

Department of Communications
Annual Report
2017/18



the doc

Department:
Communications
REPUBLIC OF SOUTH AFRICA



Submission of the Department of Communications (DoC) 2017/18 Annual Report

To the Minister of Communications, Ms Nomvula Mokonyane, MP.

I have the honour of submitting to you, in accordance with the Public Finance Management Act (PFMA), 1999 (Act 1 of 1999), the Annual Report of the DoC for the period 1 April 2017 to 31 March 2018.



Dr Mashilo Boloka
Acting Director-General (ADG)

Date of submission: 13 August 2018



TABLE OF CONTENTS

PART A: GENERAL INFORMATION 4

1. Department General Information	5
2. List of Abbreviations/Acronyms	6
3. Foreword by the Minister	8
4. Deputy Minister's Statement	10
5. Report of the Accounting Officer	12
6. Statement of Responsibility and Confirmation of Accuracy for the Annual Report	16
7. Strategic Overview	17
7.1 Vision	17
7.2 Mission	17
7.3 Values	17
8. Legislative and other Mandates	17
9. Organisational Structure	18
10. Entities Reporting to the Minister	19

PART B: PERFORMANCE INFORMATION 21

1. Auditor-General's Report: Predetermined Objectives	22
2. Overview of Departmental Performance	23
2.1 Service-delivery environment	23
2.2 Service Delivery Improvement Plan	30
2.3 Organisational environment	35
2.4 Key policy developments and legislative changes	35
3. Strategic Outcome-Oriented Goals	37
4. Performance Information by Programme	38
4.1 Programme 1: Administration	38
4.2 Programme 2: Communications Policy, Research and Development	44
4.3 Programme 3: Industry and Capacity Development	48
4.4 Programme 4: Entity Oversight	53
5. Transfer payments	58





5.1	Transfer Payments to Public Entities	58
6.	Conditional Grants	60
7.	Donor Funds	60
8.	Capital Investment	60
PART C: GOVERNANCE		61
1.	Introduction	62
2.	Risk Management	62
3.	Fraud and Corruption	62
4.	Minimising Conflict of Interest	62
5.	Code of Conduct	63
6.	Health Safety and Environmental Issues	63
7.	Portfolio Committees	63
8.	Standing Committee on Public Accounts	67
9.	Prior Modification to Audit Reports	67
10.	Internal Control Unit	67
11.	Audit Committee Report	71
PART D: HUMAN RESOURCES MANAGEMENT		72
PART E: FINANCIAL INFORMATION		103
PART F: APPENDIX		157



PART A:

GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

Physical address:

Tshedimosetso House
1035 Frances Baard Street
Hatfield, Pretoria

Postal address:

Private Bag X745
Pretoria
0001

Switchboard: +27 12 473 0000/1

Website: www.doc.gov.za

2. LIST OF ABBREVIATIONS/ACRONYMS

ADG	Acting Director-General	FPB	Film and Publication Board
AENE	Adjusted Estimates of National Expenditure	GCIS	Government Communication and Information System
AFS	Annual Financial Statements	GEMS	Government Employees Medical Scheme
AG	Auditor-General	HDI	Historically disadvantaged individuals
AGSA	Auditor-General of South Africa	HIV	Human Immunodeficiency Virus
ARC	Audit and Risk Committee	HoD	Head of Department
ASD	Assistant Director	HR	Human Resource
APP	Annual Performance Plan	HRD	Human Resource Development
BDM	Broadcasting Digital Migration	HRM&D	Human Resource Management and Development
BRICS	Brazil, Russia, India, China and South Africa	HRP	Human Resource Plan
CEO	Chief Executive Officer	IARC	Internal Audit and Risk Committee
CFO	Chief Financial Officer	ICASA	Independent Communications Authority of South Africa
DD	Deputy Director	ICT	Information and Communications Technology
DG	Director-General	IDTSOT	Interdepartmental Technical Senior Officials' Team
DoC	Department of Communications	IT	Information Technology
DPME	Department of Planning, Monitoring and Evaluation	ITU	International Telecommunications Union
DPSA	Department of Public Service and Administration	Manco	Management Committee
DPW	Department of Public Works	MCS	Modified Cash Standard
DTPS	Department of Telecommunications and Postal Services	MDDA	Media Development and Diversity Agency
DTT	Digital Terrestrial Television	MoU	Memorandum of Understanding
ECA	Electronic Communications Act	MPSA	Minister of Public Service and Administration
EDD	Department of Economic Development	NCOP	National Council of Provinces
ENE	Estimates of National Expenditure	NDP	National Development Plan
ESEID	Economic Sectors, Employment and Infrastructure Development	NPWG	National Preparatory Working Group
EU	European Union	PCC	Portfolio Committee on Communications
EWD	Employees with disabilities	PFMA	Public Finance Management Act

