in Gordon's Bay with the Portfolio Committee on Social Development		80	47
Danish Royal Embassy: Project Management Course - Plane Tickets, Accommodation, Meals, Course Fees for 20 delegates and visit for Director-General		0	1,000
Sweden (SIDA): Salaries of Project coordinator, Assistant and Administrator		0	120
Sweden (SIDA): Enhancing use of programmes for diversion and sentencing		0	87
Sweden (SIDA): Protection of children deprived of liberty		0	2
Sweden (SIDA): Implementation of Child Justice Bill		0	66
Sweden (SIDA): Awareness raising and training		0	80
Sweden (SIDA): Developing a monitoring system		0	1
USAID - Centre for Reconciliation and Equality Studies (CRES): Seconded and Administrative Secretary and a Clerk / Messenger		0	10
Canada: Administration of the Justice Linkage Project		0	2,628
Nadel: Personnel and Administrative Expenditure, rental and purchasing of equipment - Philippi Magistrate's Office		0	353
Nadel: Personnel and Administrative Expenditure, rental and purchasing of equipment - Mitchells Plain Model Court		0	2,254
Total Local and foreign aid assistance received in kind		80	6,648

PART A: Notes to the Annual Financial Statements

for the year ended 31 March 2003



	Note	2002/03 R'000	2001/02 R'000
4. Personnel			
Current expenditure			
Appropriation to Judiciary		175,295	171,083
Basic salary costs		1,077,412	947,427
Pension contributions		147,394	136,746
Medical aid contributions		72,123	66,089
Other salary related costs		242,209	220,555
Total Personnel Costs		1,714,433	1,541,900
Average number of employees		14,250	12,740
5. Inventories			
5.1 Current expenditure			
Inventories purchased during the year			
Printing		8,462	4,226
Stationery		24,007	25,911
Publications		25,971	18,688
Computer Software		51,028	32,895
Other		2,186	2,640
Total cost of inventories		111,654	84,360
6. Machinery and Equipment			
Current (Rentals, maintenance and sundry)		12,535	9,528
Capital	6.1	111,084	72,386
Total cost of Machinery and Equipment		123,619	81,914
6.1 Capital machinery and equipment analysed as follows:			
Computer equipment		41,335	41,540
Furniture and office equipment		36,272	15,667
Other machinery and equipment		10,480	572
Transport		22,997	14,607
		111,084	72,386
7 Land and buildings			
Capital expenditure			
Land and Dwellings		271,145	197,131
Total cost of Land and Buildings		271,145	197,131
This amount was transferred to the Department of Public Works for the procurement of new and additional accommodation			

PART A: Notes to the Annual Financial Statements

for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
8 Professional and special services			
Current expenditure			
Legal Expenses		9,959	9,669
Assessors		8,059	8,043
Auditor's Remuneration		21,111	20,506
Casual Interpreters		5,852	6,781
Court Recordings		37,153	35,806
Servicing of Process		17,989	14,705
Computer Services		10,896	5,832
Contractors		82,126	269,841
Maintenance		4,348	3,705
Security Services		39,165	17,591
Other		2,002	3,094
Total Professional and special services		238,660	395,573
9. Transfer payments			
Current Transfers to Public Entities and Institutions	Annexure 1	815,927	677,853
		815,927	677,853
10. Miscellaneous			
Current Expenditure			
Remissions, refunds and payments made as an act of grace	10.1	122	33
Gifts, donations and sponsorships made	10.2	5	1,000
Stabilisation fund (Terminated after July 2001)		0	5
Witness Fees		31,108	29,750
Protected custody of witnesses		0	74
Expert Witnesses		918	943
Psychiatric Observations		25,000	19,001
Other		207	465
Total miscellaneous expenditure		57,360	51,271

Notes to the Annual Financial Statements

for the year ended 31 March 2003



	Note	2002/03 R'000	2001/02 R'000
10.1 Remissions, refunds and payments made as an act of grace			
Nature of remissions, refunds and payments			
Damage to personal belongings while performing official duties		39	23
Wrongful and unlawful arrests		28	10
Reimbursement of expenditures		55	0
		122	33
10.2 Gifts, donations and sponsorships paid in cash by the Department (items expensed during the current year)			
Nature of gifts, donations and sponsorships			
Women Abuse line		0	1,000
Entertainers during the Benefit Concert in aid of the 16 Days of Activism: No violence against women and children		5	0
		5	1,000
11 Special functions: Authorised losses			
Material losses through criminal conduct	11.1	862	0
Other material losses written off	11.2	3,311	14,052
Debts written off	11.3	67	15
		4,240	14,067
11.1. Material losses through criminal conduct			
Nature of losses			
Thefts by employees		562	0
Burglaries, robbery, theft by third parties		300	0
		862	0
11.2 Other material losses written off in income statement in current period			
Nature of losses			
State Money – Armed Robberies and shortages		1,624	5,973
Former TBVC Countries amounts written off		0	7,157
Arbitration – Civil Actions		962	560
Damage to Vehicles		221	314
Irrecoverable losses		0	3
Other		504	45
		3,311	14,052

PART A: Notes to the Annual Financial Statements

for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
11.3 Debts written off			
Nature of debts written off			
Staff debts written off		67	15
		67	15
11.4 Details of special functions (theft and losses)			
Per programme			
Special Functions (Programme 2)		4,240	14,067
		4,240	14,067
12 Unauthorised and fruitless and wasteful expenditure disallowed			
Unauthorised expenditure	12.2	185,098	312,797
		185,098	312,797
12.1 Reconciliation of unauthorised expenditure balance			
Opening balance		312,797	290,074
Unauthorised expenditure current year		109,968	23,386
Approved by Parliament (With funds)		(226,411)	0
Approved by Parliament (Without funds)		(11,256)	0
Transfer to receivables for recovery		0	(1,163)
Closing balance		185,098	312,797
12.2 Unauthorised expenditure			
Incident			
Excess on voted funds	1997/98	0	24,755
Column 2 item (Legal Aid Board) exceeded the amount voted	1997/98	0	102,633
Virement approvals not obtained	1997/98	0	29,569
Non-compliance with State Tender Board Directives (Appointed consultants)	1997/98	0	407
Non-compliance with State Tender Board Directives (Appointed consultants)	1997/98	0	53
Excess on voted funds	1998/99	0	47,047
Expenditure relating to Legal Aid – incorrectly charged to the Department	1998/99	0	10,654
Non-compliance with State Tender Board Directives	1998/99	0	144
Ex gratia payment without approval	1998/99	0	68
Virement approvals not obtained	1998/99	0	21,161
Excess expenditure on contract approved by State Tender Board	1999/00	0	1,176
		0	237,667

PART A: Notes to the Annual Financial Statements

for the year ended 31 March 2003



		2002/03 R'000	2001/02 R'000
Excess on voted funds	1999/00	43,522	43,522
Non-compliance with State Tender Board Directives (Appointment of consultants for OSEO)	1999/00	2,295	2,295
Donor funds accounted for against vote	1999/00	117	117
Non-compliance with State Tender Board Directives	1999/00	110	110
Virement approvals not obtained	1999/00	5,200	5,200
Programme 2: Administration of Courts - Personnel overspending	2001/02	23,886	23,886
NPA prior April 2001 unauthorised expenditure (Non-compliance with State Tender Board Directives)	1999/00	844	0
Excess on voted funds	2002/03	109,124	0
		185,098	75,130
		185,098	312,797
		2002/03 R'000	2001/02 R'000
13	Analysis of surplus		
	Voted funds to be surrendered to the National Revenue Fund	7,115	209,300
	Voted funds	(81,875)	60,502
	Unauthorised Expenditure relating to the current financial year	109,124	0
	Unauthorised Expenditure relating to previous financial years (NPA)	844	162,330
	Statutory appropriation	(20,978)	(13,532)
	Non-voted funds	173,825	90,168
	Other revenue to be surrendered to the Revenue Fund	117,122	93,155
	Local and foreign aid assistance (including RDP funds)	56,703	(2,987)
	Total	180,940	299,468
14	Cash and cash equivalents		
	Cash on hand	1,230	593
		1,230	593
15	Receivables - current		
	Amounts owing by other departments	9,991	22,992
	Staff debtors	15.3 18,921	18,026
	Other debtors	15.4 461,483	388,985
		490,395	430,003

PART A: Notes to the Annual Financial Statements

for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
15.1 Amounts of at least R 187 million included above may not be recoverable, but has not been written off in the income statement.			
15.2 Age analysis – receivables current			
Less than one year		92,026	119,279
One to two years		104,278	210,788
More than two years		294,091	99,936
		490,395	430,003
15.3 Staff debtors			
In Service Debt		17,301	7,848
Out of Service Debt		1,620	10,178
		18,921	18,026
15.4 Other debtors			
Dishonoured cheques		12	458
Salary Control Accounts		3,236	4,586
Other Disallowance		29,181	7,288
Other Disallowance: Fraud		6,534	7,096
Supplier Disallowance		2,753	2,680
General Suspense		12,594	4,709
Agency Services		199,909	361,653
Transport expenditure to be allocated		4,313	0
Irrecoverable amounts to be written off		200,855	0
Other		2,096	515
		461,483	388,985
<p>The write-off of irrecoverable amounts can only be effected once additional funds are appropriated by Parliament or when savings within the vote is available.</p> <p>The National Treasury has been approached to assist the Department to resolve this matter.</p>			