PSC	Public Service Commission
PSCBC	Public Service Coordinating Bargaining Council
PSETA	Public Service Sector Education and Training Authority
PSR	Public Service Regulations
SABC	South African Broadcasting Corporation
SABPAB	South African Broadcast Production Advisory Body
SADC	Southern African Development Community
SCCR	Standing Committee on Copyright and Related Rights
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SEIAS	Socio-Economic Impact Assessment System
SHERQ	Safety, Health, Environment, Risk and Quality
SMS	Senior Management Service
SOE	State-Owned Entity
STB	Set-Top Box
STC	Specialised Technical Committees
WIPO	World Intellectual Property Organisation
WRC	World Radiocommunication Conference
WSP	Workplace Skills Plan



3. FOREWORD BY THE MINISTER

It is indeed an honour for me to present the 2017/18 Annual Report, which marks the first Medium Term Expenditure Framework (MTEF) cycles (2015/16 to 2017/18) for the DoC. As stated in the 2018/19 Budget Speech, we are on a path towards realising the genesis of a new epoch as we undertake the next 12 years by which we must achieve our national developmental objectives as set out in the National Development Plan (NDP) and Vision 2030. To reiterate our commitment to the NDP: Vision 2030, we vow to continue participating actively and intensifying our efforts to contribute towards radical economic transformation. This is the vehicle that will transform the landscape for the benefit of the poor by eliminating poverty, reducing inequality and unemployment.

Efficient communications systems provide economic and social opportunities which result in a positive multiplier effect such as better accessibility to markets, employment and additional investments. However, communications systems that are deficient in terms of capacity or reliability can have a negative economic impact such as reduced or missed opportunities and a lower quality of life.

The broadcasting sector in general has been facing a very challenging funding environment over the last few years with a large fall in commercial advertising revenues. For the public broadcaster to be freely available in all homes without the barriers of encryption or subscription, the department will be finalising the draft *White Paper on Audio-Visual and Digital Content Policy for South Africa*. We continue to renegotiate and ensure that the digital terrestrial broadcasting platform remains the most accessible platform by South Africans. A strong and a long-term financially stable public broadcaster is key and central to the NDP goals of social cohesion and nation-building. Government's policy proposal for consideration is to strengthen the cooperation and collaboration amongst stakeholders – from government, business, civil-society organisations, researchers, universities and regulatory authorities – to work together on initiatives to improve digital media. There is a need to connect South Africa with the progressive parts of the world that are leading major industries of the Fourth Industrial Revolution.

We remain committed to accelerating the implementation of the Broadcasting Digital Migration (BDM) Programme. During the period under review, a number of digital migration awareness campaigns were coordinated in the provinces, which led to the registration of 560 521 households to receive government-subsidised set-top boxes (STBs) and

some 259 396 of the decoders were installed to qualifying television (TV)-owning households.

In linking our initiatives with the Nine-Point Plan on boosting the role of state-owned entities (SOEs), the department aims to drive an effective Entity Oversight which oversees planning, budgeting and reporting processes in the public entities within its portfolio to enable them to meet government's policy objectives in a financially sustainable manner. Funding for these activities is provided through the Entity Oversight programme, which has an allocation of R4,4 billion over the medium term.

Looking forward to 2030, we are making an effort to address the challenges and issues facing the South African Broadcasting Corporation (SABC). The department will work closely with the public broadcaster to introduce a range of new arrangements and measures to improve the operational efficiency in line with the new developments in the media landscape. In today's broadcasting or audio-visual media services landscape, South Africans are able to watch or consume content in their homes or out-of-home in whatever or whichever device or screen or equipment they may be using to watch a programme or content (e.g. TV set, laptop, tablet and/or smart phone).

The department will continue to support parliamentary processes on the finalisation and implementation of the Films and Publications Amendment Bill. The objective of the amendment is to align the Act and strengthen the capacity of the Film and Publication Board (FPB) to perform its functions. The Media Development and Diversity Agency (MDDA) has rolled out small commercial, community publications and community radios in areas that have been historically denied access to media and information. Our historically disadvantaged communities are now empowered to own their media and to have their own voice through the support of the agency. In responding to the current challenges experienced in the community media sector, the department will be developing the MDDA Amendment Bill. The aim of the Bill is to improve the sustainability of the community and small commercial media sector in South Africa, given the financial pressures being brought to bear on the community media licences as a result of audience fragmentation and increasing competition for readers, viewers and audience as well as signal distribution cost.