PART A: Notes to the Annual Financial Statements

for the year ended 31 March 2003



	Note	2002/03 R'000	2001/02 R'000
16 Pre-payments and Advances			
Nature of advances			
Subsistence and Transport Advances		5,260	7,467
Standing Advances		1,286	924
Departmental Advances Paid - NPA		11,812	93,133
Departmental Advances Paid – NPA Unauthorised Expenditure in respect of previous financial years		0	523
		18,358	102,047
17 Voted funds to be surrendered			
Department			
Opening balance		222,832	192,760
Transfer from income statement		27,249	60,502
Previous years unauthorised expenditure disallowed in current year		844	162,330
Paid during the year		(222,832)	(192,760)
Closing balance		28,093	222,832
Statutory appropriation (Judges' salaries)			
Opening balance		(13,532)	(13,483)
Transfer from income statement		(20,978)	(13,532)
Paid during the year		13,532	13,483
Closing balance		(20,978)	(13,532)
Total Closing Balance	13	7,115	209,300
18 Revenue funds to be surrendered			
Opening balance		20,170	3,438
Transfer from income statement for revenue to be surrendered			
Revenue generated during the year		117,122	93,155
Paid during the year		(128,567)	(76,423)
Closing balance		8,725	20,170
19 Bank overdraft			
Paymaster General Account (Exchequer account)	19.1	(550,442)	(560,569)
Cash and Cash equivalents	14	1,230	593
Cash and Cash Equivalents		(549,212)	(559,976)

PART A: Notes to the Annual Financial Statements

for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
19.1 Paymaster General Account (Exchequer account)			
Balance as per National Accounting Office		(464,222)	(356,414)
Deduct:		(86,220)	(204,155)
Outstanding deposits		164	(13,692)
Orders payable		(8,054)	17,265
PMG adjustment account		186	(24,191)
Uncleared Cashed Cheques		0	15,391
Electronic funds payable		(17,303)	(153,016)
ACB control account		(61,213)	(45,912)
Balance above		(550,442)	(560,569)
20 Payables - current			
Description			
Other payables	20.1	25,071	11,459
		25,071	11,459
20.1 Other payables			
Receipt Suspense		68	1,076
Re-issue of payments		8,610	592
Salary Control Accounts		5,176	1,938
General Suspense		3,909	5,709
Donor Control Account		6,897	0
TRC: Refund of balances on hand at closure		175	406
Other		236	1,738
		25,071	11,459

PART A: Notes to the Annual Financial Statements

for the year ended 31 March 2003



	Note	2001/02 R'000	2001/02 R'000
21 Net cash flow generated by operating activities			
Net surplus as per Income Statement		180,940	299,468
Adjusted for items separately disclosed		430,457	269,590
Proceeds from sale of equipment		(99)	(179)
Purchase of equipment		430,556	269,769
Net cash flow generated by operating activities		611,397	569,058
22 Cash generated / (utilised) to (increase)/decrease working capital			
(Increase) in receivables – current		(60,392)	(14,119)
decrease / (Increase) in prepayments and advances		83,689	(91,727)
Increase in payables		13,089	1,421
Increase in other current liabilities		3,606	423
		39,992	(104,002)
23 Voted funds and Revenue funds surrendered			
Voted funds surrendered		222,832	192,760
Revenue funds surrendered		128,567	76,423
		351,399	269,183
Less: Statutory Appropriation		(13,532)	(13,483)
		337,867	255,700

PART A: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2003

These amounts are not recognised in the financial statements, and are 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), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 5 of 2002.

24 Contingent liabilities

Liable	Note	Note	2002/03 R'000	2001/02 R'000
Stannic	Motor vehicle guarantees	Annexure 2	1,698	1,514
Various Financial Institutions	Housing loan guarantees	Annexure 2	23,699	23,989
			25,397	25,503

Monies in Trust

It has been established that obligations exceed funds held in trust by the Department to meet these obligations. A concerted effort is under way to establish the extent of the losses incurred. Monies in trust are accounted for separately. It is envisaged that losses that at this stage have not been quantified, will be expensed in the 2003/4 financial year.

Pending Lawsuits

143 civil actions are pending against the Minister and / or the Department. The outcome of these civil actions are uncertain as they have not been finalised.

	Note	2002/03 R'000	2001/02 R'000
25 Commitments			
Current expenditure			
Approved and contracted/ordered		81	261,003
		81	261,003
Capital expenditure			
Approved and contracted/ordered		221,162	11,774
Approved but not yet contracted/ordered		28,517	-
		249,679	11,774
Total Commitments		249,760	272,777
26 Accruals			
Programme 1: Administration		1,178	18,086
Programme 2: Administration of Courts		804	3,775
Programme 3: State Legal Services		64	79
		2,046	21,940

PART A: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2003



	Note	2002/03 R'000	2001/02 R'000
27 Employee benefits			
Leave entitlement		11,897	111
Thirteenth cheque		115,432	91,468
Performance bonus		45,426	35,645
		172,755	127,224
The leave entitlement estimation disclosed during the previous financial year excluded leave credits due to employees as at 30 June 2000 (Capped Leave).			

	Property	Equipment	2002/03 R'000	2001/02 R'000
28 Leases				
28.1 Operating leases				
Later than 3 years				
Hiring of Mobile Court	945	-	945	-
Rental of Photocopiers	-	1,090	1,090	3,347
Rental of switchboard	-	6,251	6,251	5,585
	945	7,341	8,286	8,932

	Note	2002/03 R'000	2001/02 R'000
29 Irregular expenditure			
29.1 Movement Schedule of irregular expenditure			
Opening Balance		-	-
Irregular expenditure - current year		54,360	-
Irregular expenditure - NPA Prior years		1,905	-
Irregular expenditure - Current year (Currently under investigation)	29.2	13,288	-
Expenditure not condoned - NPA Prior years (Debt raised)		(1,905)	-
Expenditure awaiting condonement		67,648	-
Analysis			
Current		67,648	-
		67,648	-

PART A: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
<p>Programme 2: Administration of Courts overspent the Personnel budget with R 100 470 000. The net overspending for the programme (R46 110 000) was disallowed as unauthorised expenditure and is disclosed in note 13.2. The difference of R 54 360 000 are reported as irregular expenditure. National Treasury must still be approached for consideration of condoning this irregular expenditure.</p>			
<p>29.2 Irregular expenditure - Current year (Currently under investigation)</p> <p>Incident</p> <p>Payments for security services rendered: Judges, Magistrates and Prosecutors in Urban terror matters - State Tender Board Regulations not complied with</p> <p>Purchasing of laptops - State Tender Board Regulations not complied with</p> <p>Appointment of consultants - State Tender Board Regulations not complied with</p> <p>NPA Prior years (Witness Protection)</p>		<p>526</p> <p>1,298</p> <p>10,684</p> <p>780</p> <p>13,288</p>	<p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p>
<p>30 Key management personnel</p> <p>30.1 Remuneration</p> <p>Minister, Deputy Minister, Director-General, Chief Financial Officer and 7 Managing Directors</p>		<p>6,848</p> <p>6,848</p>	<p>5,618</p> <p>5,618</p>

PART A: ANNEXURES to the Annual Financial Statements

for the year ended 31 March 2003



ANNEXURE 1

Statement of Transfers to Public Entities and Institutions by National/Provincial Departments as at 31 March 2003

Public Entity / Institution	Grant Allocation				Expenditure				
	Appropriation	Adjustments	Roll-overs	Total	Actual	Amount not	% of	Capital	Current
	R'000	Estimate R'000	R'000	Available (1) R'000	Transferred R'000	Transferred R'000	Available Transferred	R'000	R'000
Human Rights Commission	26,958	443	-	27,401	27,401	-	100%	-	27,401
Legal Aid Board	341,827	-	-	341,827	341,827	-	100%	-	341,827
Special Investigating Unit	22,958	-	-	22,958	22,958	-	100%	-	22,958
Commission on Gender Equality	14,633	289	-	14,922	14,922	-	100%	-	14,922
Public Protector	34,500	635	-	35,135	35,135	-	100%	-	35,135
President's Fund	310,001	-	-	310,001	310,001	-	100%	-	310,001
Independent Electoral Commission	63,683	-	-	63,683	63,683	-	100%	-	63,683
	814,560	1,367	-	815,927	815,927	-	100%	-	815,927

ANNEXURE 2

Statement of Financial Guarantees Issued as at 31 March 2003

Guaranteed institution	Guarantee in respect of	Opening	Guarantees	Guarantees	Guaranteed	Closing	Realised
		balance as at 01/04/2002	issued during the year	released during the year	interest outstanding as at 31/03/2003	Balance 31/03/2003	losses i.r.o. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000
Stannic	Motor vehicle guarantees	1,514	1,137	953	-	1,698	-
		1,514	1,137	953	-	1,698	-
ABSA	Housing loan guarantees	6,466	559	402	-	6,623	-
BOE Bank	Housing loan guarantees	2,097	12	88	-	2,021	-
First Rand Bank: FNB	Housing loan guarantees	2,021	173	102	-	2,092	-
Permanent Bank	Housing loan guarantees	2,533	241	166	-	2,608	-
Saambou Bank	Housing loan guarantees	2,004	47	214	-	1,837	-
Standard Bank	Housing loan guarantees	2,640	180	117	-	2,703	-
Other	Housing loan guarantees	6,228	447	860	-	5,815	-
TOTAL		23,989	1,659	1,949	-	23,699	-

PART A: ANNEXURES to the Annual Financial Statements

for the year ended 31 March 2003

ANNEXURE 3

Physical Asset Movement Schedule (Not Including Inventories)

Physical Assets Acquired During Financial Year 2002/03	Opening Balance R'000	Additions R'000	Disposals R'000	Transfers In R'000	Transfers Out R'000	Closing Balance R'000
LAND AND BUILDINGS	-	-	-	-	-	-
Land and Dwellings	-	-	-	-	-	-
MACHINERY AND EQUIPMENT	-	111,084	-	-	-	111,084
Computer equipment	-	41,335	-	-	-	41,335
Furniture and office equipment	-	36,272	-	-	-	36,272
Other machinery and equipment	-	10,480	-	-	-	10,480
Transport assets	-	22,997	-	-	-	22,997
	-	111,084	-	-	-	111,084

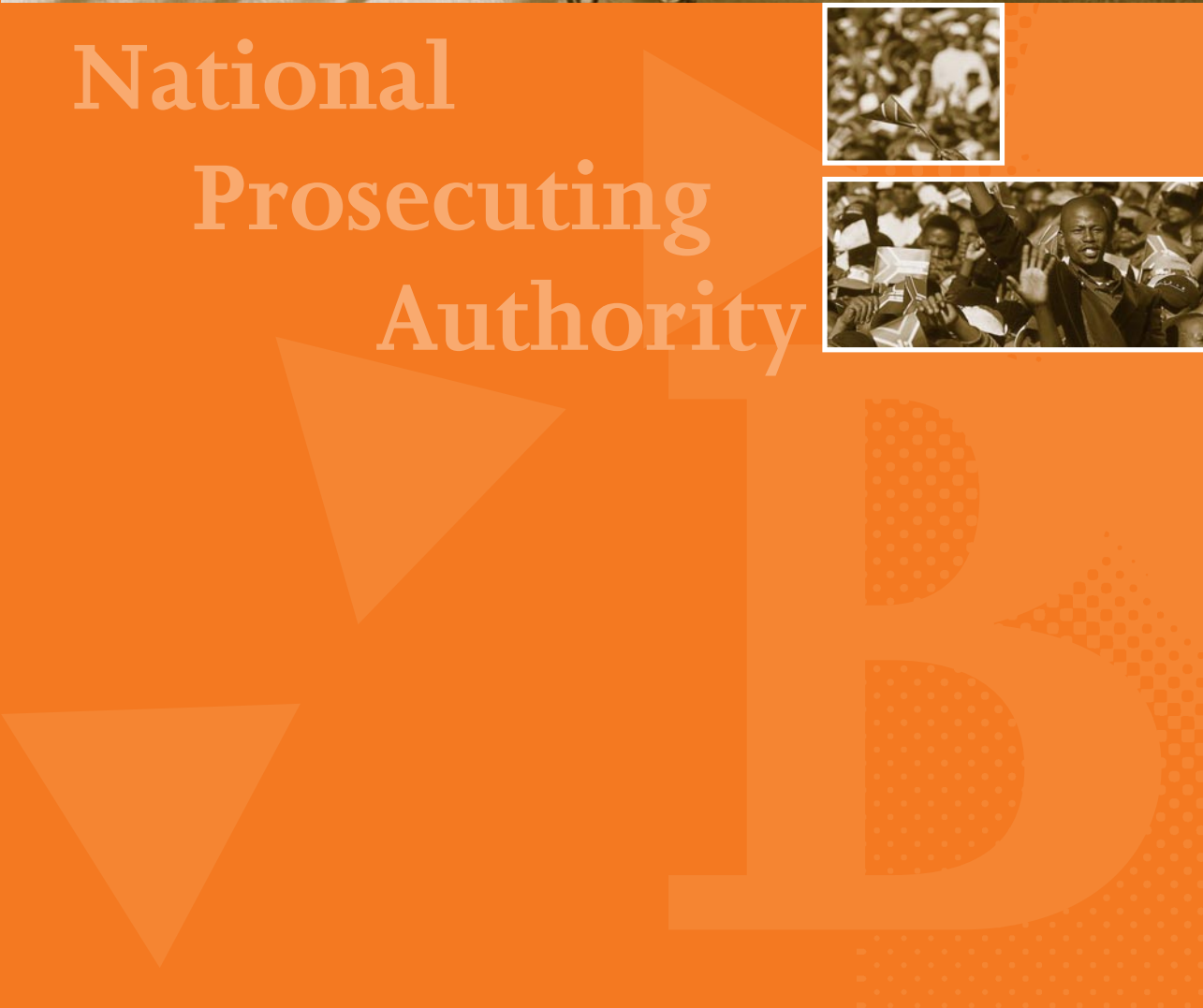
Physical Assets Acquired During Financial Year 2001/02	Opening Balance R'000	Additions R'000	Disposals R'000	Transfers In R'000	Transfers Out R'000	Closing Balance R'000
LAND AND BUILDINGS	-	-	-	-	-	-
Land and Dwellings	-	-	-	-	-	-
MACHINERY AND EQUIPMENT	-	72,386	-	-	-	72,386
Computer equipment	-	41,540	-	-	-	41,540
Furniture and office equipment	-	15,667	-	-	-	15,667
Other machinery and equipment	-	572	-	-	-	572
Transport assets	-	14,607	-	-	-	14,607
	-	72,386	-	-	-	72,386



PART B



National
Prosecuting
Authority



PART B: Management Report

for the year ended 31 March 2003



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”) remained unchanged for the second year of reporting to 31 March 2003. In terms of this structure, the NPA consisted of seven business units:

- National Prosecuting Service (NPS)
- Directorate of Special Operations (DSO) or Scorpions
- Asset Forfeiture Unit (AFU)
- Sexual Offences and Community Affairs Unit (SOCA)
- Specialised Commercial Crimes Unit (SCCU)
- Witness Protection Unit (WPU)
- Corporate Services (CS)

THE FINANCIAL POSITION

What follows is a breakdown of the current financial year’s budget reconciliation:

VOTED FUNDS:	2002/03	2001/02
	R ‘000	R ‘000
Appropriated Amount	942 316	822 241
Adjustments	6 252	(96 764)
Amount appropriated	948 568	725 477
Virement	(11 806)	0
Total amount appropriated	936 762	725 477
Less total expenditure	923 877	724 809
Net Saving / (Loss)	12 885	668

The NPA budget was R936, 762 million for the 2002/03 financial year (2001/02; R725, 477 million).

A net saving of R12 885 million (2001/02: R668 000) was recorded on the budget mainly due to delays in the filling of vacant positions and delays in acquisition of capital items.

With respect to budgetary matters, the NPA however has still not obtained the full budget for lower court prosecutors. The NPA budget still only has the personnel budget for lower court prosecutors. The non-personnel

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

These financial statements are the second separate set of financial statements produced for the NPA. These statements are to be annexed to the department’s statements, by agreement with the DOJCD, National Treasury and Office of the Auditor General.

budget remains with the Department of Justice and Constitutional Development. The NPA has funded dire needs of the lower court prosecutors during the year of approximately

R8,3 million. It is estimated that an amount of R50 million is needed to fund the non-personnel expenditure in 2003-2004.

2. SERVICES RENDERED BY THE NPA

“Justice in our society so that people can live in freedom and security” is the vision of the NPA. The mission statement of the NPA is to provide an effective prosecution service that is prompt, vigorous and fearless, in

PART B: Management Report

for the year ended 31 March 2003

the public interest, guided by the Constitution and Bill of Rights, where all are treated with humanity and sensitivity.

- Public Prosecutions coordinates and assists prosecutions in the Office of the Director of Public Prosecutions and lower courts.
- Witness Protection Programme coordinates the safekeeping and protection of witnesses in certain serious cases.
- Special Operations, also known as Scorpions, deals with serious organized crime.

3. CAPACITY CONSTRAINTS

The following are the most common capacity constraints facing the NPA:

3.1 Leadership

- The NPA continues to experience a constraint at senior management level. Targets are not always translated into clear action plans and performance contracts not clearly linked to an overall NPA strategy.
- To address this, organization has arranged an Executive Development Program for senior managers in the NPA that commenced in 2002. This is being provided by South African Management Development Institute under the auspices of the Presidential Strategic Leadership Program (PSLP) and consists of 8 modules dealing with all aspects of leadership and management.
- Similar training for middle management is being developed and will commence in 2003. A shorter program for top management (Heads of Business Units) is also under consideration for 2003.