We will continue to support Brand South Africa in achieving its mandate of managing South Africa's Nation Brand reputation in order to improve the country's

global attractiveness and competitiveness. In discharging its mandate, Brand South Africa is entrusted with developing and implementing proactive and coordinated marketing, communication and reputation management strategies for the country. The organisation works with, and through, stakeholders to develop a common approach in the marketing and promotion of the Nation Brand domestically and internationally. The Independent Communications Authority of South Africa's (ICASA) contribution to the achievement of the Nine-Point Plan of information and communications technology infrastructure and broadband roll-out, will be achieved through facilitating investment in and access to broadband infrastructure for sustainable socio-economic development as well as promoting competition and facilitating access to a broad range of communication services at an affordable cost. All this will be achieved while ensuring that ICASA remains an independent and credible regulator that inspires the confidence of consumers and other stakeholders.

In the current MTEF, the DoC tabled the 2018/19 Annual Performance Plan (APP) which builds a strong foundation on which the next administration can deliver and take the industry forward to meet the urgent demands of the Fourth Industrial Revolution.

I wish to welcome the ADG, Dr Mashilo Boloka, to the DoC and thank him for his leadership during the reporting period. My appreciation also goes to Ministers Ayanda Dlodlo and Mmamoloko Kubayi-Ngubane, our former Ministers of Communications, and Deputy Minister Tandi Mahambehlala, for their leadership and policy direction; the Audit and Risk Committee (ARC) of the department for their cooperation and contribution towards good governance in the department; the management and staff for the work they have done towards improving the lives of our people; and the recognised labour unions, for contributing towards labour peace in the department. We appreciate the immense contribution of the parliamentary portfolio and select committees responsible for communications to the work of the department.



Ms Nomyula Mokonyane, MP

Minister of Communications

Date: 18 August 2018



4. DEPUTY MINISTER'S STATEMENT

The NDP envisages an active citizenry that participates in the socio-economic and political life of the country. The DoC is responsible for creating an enabling environment for the provision of inclusive communications services to all South Africans in a manner that promotes socio-economic development and investment through broadcasting, new media, print media and other new technologies, and brand the country locally and internationally.

The department's work contributes in particular to Outcome 14 (Nation-Building and Social Cohesion) of the Medium Term Strategic Framework 2014-2019. During the period under review, the department continued to transform the communication sector through the roll-out of the Digital Terrestrial TV (DTT) programme; development of a responsive regulatory framework as well as driving effective public entity oversight within the communications sector.

Part of our work in the DoC is about laying a platform for communication to act as a unifying force. Thus part of the mandate is to assist the process of building a united, more equitable and socially cohesive nation. The end of the 2017/18 financial year saw the DoC as an established department tasked with implementing its mandate. Part of this process included overseeing the processing of the FPB Bill by the National Assembly and its submission to the National Council of Provinces (NCOP).

The Films and Publications Amendment Bill will help to ensure that we have a workable policy framework in place for the effective regulation of online content. For the 2018/19 financial year, the FPB will focus on building capacity in technology and related skills development. This will enable it to deal with the shift by industry towards digital content distribution.

The 2018/19 Budget Speech highlighted the need for the MDDA to intensify its support for the community media sector. Community media are important drivers of media pluralism and freedom of expression. Therefore, it is important that they continuously receive the necessary support within their communities to ensure that there is an engaged and informed citizenry and audiences, specifically relating to government services in the community service. The community radio and print media sectors play an important role of being the training ground for the next generation of media practitioners and cultural

workers. The DoC will continue to support all initiatives that enhance media freedom and greater diversity. Effective implementation of these and other programmes and initiatives will set our country on a higher growth trajectory than currently projected.

An analysis of the sector indicates that despite their financial and organisational weaknesses as individual stations or community print media projects, they remain key and relevant to promoting the NDP objectives of social cohesion and nation-building. The community media sector has the greater potential to provide an informed, insightful and invaluable universal service to South Africans in their local areas.

The DoC concedes that an improved communication of government programmes and positive country marketing will assist in attracting investments, economic growth and job creation. As the department that is responsible for overarching communications policy and strategy, information dissemination, country publicity and branding, we envisage that persistent positive marketing of the country will promote an informed citizenry and engender national unity that will help alleviate anti-government sentiments.

As a nation we have more in common than that which divides us. Let us therefore continue to work together to build a united and prosperous South Africa. I assure you that the DoC is up to the task of ensuring that communications and the dividend it brings benefit all South Africans.

Finally, let me express my appreciation for the political leadership and guidance from Minister Mokonyane. A special word of thanks to the former Ministers and Deputy Minister of Communications for the progress made during the 2017/18 financial year. I would also like to thank board members of our entities for their cooperation and support, as well as the Portfolio Committee on Communications (PCC). I am also grateful to the DoC staff and management, for their commitment to the department and its mandate of encouraging and accelerating a vibrant and sustainable communication services for an informed citizenry and positive image of South Africa.



Ms Pinky Kekana, MP

Deputy Minister of Communications

Date: 06 August 2018

5. REPORT OF THE ACCOUNTING OFFICER

5.1 Overview of the operations of the DoC:

The 2017/18 financial year marks the end of the first MTEF cycles (2015/16-2017/18) for the DoC since it was established. This has been a challenging three years as the department had to establish itself and deliver on its mandate in a severe resource-constrained environment following a Presidential Proclamation in 2014 which unbundled mainly broadcasting from telecommunications and postal services. During the period under review, the department pursued three programmes to drive its core work: Policy Development, BDM and Entities Oversight. From a performance perspective, the department has been on an improvement path as it achieved 63% on its targets in its first financial of existence in 2015/16. This was followed by a markedly improved 76% performance in the 2016/17 financial year.

For the 2017/18 financial year, 25 of the 30 targets planned for the year were achieved, translating in a performance figure of 83%. The five unachieved targets (17%) were largely experienced in core functions of the department's work, namely finalisation of a new broadcasting policy (Audio Visual-Content and the related Bill), the roll-out and successful completion of BDM and stringent oversight of entities owing not only to the limited human capacity in those areas, but equally the smartness in our targets and planning in a manner that is realistic and cognizant of our difficult operating environment. It is for this purpose that more attention was given to this area in the 2018/19 financial year, as highlighted by a SMART 2018/19 APP and further amplified by the department's Budget Vote Speech delivered by Minister Mokonyane and supported by Deputy Minister Kekana in May 2018.

The department's performance is judged on its primary mandate – its reason of existence. We therefore cannot fail on this. An improvement plan has been developed for continuous implementation and monitoring progress of the targets, with a renewed focus to finalise a new vision for broadcasting through an audio-visual content policy, rapid roll-out of the BDM Programme and have a portfolio of entities that successfully deliver on their mandate on behalf of government, and engender public trust and confidence. The installer programme for BDM has shown the potential of empowering the country's unemployed youth, particularly young women, in terms of providing economic opportunities in the short term, but further more in reskilling them for the



Fourth Industrial Revolution. Through partnerships with the departments of Public Works, Higher Education and Training, and Labour, supported by municipalities, we hope to accelerate this programme so that we can create capacity across the country.

5.2 Overview of the financial results of the department:

The DoC was originally allocated R1,425 billion for the 2017/18 financial year. The departmental budget baseline allocation was increased with a nett amount of R3,2 million during the Adjusted Estimates of National Expenditure (AENE).

Of the final budget allocation of R1,428 billion, an amount of R1,322 billion (92%) was allocated and transferred to the departmental agencies and the GCIS, leaving the organisation with a total operational budget of R106,712 million (8%). From the operational budget, an amount of R71,169 million (66.71%) was allocated towards the Compensation of Employees, R32,189 million (30.16%) to Goods and

Services whilst R2,09 million (1.95%) was for the Payment of Capital Assets. An amount of R1,264 million (1.18%) was budgeted for Transfers and Subsidies in respect of leave gratuity that was paid to employees who have left the employ of the department during the 2017/18 financial year.

The DoC recorded a total saving of R9,346 million during the 2017/18 financial year, which represents a total saving of 0.7% of the total budget allocation of R1,428 billion. The underspending is attributed to a saving of R6,684 million that was recorded on Compensation of Employees due to the restriction to use savings on Compensation of Employees for any other purpose. A further saving of R2,738 million was recorded on Programme 3: Industry and Capacity Development (DTT Project), owing to a lot of external dependencies¹ for the delivery model of this programme, which meant that the allocated budget could not be used until those processes were completed.

Departmental receipts

Departmental receipts	2017/18			2016/17		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	74	51	23	74	61	13
Interest, dividends and rent on land	2 462	1 992	470	2 168	2239	-71
Financial transactions in assets and liabilities	176	182	-6	401	279	122
TOTAL	2 712	2 225	487	2 643	2 579	63

The departmental revenue mainly consists of interest received on the commercial bank account as well as interest on Loan 14 that is being received from the SABC in terms of Section 30(1) of the Exchequer Act, 1975 (Act 66 of 1975). In terms of Section 30(2) of the same Act, interest is payable six monthly in arrears on 31 January and 31 July every year at a rate of 6.5% per year.

The DoC has received approximately R1,152 billion from ICASA in respect of administrative fees. The department is deemed to be a 'conduit' as it mainly transfers the administrative fees to the National Revenue Fund (NRF) and South African Revenue Service (SARS) respectively. Therefore, the department does not realise this revenue in the Statement of Financial Performance.