3.2 HR & Corporate Services

- The organization has struggled with adequate service delivery in the Human Resources Management & Development (HRM&D) Services Centre in Corporate Services. The NPA is recruiting a new Executive Manager: HRM&D and is engaged in a comprehensive turnaround project to improve service delivery in this area.

3.3 Resource Constraints

- The major resource constraint the NPA faces is at the coalface of delivery – in the lower courts.
- Whilst all lower court prosecutor offices experience a lack of adequate resources in general, offices based in the former homelands seem to be affected the most by lack of basic resources. This is complicated by the fact that Department of Justice and Constitutional Development continues to be responsible for providing office and infrastructure resources for the lower courts.
- The NPA's non-personnel budget is under pressure in view of the

growth in numbers of personnel over the past few years. This is exacerbated as indicated above due to the NPA's efforts to supplement some of the efforts of the Department of Justice and Constitutional Development in meeting the resource needs of lower courts prosecutors despite the fact that it does not have a non-personnel budget for lower court prosecutors.

- Specific areas of the non-personnel budget that are under pressure include funding for training and development, information technology infrastructure, fleet services and security equipment.
- The NPA is implementing an output budgeting system ("Performance Budgeting System Pty Ltd") scheduled for rollout in July 2003 to ensure a proper link between planning and budgeting. The system development commenced during 2002. The proper implementation of this system should go a long way to ensure that resources are appropriately allocated to enable the NPA to achieve its strategic objectives and will also assist the NPA to make more meaningful Medium Term Expenditure Framework submissions to address its medium to long-term needs.

3.4 Legislative Constraints

- The legislative framework for the NPA continues to present major difficulties. The arrangement reached between the NPA and Department of Justice and Constitutional Development regarding the responsibilities of both Accounting Officers, the CEO and the Director-General, are working well. However, both parties are in agreement that the arrangement does not lend itself to good corporate governance. The NPA has accordingly made a submission to the Minister of Justice and Constitutional Development for an amendment to the PFMA listing the NPA as a constitutional institution. The submission has the support of both of the Accounting Officers, the Director General and the CEO.
- The Asset Forfeiture Unit (AFU) is proceeding with amendments to the Prevention of Organised Crime Act to structure the asset forfeiture procedure for allowing the other party a hearing. This follows the recent ruling by the Constitutional Court that clarified that the unit is allowed to obtain freezing orders without hearing the other party but that the court has the discretion to allow the other party to be heard soon thereafter.
- The AFU with National Treasury are also pursuing legislative amendments to clarify the position regarding the disbursement of funds from the Criminal Asset Recovery Account (CARA). CARA is not yet listed in terms of Schedule 5 of the Constitution but Treasury has agreed that it will give permission for funds to be disbursed despite this situation but will be pursuing an amendment to the PFMA later this year to list CARA.

PART B: Management Report

for the year ended 31 March 2003



- During March 2003 the NPA submitted various proposals to the Department of Justice and Constitutional Development regarding the amendment of the NPA Act, 1998 relating to the functioning of the DSO and the powers of Directors and Deputy Directors of Public Prosecutions and Special Investigators attached to the DSO. These amendments seek broadly to improve the functioning of the DSO.

4. UTILISATION OF DONOR FUNDS

Below is an exposition of projects funded through donations during the financial year under review:

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 programs.
WK Kellogg Foundation	Thuthuzela Project	To manage care centres for victims of child abuse and rape/Training and development/Including public education
UNICEF	Sexual Offences Courts	To manage care centres for victims of child abuse and rape/Training and development/Including public education

5. PUBLIC/PRIVATE PARTNERSHIPS (PPP)

Headquarters Facilities Management – Victoria and Griffiths Mxenge Building

- In October 2001, the NPA commenced with a process to secure new premises to accommodate all head office personnel. At the time, the organisation had operated from seven buildings in and around Pretoria, with most of these leases nearing expiry date. The Department was advised by the PPP unit of the National Treasury that a typical PPP process would take up to eighteen months to complete before even construction could commence.
- The Department then decided to embark on a “PPP-aligned” process to ensure that the basic principles of PPP’s are complied with (i.e. User needs met, Affordability and Value for Money), whilst still using traditional tender processes and the Department of Public Works (DPW). After further consultation with the PPP unit, National Treasury, DPW and Department of Justice, a clear and transparent process of identifying the needs of Users was developed and carried out to secure the new premises.
- A lease agreement has been concluded by DPW with the owner of the building for the rental of the building over a 15-year period. The agreement is managed by DPW on behalf of the NPA.
- With respect to facilities management and soft services, the entire facility is managed through a Service Level Agreement between the company contracted by the owner of the building to manage the facility, the owner of the building and the NPA. The services are procured through government-aligned tenders, which have stringent empowerment and capacity-building requirements.

- The NPA has recruited a Senior Manager: Contract Management and is establishing a dedicated unit in the Finance & Procurement division to manage this and all other large contracts on behalf of the organization.

6. CORPORATE GOVERNANCE ARRANGEMENTS

6.1 Risk Management and Risk Assessment

A risk assessment commenced in late 2002 and will be completed in May 2003. This assessment will form the basis not only for the internal audit plan for 2003 but will also form the basis of risk management plan for the NPA for 2003.

The NPA attempted to recruit an Executive Manager: Risk Assessment in 2002 but failed to find a suitably experienced candidate. A further attempt is being made in 2003 and arrangements are being negotiated with various outside agencies to mentor a less experienced candidate and assist for a specific time period, to ensure that a comprehensive risk management program is implemented in 2003.

6.2 Integrity Management Unit

The NPA has appointed a new Head of Integrity Management who assumed duties on 3 February 2003. This is a special initiative by the National Director of Public Prosecutions to ensure that NPA integrity of personnel and its operations is maintained given the sensitive nature of its functions. The unit is currently busy with a situational analysis and formulating a mandate and strategic plan.

PART B: Management Report

for the year ended 31 March 2003

6.3 Internal Audit

The NPA appointed an Executive Manager: Internal Audit in September 2002. The Executive Manager is currently busy with planning to ensure the establishment of an effective internal audit function in 2003.

For the first 6 months of the year the audit function was performed by the DOJCD Internal Audit unit and was outsourced to the Audit firm KPMG under the management of the Executive Manager: Internal Audit for the latter part of the year.

Agreement has been reached with DOCJD that the NPA will make use of the same Audit Committee as the department, to streamline reporting and ensure coordination between the two organisations, given the interrelatedness of the responsibilities of the two Accounting Officers, namely the Director General and the CEO.

The Audit Committee has decided to hold separate meetings for the NPA to ensure adequate attention is given to NPA matters.

7. EVENTS AFTER THE REPORTING DATE

7.1 Fraud Investigation

A comprehensive investigation commenced in the Human Resources and Management Development (HRM&D) Service Centre and other business units in the NPA, following whistle blowing and allegations of fraud.

The investigation is being co-ordinated between the Security & Risk Management Division, Finance Operations Unit, Employee Relations Unit and the Specialised Commercial Crimes Unit.

All officials suspected of involvement in the matter and/or suspected of negligence or misconduct have been suspended. This includes officials in business units outside of the HRM&D Services Centre.

Internal disciplinary proceedings are being arranged and criminal charges are also being preferred against some of the individuals concerned.

Comprehensive internal steps have been taken to ensure tightening up of internal controls. This includes the withdrawal of all Persal ID Codes and the re-issuing of access to selected individuals.

A new Executive Manager: HRM&D is being recruited. Various additional senior management and middle management posts have also been created and being filled as a matter of urgency. The Deputy CEO of the NPA is the Acting Head of HRM&D until the new Executive Manager assumes duties, which is expected to be by 17 June 2003.

8. PROGRESS WITH FINANCIAL MANAGEMENT IMPROVEMENT

A dedicated debt section has been established in the Finance and Procurement Division following audit queries on this matter raised in the previous financial year. Substantial progress has been made both in the collection and maintenance of debts. Two other staff appointed to assist in the collection and maintenance of debts. As a result debt has been reduced by 73%. The interest is currently being worked in on the BAS systems at the approved interest rate as Gazetted.

The NPA tender committee has been appointed with clear and specific terms of references. The NPA has also received an increased delegation from the State Tender Board to handle tenders of up to R5 million.

To ensure better financial management, the NPA appointed Office Managers in all business units and regions. Regular meetings, including training and information sessions, are held with Office Managers and Senior Management in Corporate Services. Additional administrative posts were created in 2002 to strengthen the provision of corporate support in business units and regions.

These posts were not filled in 2002 due to the moratorium on filling of posts at this level by the DPSA. However, it is hoped that rapid progress will be made in 2003 to ensure these posts are filled.

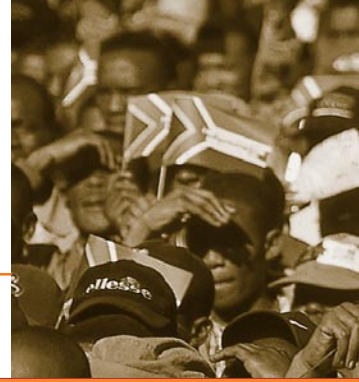
9. PERFORMANCE INFORMATION

9.1 Committee on Irregular, Unauthorized, Fruitless and Wasteful Expenditure.

In terms of Section 38(1)(h) of the Public Finance Management Act, the CEO has established a new committee to investigate any cases of irregular or unauthorized expenditure in the NPA. The committee will then advise the CEO as to whether disciplinary or criminal proceedings should be instituted against the persons concerned. A Deputy Director of Public Prosecutions in the Specialised Commercial Crimes Unit, Adv M Ramoorthy, chairs the committee. The new committee was established by the CEO following dissatisfaction with

PART B: Management Report

for the year ended 31 March 2003



the functioning of an earlier committee established in 2002. The new committee formally commenced its work in January 2003 and has submitted a final draft report to the CEO in May 2003. The committee's recommendations are being finalized.

The committee will continue to exist as a permanent body reporting directly to the CEO and dedicated resources will be made available to ensure its effective functioning. The committee will also be responsible for monitoring the implementation of its recommendations.

10. OTHER

10.1 PFMA & Batho Pele Training

The NPA provided training in the PFMA and Batho Pele to all staff in the Corporate Services Division from January to March 2003. The training will be rolled out to include all administrative staff in the NPA before the end of 2003. It will be a requirement of all performance contracts for administrative staff in the NPA to have

completed this training before April 2004. Performance will also be assessed on specific indicators linked to the PFMA and Batho Pele

Approval

The annual financial statements set out on pages 64 to 83 have been approved by the Accounting Officer.

Adv. Vusi Pikoli
Director-General

JUSTICE AND CONSTITUTIONAL
DEVELOPMENT

Date: 31 July 2003

Ms Marion Sparg
Chief Executive Officer

NATIONAL PROSECUTING AUTHORITY

Date: 31 July 2003

PART B: Report of the Auditor-General on the Annual Financial Statements

for the year ended 31 March 2003

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 64 to 83, for the year ended 31 March 2003, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 3 and 5 of the Auditor-General Act, 1995 (Act No. 12 of 1995). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. NATURE AND SCOPE

The audit was conducted in accordance with Statements of South African Auditing Standards. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

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

Furthermore, an audit includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations which came to my attention and are applicable to financial matters.

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

3. AUDIT OPINION

In my opinion, the financial statements fairly present, in all material respects, the financial position of the National Prosecuting Authority at 31 March 2003 and the results of its operations and cash flows for the year then ended in accordance with prescribed accounting practice and the manner required by the Public Finance Management Act 1999.

4. EMPHASIS OF MATTER

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

4.1 Lack of review and approval of payrolls

The audit of employee costs revealed shortcomings in the administration of the human resources function and finance operations related thereto. At 29 pay points it was identified that relevant division supervisors did not certify payrolls for accuracy and validity. The above is considered a serious weakness in controls. As disclosed in note 11 of the financial statements management also identified fraudulent transactions during their personnel investigation relating to payments to ghost employees, which were not identified on time due to the lack of the above review process.

Further financial losses could be incurred by the NPA due to the non-performance of the above critical control procedure.

4.2 Donor funding

Amendments to the Value Added Tax Act, 1991, which became effective on 24 November 1999, require all government entities to recover VAT incurred when utilising foreign donor monies. The NPA has not registered with the South African Revenue Services for VAT purposes and the VAT on foreign donor transactions has not been accounted for. Consequently, the VAT amount claimable from SARS could not be quantified.

4.3 Financial management

The evaluation of financial management within the NPA revealed control inefficiencies in the areas of suspense accounts, donor funding and debt recoveries.

5. APPRECIATION

The assistance rendered by the staff of the National Prosecuting Authority during the audit is sincerely appreciated.

Shaunet Fakie

SA Fakie

Auditor-General Pretoria

31/07/2003

PART B: Statement of Accounting Policies and Related Matters

for the year ended 31 March 2003



The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material respects, 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), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 5 of 2002.

1. BASIS OF PREPARATION

The financial statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The reporting entity is in transition from reporting on a cash basis of accounting to reporting on an accrual basis of accounting. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid. Under the accrual basis of accounting transactions and other events are recognised when incurred and not when cash is received or paid.

2. REVENUE

Voted funds are the amounts appropriated to a department in accordance with the final budget known as the Adjusted Estimates of National / Provincial Expenditure. Unexpended voted funds are surrendered to the National/Provincial Revenue Fund. Interest and dividends received are recognised upon receipt of the funds, and no accrual is made for interest or dividends receivable from the last receipt date to the end of the reporting period. They are recognised as revenue in the financial statements of the department and then transferred to the National Revenue Fund.

3. DONOR AID

Donor Aid is recognised in the income statement in accordance with the cash basis of accounting.

4. CURRENT EXPENDITURE

Current expenditure is recognised in the income statement when the payment is made.

5. UNAUTHORISED, IRREGULAR, AND FRUITLESS AND WASTEFUL EXPENDITURE

Unauthorised expenditure means:

- the overspending of a vote or a main division within a vote, or
- expenditure that was not made in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised expenditure is treated as a current asset in the balance sheet until such expenditure is recovered from a third party or funded from future voted funds.

Irregular expenditure means expenditure, other than unauthorised expenditure, incurred in contravention of or not in accordance with a requirement of any applicable legislation, including:

- the Public Finance Management Act,
- the State Tender Board Act, or any regulations made in terms of this act, or
- any provincial legislation providing for procurement procedures in that provincial government.

Irregular expenditure is treated as expenditure in the income statement. Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful must be recovered from a responsible official (a debtor account should be raised), or the vote if responsibility cannot be determined.

6. DEBTS WRITTEN OFF

Debts are written off when identified as irrecoverable. No provision is made for irrecoverable amounts.

7. CAPITAL EXPENDITURE

Expenditure for physical items on hand on 31 March 2003 to be consumed in the following financial year, is written off in full when they are received and are accounted for as expenditure in the income statement. Physical assets (fixed assets and movable assets) acquired are expensed i.e. written off in the income statement when the payment is made.

8. RECEIVABLES

Receivables are not normally recognised under the cash basis of accounting. However, receivables included in the balance sheet arise from cash payments that are recoverable from another party.

PART B: Statement of Accounting Policies and Related Matters

for the year ended 31 March 2003

Receivables for services delivered are not recognised in the balance sheet as a current asset or as income in the income statement, as the financial statements are prepared on a cash basis of accounting, but are disclosed separately in the notes to enhance the usefulness of the financial statements.

9. PAYABLES

Payables are not normally recognised under the cash basis of accounting. However, payables included in the balance sheet arise from cash receipts that are due to either the National Revenue Fund or another party.

10. PROVISIONS

A provision is a liability of uncertain timing or amount. Provisions are not normally recognised under the cash basis of accounting, but are disclosed separately in the notes to enhance the usefulness of the financial statements.

11. LEASE COMMITMENTS

Lease commitments for the period remaining from the accounting date until the end of the lease contract are disclosed as a note to the financial statements. These commitments are not recognised in the balance sheet as a liability or as expenditure in the income statement as the financial statements are prepared on the cash basis of accounting.

12. ACCRUALS

This amount represents goods/services that have been delivered, but no invoice has been received from the supplier at year end, OR an invoice has been received but remains unpaid at year end. These amounts are not recognised in the balance sheet as a liability or as expenditure in the income statement as the financial statements are prepared on a cash basis of accounting, but are however disclosed.

13. EMPLOYEE BENEFITS

Short-term employee benefits

The cost of short-term employee benefits is expensed in the income statement in the reporting period that the payment is made. Short-term employee benefits, that give rise to a present legal or constructive obligation, are deferred until they can be reliably measured and then expensed. Details of these benefits and the potential liabilities are disclosed as a note to the financial statements and are not recognised in the income statement.

Termination benefits

Termination benefits are recognised and expensed only when the payment is made.

Retirement benefits

The NPA provides retirement benefits for 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 money is paid to the fund. No provision is made for retirement benefits in the financial statements of the NPA. Any potential liabilities are disclosed in the financial statements of the Provincial Revenue Fund and not in the financial statements of the employer department.

Medical benefits

The NPA provides medical benefits for all its employees through defined benefit plans. These benefits are funded by employer and/or employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for medical benefits in the financial statements of the NPA. Post retirement medical benefits for retired civil servants are expensed when the payment is made to the fund.

15. COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year. The comparative figures shown in these financial statements are limited to the figures shown in the previous year's audited financial statements and such other comparative figures that the department may reasonably have available for reporting.