Programme Expenditure

Programme name	2017/18			2016/17		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	69 359	65 463	3 896	57 730	57 255	475
Communications, Policy Research and Development	6 642	5 837	805	7 161	6 324	837
Industry Research and Capacity Development	26 045	21 400	4 645	47 775	35 166	12 609
Entity Oversight	1 326 254	1 326 254	-	1 237 054	1 236 997	57
TOTAL	1 428 300	1 418 954	9 346	1 349 720	1 335 742	13 978

The DoC spent 99.3% of its allocated budget and realised a nett underspending of R9,346 million (0.7%). Apart from the fact that R1,326 billion was allocated to Programme 4: Entity Oversight, expenditure mainly took place under Programme 1 and Programme 3. The under-expenditure in Programme 3 is attributed to the external dependencies as explained in the preceding paragraph.

Rollovers/Additional Funding

Approval had been obtained to roll over an amount of R11,3 million from the 2016/17 financial year to the 2017/18 financial year. These funds were exclusively used to fund commitments towards DTT awareness in Programme 3.

The GCIS was allocated an additional R3,1 million based of the self-funding strategy that was formulated and approved by National Treasury in respect of *Vuk'uzenzele* newspaper. The ultimate goal is to use the advertising revenue to steadily increase the print run and also double the frequency of the newspaper without compromising its primary aim.

Virements

Reprioritisation was applied within the Vote mainly to fund the operations of the Executive Management in the department.

The DoC did not require to effect major virements between programmes after the AENE. As a result, R1,974 million was shifted to Programme 1: Administration from other programmes. The details of the virements effected after the AENE are reflected in the table across:

Main division	AENE (R'000)	Virement (R'000)	Final appropriation (R'000)
1. Administration	67 385	1 974	69 359
2. Communications, Policy Research and Development	6 899	(257)	6 642
3. Industry Research and Capacity Development	28 156	(2 111)	26 045
4. Entity Oversight	1 325 860	394	1 326 254
TOTAL	1 428 300	-	1 428 300

Future plans of the department

The department's future plans have been captured in the Strategic Plan 2015-2020 and the APP 2016-2019, and aligned to the priorities and outcomes of government over the 2014-2019 electoral period.

Public-Private Partnership (PPP)

The department did not enter into any PPP.

Discontinued activities/activities to be discontinued

The DoC will continue with its activities into the 2018/19 financial year. Although the department remains severely underfunded, it will have to find creative ways to fund its operations in the 2018/19 financial year to achieve its mandate.

To a large extent, the department has been sharing non-core services with GCIS to ameliorate this funding challenges.

New or proposed activities

Supply Chain Management (SCM)

The DoC does not have unsolicited bid proposals concluded for the year under

review. A policy on irregular and wasteful expenditure has been developed and approved. Internal controls and policies are in place and reviewed annually to avoid any form of irregular and wasteful expenditure.

The department has capacitated SCM in the last quarter of the 2017/18 financial year and received support from the GCIS until 31 March 2018..

Gifts and donations received in kind from non-related parties

During the 2017/18 financial year, the DoC received in-kind gifts, donations and sponsorships to the value of approximately R5 000.00.

Exemptions and deviations received from National Treasury

The department did not apply for or receive any exemption from National Treasury in respect of the PFMA of 1999, Treasury Regulations or deviation from the financial reporting requirements in respect of the current financial year.

Events after the reporting date

No events occurred after the reporting date and the date of approval of the Annual Financial Statements (AFS).

Investigations

None

Acknowledgement/s or Appreciation

As noted in the introductory paragraph, this has been a challenging period exacerbated by the high turnover of executive authorities and accounting officers in the department. Despite this challenge, the department continued to function and deliver on its positive performance as underlined by its results in the last three years, including clean audits for three consecutive years. Such a performance could not be possible without a hard-working and committed staff, who despite the challenges, continue to deliver on their work during the period.

This is a sign of sheer character! All hails to them - Team DOC. This we could not do alone, but guided by the visionary and action-oriented leadership of Minister Mokonyane and Deputy Minister Kekana, supported in our course by Parliament's committees on communications, and the Select Committee on Communications and Public Enterprises and all our stakeholders, including members of the public.

I am confident that the department will continue to improve in our performance and change the lives of our people, and create a better vision for the communication sector filled with opportunities, both for our communities and industry, thus making the sector attractive to local and foreign investment. On behalf of Team DoC, I would like to express our sincere appreciation to all my predecessors who preceded over this performance during the period. This is undoubtedly the results of their hard work, which I am here to confirm through a signature.

Approval and sign-off

The 2017/18 draft AFS are approved by the Acting Accounting Officer.