PART B: Appropriation Statement

for the year ended 31 March 2003



	2002/2003						2001/2002	
	Adjusted Appropriation R' 000	Virement R' 000	Revised Allocation R' 000	Actual Expenditure R' 000	Savings (Excess) R' 000	Expenditure as % of Revised Allocation	Revised Allocation R' 000	Actual Expenditure R' 000
Direct charge								
Against the National Revenue Fund								
Public Prosecution	642398	(11806)	630 592	621 284	9 308	98%	502 769	502 189
Special Operation	272 000	0	272 000	271 666	334	99%	197 116	197 116
Witness Protection unit	34 170	0	34 170	30 927	3 243	90%	24 894	24 806
Special Functions:								
Authorised Losses	0	0	0	0	0	0	698	698
Total	948 568	(11 806)	936 762	923 877	12 885	99%	725 477	724 809
Economic classification								
Current Personnel	719535	(11806)	707 729	663 414	44 315	94%	519 783	519 203
Transfer Payments								
Other	200 506	0	200 506	237 910	(37 404)	119%	185 631	188 510
Capital	28 527	0	28 527	22 553	5 974	79%	20 063	17 096
Total	948 568	(11 806)	936 762	923 877	12 885	99%	725 477	724 809
Standard item classification								
Personnel	719535	(11806)	707 729	663 414	44 315	94%	519 783	519 203
Administrative	57993	0	57 993	100 292	(42 299)	173%	53 097	53 009
Inventories	12237	0	12 237	15 227	(2990)	124%	8 301	8 301
Equipment	25879	0	25 879	24 133	1 746	93%	20 751	11 951
Land and buildings	0	0	0	7 592	(7 592)	0%	185	8 985
Professional and special services	102 074	0	102 074	86 729	15 345	85%	103 692	102 994
Miscellaneous	30 850	0	30 850	26 490	4360	86%	19 668	19 668
Special Functions:								
Authorised Losses	0	0	0	0	0	0	698	698
Total	948 568	(11 806)	936 762	923 877	12 885	99%	725 477	724 809

Notes to the Appropriation Statement

for the year ended 31 March 2003

1. Explanations of material variances from amount voted (after virement):

1.1 Per sub programme

Public prosecutions:

The saving on the public prosecutions was due to the vacant posts not being filled in the current year.

Special operations:

The saving on the special operations was due to the vacant posts not being filled in the current year.

Witness protection:

The saving on witness protection is due to the witness fees not fully utilised

1.2 Per standard item classification

Personnel

Savings is due to unfilled vacant posts.

Administrative

Material variance due to additional travelling and subsistence paid to staff.

Inventory

Material variance due to additional staff requiring inventories

Equipment

Material variance is due to additional equipment not purchased.

Land and Buildings

Material variance due to additional office equipments required for the lower courts prosecutors

Professional and Special Services

Material variance is due to the amount of R28.9 million for Fleet management, initially budgeted under Professional services and later transferred to Administrative expenditure

Miscellaneous

The saving on miscellaneous of R5million is due to the safe custody of witness not fully utilised.

	Note	2002/03 R'000	2001/02 R'000
2. Reconciliation of appropriation statement to income statement:			
Total expenditure per income statement		925 027	725 394
Less: Local and foreign aid assistance (including RDP funds)		1 150	585
Actual expense per appropriation statement		923 877	724 809

PART B: Income Statement

(Statement of Financial Performance)

for the year ended 31 March 2003



	Note	2002/03 R'000	2001/02 R'000
REVENUE			
Voted funds			
Charge to National Revenue Fund	1	936 762	725 477
Non voted funds			
Other revenue to be surrendered to the revenue fund	2	1 128	1 030
Local and foreign aid assistance (incl. RDP funds)	3	4 820	498
TOTAL REVENUE		942 710	727 005
EXPENDITURE			
Current			
Personnel	4	663 414	519 203
Administrative		100 292	53 009
Inventories	5	15 227	8 301
Machinery and Equipment	6	1 580	3 655
Land and buildings	7	7 592	185
Professional and special services	8	86 729	102 994
Miscellaneous	9	26 490	19 668
Special functions: authorised losses	10	0	698
Local and foreign aid assistance (incl. RDP funds)	3	1 150	585
TOTAL CURRENT EXPENDITURE		902 474	708 298
Capital			
Machinery and Equipment	6	22 553	8 296
Land and Buildings	7	0	8 800
TOTAL CAPITAL EXPENDITURE		22 553	17 096
TOTAL EXPENDITURE		925 027	725 394
NET SURPLUS / (DEFICIT)		17 683	1 611
Add back unauthorised, and fruitless and wasteful expenditure disallowed	11	608	0
NET SURPLUS / (DEFICIT) FOR THE YEAR	12	18 291	1 611

PART B: Balance Sheet

(Statement of Financial Position)

for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
ASSETS			
Current assets		32 641	96 056
Unauthorised, and fruitless and wasteful expenditure	11	1 219	611
Cash and cash equivalents	13	22 572	83 104
Receivables	14	3 075	11 558
Prepayment and advances	15	5 460	315
Local and foreign aid assistance (including RDP funds) receivable from donors	3	315	468
TOTAL ASSETS		32 641	96 056
LIABILITIES			
Current liabilities		28 743	95 675
Revenue funds to be surrendered	17	64	1 030
Payables	18	28 679	94 645
TOTAL LIABILITIES		28 743	95 675
NET ASSETS/LIABILITIES		3 898	381
EQUITY			
Local and foreign aid assistance (including RDP funds) rolled over	3	3 898	381
TOTAL EQUITY		3 898	381

PART B: Statement of Changes in Net Assets/Equity

for the year ended 31 March 2003



	Note	2002/03 R'000	2001/02 R'000
Local and foreign aid assistance (including RDP funds) rolled over			
Opening balance	3	381	0
Transfers		3 517	381
Closing balance	3	3 898	381
TOTAL EQUITY		3 898	381

PART B: Cash Flow Statement

for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash flow generated by operating activities	19	40 844	18 707
Cash generated (utilised) to (increase)/decrease working capital	20	(76 121)	81 493
Voted funds and Revenue funds surrendered	21	(2 094)	0
Unauthorised expenditure – Net movement		(608)	0
Net cash flow available from operating activities		(37 979)	100 200
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(22 553)	(17 096)
		(22 553)	(17 096)
Net increase/ (decrease) in cash and cash equivalents		(60 532)	83 104
Cash and cash equivalents at beginning of period		83 104	0
Cash and cash equivalents at end of period		22 572	83 104

PART B: Notes to the Annual Financial Statements

for the year ended 31 March 2003



1. CHARGE TO NATIONAL REVENUE FUND

1.1 Included in the above are funds specifically and exclusively appropriated for NPA (Voted funds)

Programme	Total Appropriation 2002/03	Actual	Variance over/(under)	Total Appropriation 2001/02
Programme 4	936 762	936 762	0	725 477
TOTAL	936 762	936 762	0	725 477

2. OTHER REVENUE TO BE SURRENDERED TO REVENUE FUND

Description	Notes	2002/03 R'000	2002/03 R'000
Recoveries of previous years expenditure incurred by DOJCD		195	263
Cheques written back/stale cheques		291	142
Rent – Property		179	189
Interest received		1	0
Commission		266	213
Parking official		(1)	75
Miscellaneous Revenue		197	148
		1 128	1 030

3. LOCAL AND FOREIGN AID ASSISTANCE (INCLUDING RDP)

3.1 Assistance received in Cash

Name of Donor and purpose	Opening Balance	Revenue	Expenditure		Closing Balance
			Current	Capital	
Foreign					
WK Kellogg	381	2 118	184	0	2 315
UNICEF	0	2 000	417	0	1 583
USAID	(376)	610	549	0	(315)
Finland	(92)	92	0	0	0
	(87)	4 820	1 150	0	3 583

PART B: Notes to the Annual Financial Statements

for the year ended 31 March 2003

Analysis of balance	Note	2002/03 R'000	2001/02 R'000
Amounts owing by donors		(315)	(468)
Assistance rolled over		3 898	381
		3 583	(87)
3.2 Assistance received in kind (Value not included in the income statement)			
Name of donor and purpose			
Local aid assistance (including RDP funds)			
Workshop and Seminar – Independent Projects Trust		1 187	0
Water Bottles, Soccer kit – Vodacom		9	0
Furniture, Computer equipment – South African Breweries		0	100
Two vehicles – Delta Motor Corporation		0	176
		1 196	276
South African Police Services sponsored the Witness Protection Unit with one house in the Gauteng region. The amount could not be quantified			
Foreign aid assistance			
Air fares to visit the USA for attending seminar by Asset Forfeiture Unit Officials – US Embassy		0	34
Total Local and foreign aid assistance received in kind		1 196	310
4. PERSONNEL			
4.1 Current expenditure			
Basic salary costs		486 702	367 660
Pension contributions		69 593	54 382
Medical aid contributions		22 476	19 731
Other salary related costs		84 643	77 430
		663 414	519 203
Average number of employees		3 872	3 072
Total Personnel Costs		663 414	519 203

PART B: Notes to the Annual Financial Statements

for the year ended 31 March 2003



	Note	2002/03 R'000	2001/02 R'000
5. INVENTORIES			
5.1 Current expenditure			
Inventories purchased during the year			
Computer software		5 631	0
Books, Magazines and Publications		2 515	0
Stationery		3 182	0
Exhibitions		534	0
Clothing: Uniform and Protective		2 358	0
Print: Departmental		499	0
Other		508	8 301
Total cost of inventories		15 227	8 301
6. MACHINERY AND EQUIPMENT			
Current (Rentals, maintenance and sundry)		1 580	3 655
Total current expenditure		1 580	3 655
Capital	6.1	22 553	8 296
Total capital and current expenditure		24 133	11 951
6.1 Capital machinery and equipment analysed as follows:			
Computer equipment		5 071	0
Furniture and office equipment		9 029	1 405
Other machinery and equipment		5	0
Cellular Telephone equipment		100	91
Surveillance equipment		576	6 800
PABX Telephone system		7 772	0
		22 553	8 296
7. LAND AND BUILDINGS			
Current expenditure		7 592	185
Total current expenditure		7 592	185
Capital expenditure	7.1	0	8 800
Total current and capital expenditure		7 592	8 985
7.1 Capital land and building expenditure analysed as follows:			
Properties: Promat Building - Silverton		0	8 800
		0	8 800