Yours faithfully



Dr Mashilo Boloka

ADG

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

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

All information and amounts disclosed throughout the Annual Report are consistent. The Annual Report is complete, accurate and free from any omissions. The Annual Report has been prepared in accordance with the guidelines issued by National Treasury.

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

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

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resource (HR) information and the AFS.

The external auditors are engaged to express an independent opinion on the AFS.

In my opinion, the Annual Report fairly reflects the operations, performance information, HR information and the financial affairs of the department for the financial year ended 31 March 2018.

Yours faithfully



Dr Mashilo Boloka

ADG

Date: 13 August 2018

7. STRATEGIC OVERVIEW

Vision

Vibrant and sustainable communication services for an informed citizenry and positive image of South Africa.

Mission

Create an enabling environment for the provision of inclusive communication services to all South Africans in a manner that promotes socio-economic development and investment through broadcasting, new media, print media and other new technologies, and brand the country locally, regionally and internationally.

Values

- Certainty of the policy environment
- People centred
- Quality standards of products and services
- Integrity
- Responsiveness
- Innovation.

8. LEGISLATIVE AND OTHER MANDATE

8.1 Constitutional mandate

Create an enabling environment for the provision of inclusive communication services to all South Africans in a manner that promotes socio-economic development and investment through broadcasting, new media, print media and other new technologies, and brand the country locally, regionally and internationally.

8.2 Legislative and other mandates

The DoC's mandates are derived from the President's proclamation when establishing the department, to:

- develop an overarching communications and broadcasting policy and strategy
- provide information dissemination and publicity to promote an informed citizenry
- brand South Africa abroad to assist the country to promote investments, economic growth and job creation.

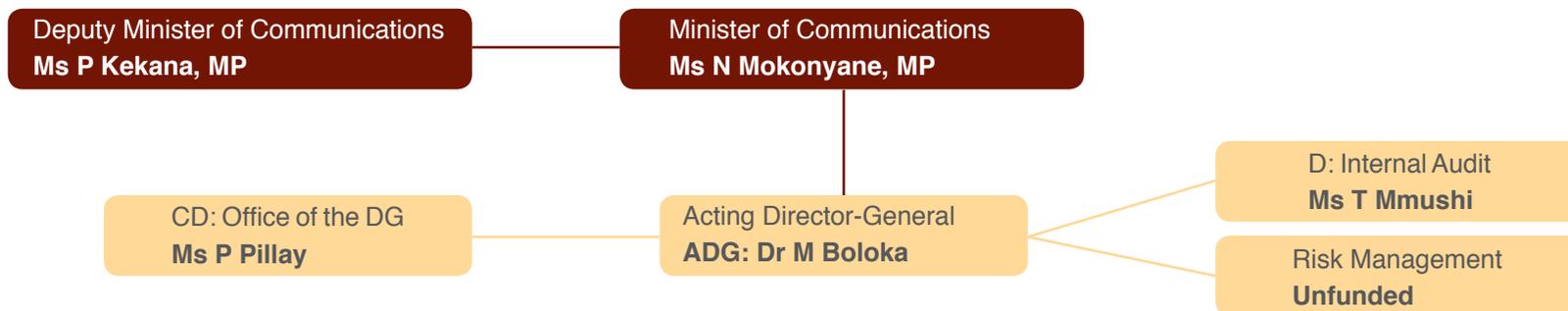
8.3 Furthermore, the legislative framework for the work of the DoC is contained primarily in the following legislation:

- Broadcasting Act, 1999 (Act 4 of 1999);
- Electronic Communications Act (ECA), 2005 (Act 36 of 2005);
- ICASA Act, 2000 (Act 13 of 2000);
- Films and Publications Act, 1996 (Act 65 of 1996); and
- MDDA Act, 2002 (Act 14 of 2002).

8.4 The department is also guided, amongst others, by:

- The Constitution of the Republic of South Africa of 1996;
- The Public Service Act, 1994 (Act 103 of 1994), as amended;
- The PFMA of 1999, as amended;
- International Telecommunications Union (ITU); and
- World Intellectual Property Organisation (WIPO).