PART B: Notes to the Annual Financial Statements

for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
8. PROFESSIONAL AND SPECIAL SERVICES			
8.1 Current expenditure			
Auditors' remuneration		0	0
Legal services		705	24 090
Contractors & Security services		18 089	0
Professional services: other		26 245	28 084
Consultants and advisory services		5 109	679
Computer services		36 581	50 141
		86 729	102 994
9. MISCELLANEOUS			
9.1 Current Expenditure			
Remissions, refunds and payments made as an act of grace	9.2	4	111
Gifts, donations and sponsorships made	9.3	595	21
Witness fees		2	151
Protected custody of witnesses		22 789	19 267
Psychiatric		82	79
Informer fees		2 925	0
Other (specify material amounts separately)		93	39
Total miscellaneous expenditure		26 490	19 668
9.2 Remissions, refunds and payments made as an act of grace			
Nature of remissions, refunds and payments			
Payment of Arbitration			
Civil Action/ court order		0	30
Labour Court case		0	12
Loss of personal items: R Van der Ross		3	0
Financial loss due to late salary payment		1	0
		4	111
9.3 Gifts, donations and sponsorships paid in cash by the department			
Nature of gifts, donations and sponsorships			
Purchase of Corporate gifts for use by national and international guests.		0	21
Promotional items		595	0
		595	21
The amount of R 595 000 was utilised by the NPA as a branding strategy to promote the NPA brand internally and externally			

PART B: Notes to the Annual Financial Statements

for the year ended 31 March 2003



	Note	2002/03 R'000	2001/02 R'000
10. SPECIAL FUNCTIONS: AUTHORISED LOSSES			
Material losses written off	10.1	0	698
		0	698
10.1 Material losses written off in income statement in current period			
Nature of losses			
Civil action		0	3
Damaged to Government vehicle		0	4
Damage against witness protection		0	691
	0	698	
11. UNAUTHORISED, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED			
Unauthorised expenditure	11.2	523	523
Fruitless and wasteful expenditure	11.3	696	88
		1219	611
11.1 Reconciliation of unauthorised expenditure			
Opening balance		523	0
Unauthorised expenditure current year		0	523
Approved by Parliament		0	0
Transfer to income statement – authorised losses		0	0
Transfer to receivables for recovery		0	0
Closing balance		523	523
11.2 Unauthorised expenditure			
Incident	Disciplinary steps taken/criminal proceedings		
2000/01	Not Condoned by tender		
Non compliance with	board15/03/03		
State Tender Board		523	523
		523	523
11.3 Reconciliation of fruitless and wasteful expenditure			
Opening balance		88	0
Fruitless and wasteful current year		608	88
Closing balance		696	88

PART B: Notes to the Annual Financial Statements

for the year ended 31 March 2003

		Note	2002/03 R'000	2001/02 R'000
11.4 Fruitless and wasteful expenditure				
Incident	Disciplinary steps taken/criminal proceedings			
Cell phone subscription fees paid for phones not used	Still under investigation		398	88
Material irregularity: Personnel	Still under investigation		208	0
Interest on telephone Account	Still under investigation		69	0
Legal Costs on S&T claim	Still under investigation		21	0
			696	88
12. ANALYSIS OF SURPLUS				
Unauthorised expenditure/Fruitless and Wasteful to be surrendered			608	0
Funds to be surrendered to the Revenue Fund Via Department of Justice and Constitutional Development			12 885	668
Non voted funds			4 798	943
Other revenue to be surrendered to the Revenue Fund			1 128	1 030
Local and foreign aid assistance (incl. RDP funds) rolled over			3 670	(87)
Total			18 291	1 611
13. CASH AND CASH EQUIVALENTS				
Paymaster General Account			22 572	83 104
			22 572	83 104
14. RECEIVABLES – CURRENT				
Amounts owing by other departments			287	157
Staff debtors	14.1		1 915	976
Other debtors	14.2		873	10 425
			3 075	11 558
Age analysis – receivables current				
Less than one year			1 213	11 558
One to two years			702	0
			1 915	11 558
14.1 Staff debtors				
Debt account (Salary debts)			1 915	976
			1 915	976

PART B: Notes to the Annual Financial Statements

for the year ended 31 March 2003



	Note	2002/03 R'000	2001/02 R'000
14.2 Other debtors			
Disallowance miscellaneous		308	8
Supplier disallowance		0	74
Salary control accounts		450	619
PAYE adjustments		89	9 724
Disallowance private telephone		26	0
		873	10 425
15. ADVANCES			
Nature of advances			
Subsistence and Transport advances		451	308
Advance Petty cash		5 009	7
		5 460	315
16. VOTED FUNDS TO BE SURRENDERED			
Opening balance		668	0
Transfer from income statement		12 885	668
Voted funds not requested / not received		0	0
Paid during the year		0	0
Closing balance		13 553	668
These amounts have been included in the payables listed in note 18.			
17. REVENUE FUNDS TO BE SURRENDERED			
Opening balance		1 030	0
Revenue generated during the year		1 128	1 030
Transfer from income statement for revenue to be surrendered		0	0
Transfer from local and foreign aid assistance (including RDP funds)		0	0
Paid during the year		(2 094)	0
Closing balance		64	1 030

PART B: Notes to the Annual Financial Statements

for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
18. PAYABLES - CURRENT			
Description			
Advance payable to Department of Justice and Constitutional Development		25 509	94 342
Other payables	18.1	3 170	303
		28 679	94 645
18.1 Other payables			
General suspense account		1 885	0
Warrant voucher re-issued		3	45
Claims payable		0	63
Tax RSA		1 138	0
Salary control accounts		144	149
Suspense accounts: Imperial fleet services		0	46
		3 170	303
19. NET CASH FLOW GENERATED BY OPERATING ACTIVITIES			
Net surplus as per Income Statement		18 291	1611
Adjusted for items separately disclosed		22 553	17 096
Purchase of Land and Buildings		0	8 800
Purchase of equipment		22 553	8 296
Net cash flow generated by operating activities		40 844	18 707
20. CASH GENERATED (UTILISED) TO (INCREASE)/DECREASE WORKING CAPITAL			
(Increase) / decrease in receivables – current		8 483	(11 558)
(Increase) / decrease in prepayments and advances		(5 145)	(315)
Increase/(decrease) in payables		(79 459)	93 366
		(76 121)	81 493
21. VOTED FUNDS AND REVENUE FUNDS SURRENDERED			
Revenue funds surrendered		2 094	0
		2 094	0

PART B: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2003



		Note	2002/03 R'000	2001/02 R'000
<p>These amounts are not recognised in the financial statements, and are 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), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 5 of 2002</p>				
22. CONTINGENT LIABILITIES				
Liable to	Nature			
Stannic	Employees Motor vehicle guarantees	Annexure I	1 535	1 297
Various Banks	Employees Housing loan guarantees	Annexure I	453	376
			1988	1 673
23. COMMITMENTS				
Current expenditure				
Approved and contracted/ordered			0	6 664
Approved but not yet contracted			29 763	0
Capital expenditure				
Approved but not yet contracted			7 469	0
Total Commitments			37 232	6 664
24. ACCRUALS				
Listed by standard Item				
Administrative			518	0
Professional and Special services			182	0
			700	0

PART B: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
Listed by Sub-Programme			
Public Prosecution		518	0
Special Operations		182	0
		700	0
25. EMPLOYEE BENEFITS			
Leave entitlement		8 973	1 382
Thirteenth cheque		33 596	28 339
Performance bonus		14 051	6 840
		56 620	36 561
26. LEASES			
26.1 Operating leases			
	Property	Equipment	
Name of financial institution	CFM		
Not later than 1 year	2 411	2 411	0
Later than 1 year and not later than 3 years	12 510	12 510	0
Later than 3 years	61 554	61 554	0
Total Present value of lease liability	76 475	76 475	0
27. IRREGULAR EXPENDITURE			
Movement schedule of irregular			
Opening Balance		2 953	0
Irregular expenditure – current year		4 817	2 953
Expenditure condoned		0	0
Expenditure not condoned		0	0
Expenditure awaiting condonement		7 770	2 953
Analysis			
Current		4 817	2 953
Prior years		2 953	0
Comments			
The amount of R4, 853 000 was disclosed in the previous financial year. Included in this amount, is an amount of R1, 905 000 which relates to the period 1999/2000 for cases where there was non-compliance with State Tender Board and internal policies and procedures. This amount has been disclosed in DOJCD financial statements. The balance of R2, 953 000 has been identified as irregular expenditure that is still under investigation due to non-compliance with State Tender Board and internal policies and procedures.			