9. ORGANISATIONAL STRUCTURE

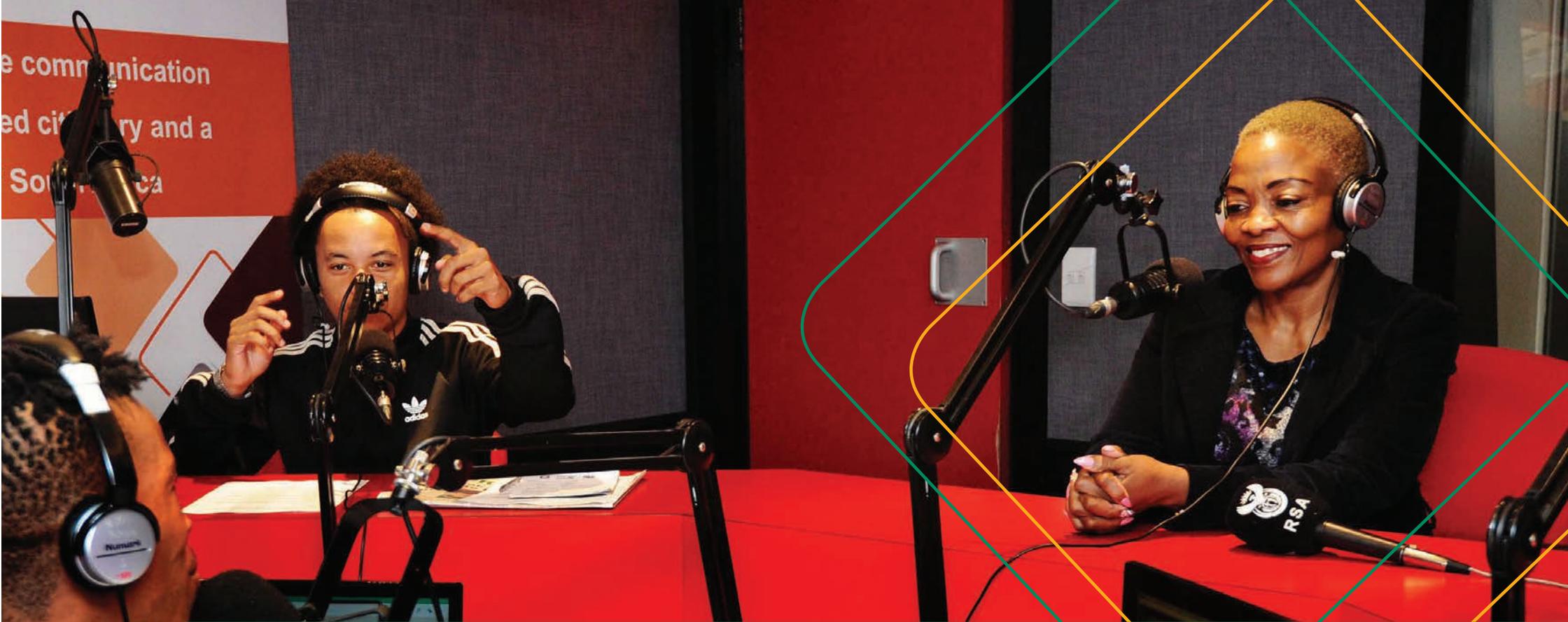


Policy	Strategy	Implementation	Support Services	
<p>BRANCH Communications Policy, Research and Development Unfunded</p> <hr/> <p>CD: Broadcasting Policy Mr C Mashile</p> <p>CD: Media Policy Mr S Nene</p> <p>CD: Technology and Engineering Services Mr W Dlangamandla - Contract</p> <p>CD: Branding Policy Unfunded</p> <p>D: Broadcasting Policy Ms N Makwetu</p>	<p>BRANCH Industry and Capacity Development Unfunded</p> <hr/> <p>CD: Enterprise Development Unfunded</p> <p>CD: Broadcasting Digital Migration Dr F Mutuvhi</p> <p>CD: Industry Research and Analysis Vacant</p> <p>CD: Intergovernmental Relations and Stakeholder Management Ms R Lusiba</p> <p>D: Stakeholder Management Mr A Mbolekwa</p> <p>D: Bilaterals Mr M Dzebu – Contract</p> <p>D: Awareness Ms T Dladla</p> <p>D: Media Engagement Mr M Molakeng – Contract</p> <p>D: Monitoring and Evaluation Ms N Fisher - Contract</p>	<p>BRANCH Entity Oversight Unfunded</p> <hr/> <p>CD: Broadcasting and Community Media Mr F Mamuremi</p> <p>CD: SOE Communication and Branding Unfunded</p> <p>CD: Regulatory Institutions Unfunded</p> <p>CD: Strategy and Policy Alignment Unfunded</p> <p>D: Entity Oversight Mr P Vumazonke</p> <p>D: Entity Oversight Mr S Gcabashe</p>	<p>CHIEF DIRECTORATE Corporate Services Ms M Thusi</p> <hr/> <p>D: Human Resource Management and Development Ms J Stephens</p> <p>D: Information and Technology Management Unfunded</p> <p>D: Facilities and Security Management Services Unfunded</p> <p>D: Communication Unfunded</p> <p>D: Legal Services Mr T Kgarabjang</p> <p>D: Strategic Planning and Performance Monitoring Ms K Phetla</p>	<p>CHIEF DIRECTORATE Financial Management, Accounting and Administration Ms M Thindisa</p> <hr/> <p>D: Financial Management, Accounting and Administration Mr F Nieman</p> <p>D: Supply Chain and Asset Management Mr B Maisela</p>