PART B: Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2003



Included in the amount of R4,817 000 is an amount of R4,811 000 that relates to Witness Protection Unit expenditure finalised at the end of the previous financial year, for cases where there was non compliance with the State Tender Board, PFMA and internal policies and procedures. Submissions were made to the State Tender Board, which was not condoned, and the matter is to be taken up on appeal in terms of Treasury Regulations. The amount of R6000 relates to non-compliance with State Tender Board directives in respect of the prior year.

28. KEY MANAGEMENT PERSONNEL

28.1 Remuneration

National Director, Deputy National Directors, CEO, DCEO, CFO

R 4 602 937

Other members of key management

R16 477 908

R21 080 845

29. PUBLIC / PRIVATE PARTNERSHIPS

Headquarters Facilities Management – Victoria and Griffiths Mxenge Building

In October 2001, the NPA commenced with a process to secure new premises to accommodate all head office personnel. At the time, the NPA had operated from seven buildings in and around Pretoria, with most of these leases nearing expiry date. The NPA was advised by the PPP unit of the National Treasury that a typical PPP process would take up to eighteen months to complete before even construction could commence.

The NPA then decided to embark on a “PPP-aligned” process to ensure that the basic principles of PPP’s are complied with (i.e. User needs met, Affordability and Value for Money), whilst still using traditional tender processes and the Department of Public Works (DPW). After serious consultation with the PPP unit, National Treasury, DPW and Department of Justice, a clear and transparent process of identifying the needs of users was developed and carried out to secure the new premises.

The NPA moved into its new facility on 01st October 2002. Provision of the facility is through the following contracts:
Base lease and hard services

A lease agreement has been established by DPW with the building owner for the rental of the building over a 15-year period. The agreement is managed by DPW on behalf of the NPA.

Facilities management and Soft services

The entire facility is managed through a Service Level Agreement between Corporate Facilities Managers, the building owner and the NPA. The services are procured through government-aligned tenders, which have stringent empowerment and capacity-building requirements.

The current and future commitment have been documented and budgeted for based on the existing needs of the NPA. A contract management unit has been implemented to monitor the service providers’ performance in terms of the contract. The costs incurred on the contract may only be varied for non-performance by the Service Provider (i.e. Penalties) or by a change in specification (user needs).

There are no obligations in terms of transfer of assets and there are no commitments in terms of amounts to be transferred on termination of the contract. The service provider is obliged to provide the services on the basis of the Service Level Agreement. All responsibility for overhauls, refurbishments etc are then for the service provider’s account.

PART B: Annexures to the Annual Financial Statements

for the year ended 31 March 2003

ANNEXURE 1

Statement of Financial Guarantees Issued as at 31 March 2003 - DOMESTIC/ FOREIGN (provide separate returns)

Guaranteed institution	Guarantee in respect of	Original Guaranteed capital amount	Opening balance as at 01/04/2002	Guarantees issued during the year	Guarantees released during the year	Guaranteed interest outstanding as at 31/03/2003	Closing Balance 31/03/2003	Realised losses i.r.o. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Stannic	Motor Vehicle	1 672	1297	238	0	0	1 535	0
Absa	Housing Loan	809	119	0	73	0	46	0
BOE	Housing Loan	288	66	0	5	0	61	0
Firststrand	Housing Loan	226	73	0	13	0	60	0
Permanent Bank	Housing Loan	190	17	20	0	0	37	0
Saambou	Housing Loan	212	59	0	15	0	44	0
Standard	Housing Loan	556	25	90	0	0	115	0
Nedbank	Housing Loan	255	17	33	0	0	50	0
Old Mutual	Housing Loan	24	0	5	0	0	5	0
Peoples Bank	Housing Loan	21	0	4	0	0	4	0
Free State Develop	Housing Loan	54	0	10	0	0	10	0
VBS Mutual Bank	Housing Loan	105	0	21	0	0	21	0
Total		4 412	1 673	421	106	0	1 988	0

ANNEXURE 2

Physical asset movement schedule (not including inventories)

Physical assets acquired during financial year 2001/02	Opening balance R'000	Additions R'000	Disposals R'000	Transfers in R'000	Transfers in R'000	Closing balance R'000
Machinery and Equipment	0	22 553	0	0	0	22 553
Computer equipment	0	5 071	0	0	0	5 071
Furniture and office equipment	0	9 029	0	0	0	9 015
Other machinery and equipment	0	8 453	0	0	0	8 453
	0	22 553	0	0	0	22 553
Physical assets acquired during financial year 2001/02						
Machinery and Equipment	0	8 296	0	0	0	8 296
Computer equipment	0	1 405	0	0	0	1 405
Furniture and office equipment	0	6 891	0	0	0	6 891
Other machinery and equipment	0	0	0	0	0	0
	0	8 296	0	0	0	8 296



PART C



Consolidated Financial Statements



PART C: Consolidated Income Statement

(Statement of Financial Performance)

for the year ended 31 March 2003



	Note	2002/03 R'000	2001/02 R'000
REVENUE			
Voted funds			
Charge to National/Provincial Revenue Fund		4,251,826	3,823,543
Statutory appropriation		154,318	157,551
Appropriation for unauthorised expenditure approved by Parliament		226,411	0
Non voted funds		0	0
Other revenue to be surrendered to the revenue fund		118,250	94,185
Local and foreign aid assistance (incl. RDP funds)		166,992	5,343
TOTAL REVENUE		4,917,797	4,080,622
EXPENDITURE			
Current			
Personnel		2,377,847	2,061,103
Administrative		324,233	241,472
Inventories		126,881	92,661
Machinery and Equipment		14,115	13,183
Land and Buildings		7,592	185
Professional and special services		325,389	498,567
Transfer payments		815,927	677,853
Miscellaneous		83,850	70,939
Special functions: Authorised losses		4,240	14,765
Special functions: Unauthorised expenditure approved by Parliament		11,256	0
Local and foreign aid assistance (incl. RDP funds)		58,292	8,344
Unauthorised expenditure approved by Parliament		226,411	0
TOTAL CURRENT EXPENDITURE		4,376,033	3,679,072
Capital			
Machinery and Equipment		133,637	80,682
Land and buildings		271,145	205,931
Local and foreign aid assistance (incl. RDP funds)		48,327	73
TOTAL CAPITAL EXPENDITURE		453,109	286,686
TOTAL EXPENDITURE		4,829,142	3,965,758
NET SURPLUS / (DEFICIT)		88,655	114,864
Add back unauthorised, and fruitless and wasteful expenditure disallowed		110,576	186,215
NET SURPLUS / (DEFICIT) FOR THE YEAR		199,231	301,079

PART C: Consolidated Balance Sheet (Statement of Financial Position)

for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
ASSETS			
Current assets		729,745	944,427
Unauthorised, and fruitless and wasteful expenditure		186,317	313,408
Cash and cash equivalents		23,802	83,697
Receivables		493,470	441,561
Prepayments and Advances		23,818	102,362
Local and foreign aid assistance (including RDP funds) receivable from donors		2,338	3,399
TOTAL ASSETS		729,745	944,427
LIABILITIES			
Current liabilities		621,428	899,269
Voted funds to be surrendered		7,115	209,300
NPA's unauthorised expenditure to be surrendered		0	523
Revenue funds to be surrendered		8,789	21,200
Bank overdraft		550,442	560,569
Payables		53,750	106,104
Local and foreign aid assistance (including RDP funds) repayable to donors		1,332	1,573
TOTAL LIABILITIES		621,428	899,269
NET ASSETS/LIABILITES		108,317	45,158
EQUITY			
Recoverable revenue		12,807	9,201
Local and foreign aid assistance (including RDP funds) rolled over		95,510	35,957
TOTAL EQUITY		108,317	45,158

PART C: Consolidated Statement of Changes in NET Assets/Equity

for the year ended 31 March 2003



	Note	2002/03 R'000	2001/02 R'000
Recoverable revenue			
Opening balance		9,582	8,778
Debts raised		7,123	804
Closing balance		16,705	9,582
Local and foreign aid assistance (including RDP funds) rolled over			
Opening balance		35,576	35,676
New grants received		159,143	(100)
Less Payments made		(103,107)	0
Closing balance		91,612	35,576
TOTAL EQUITY		108,317	45,158

PART C: Consolidated Cash Flow Statement

for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash flow generated by operating activities		652,241	587,765
Cash generated (utilised) to decrease/(increase) working capital		(36,129)	(22,509)
Voted funds and Revenue funds surrendered		(339,961)	(255,700)
Unauthorised expenditure - net movement		127,091	0
Local and foreign aid assistance (including RDP funds)		0	0
Net cash flow available from operating activities		403,242	309,556
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(453,109)	(286,865)
Proceeds from sale of equipment		99	179
Net cash flows from operating and investing activities		(49,768)	22,870
Net increase/(decrease) in cash and cash equivalents		(49,768)	22,870
Cash and cash equivalents at beginning of period		(476,872)	(499,742)
Cash and cash equivalents at end of period		(526,640)	(476,872)