10. ENTITIES REPORTING TO THE MINISTER

Name of the entity	Legislative mandate	Financial relationship	Nature of operations
MDDA	The MDDA was set up in terms of the MDDA Act of 2002 to enable historically disadvantaged communities and individuals to gain access to the media. The mandate of the agency is to create an enabling environment for media development and diversity which reflects the needs and aspirations of all South Africans; redress the exclusion and marginalisation of disadvantaged communities and people from access to the media and the media industry; and promote media development and diversity by providing support primarily to community and small commercial media projects. The overall objective of the agency is to ensure that all citizens can access information in a language of their choice, and to transform media access, ownership and control patterns in South Africa.	Transfer payment	<ul style="list-style-type: none"> • Provision of technical, non-financial and financial support to diverse media platforms. • Provision of support to the increased participation of communities in ownership and control of community and small commercial media. • Provision of community media grants. • Promotion of ownership, control and access to information and content production by communities. • Enhancement of ownership, participation and control of print and digital media by independent media entrepreneurs. • Creation and enhancement of a body of knowledge of the media landscape. • Building of capacity for a diverse media industry.
SABC	The SABC is listed as a schedule 2 public entity in terms of the PFMA of 1999. Its mandate is set out in its charter and in the Broadcasting Act of 1999, as amended, and requires it to provide radio and TV broadcasting services to South Africa.	Transfer payment	<ul style="list-style-type: none"> • Radio broadcasting. • TV broadcasting. • Implementation of digital terrestrial migration and technology. • Programming and development of local content. • Expansion of commercial radio stations to increase the organisation's audience share. • Digitisation of value chain and distribution platforms.

ICASA	ICASA was established by the ICASA Act of 2000, as amended, to regulate the South African communications, broadcasting and postal services sectors. The regulator's mandate is defined in the ECA of 2005 as licensing and regulating electronic communications and broadcasting services, and in the Postal Services Act, 1998 (Act 124 of 1998) as regulating the postal services sector. Enabling legislation also empowers the regulator to monitor licensee compliance with licence terms and conditions, develop regulations for the three sectors, plan and manage the radio frequency spectrum and protect consumers in relation to these services.	Transfer payment	<ul style="list-style-type: none"> • Conducting of advocacy and awareness campaigns. • Monitoring of spectrum interference. • Implementation of DTT projects. • Monitoring of the activities of postal and broadcasting licensees. • Implementation of customer relationship management. • Utilisation of spectrum management tools to ensure the optimal use of the high demand radio frequency spectrum by licence holders.
Brand South Africa	Brand South Africa was established as a trust in 2002 and gazetted as a schedule 3A public entity in 2006, in accordance with the PFMA of 1999. Its purpose is to develop and implement a proactive and coordinated international marketing and communications strategy for South Africa, to contribute to job creation and poverty reduction, and to attract inward investment, trade and tourism.	Transfer payment	<ul style="list-style-type: none"> • Brand strategy development and management. • Rendering of assistance to government and private sector entities in aligning their communications strategies with national messaging. • Improvement of brand-ranking index. • Hosting of South African Competitiveness Forum. • Roll-out of <i>Play Your Part</i> TV series.
FPB	The FPB regulates and controls the creation, production, possession, exhibition and distribution of films, interactive computer games and certain publications in terms of the Films and Publications Act of 1996. The board is also responsible for monitoring age restricted business premises for compliance with their licence and registration terms.	Transfer payment	<ul style="list-style-type: none"> • Protection of children against premature exposure to adult experiences and harmful materials, particularly films, games and publications. • Conducting of awareness programmes that inform and educate the public about films, videos and games that are harmful to children. • Conducting of research on human trafficking. • Monitoring compliance with the Films and Publications Act of 1996. • Development and implementation of a content regulation framework that ensures 100% classification and labelling of classifiable content distributed on online, mobile and related platforms. • Implementation of programmes aimed at cyber safety and child online protection.



PART B:

PERFORMANCE INFORMATION



1. AUDITOR-GENERAL'S (AG) REPORT: PREDETERMINED OBJECTIVES

Introduction and scope

In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents.

My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2018:

Programmes	Pages in the annual performance report
Programme 2: Communication Policy, Research and Development	44 – 47
Programme 3: Industry and Capacity Development	48 – 52
Programme 4: Entity Oversight	53 – 57

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

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

- Programme 2 – communication policy, research and development
- Programme 3 – industry and capacity development
- Programme 4 – entity oversight

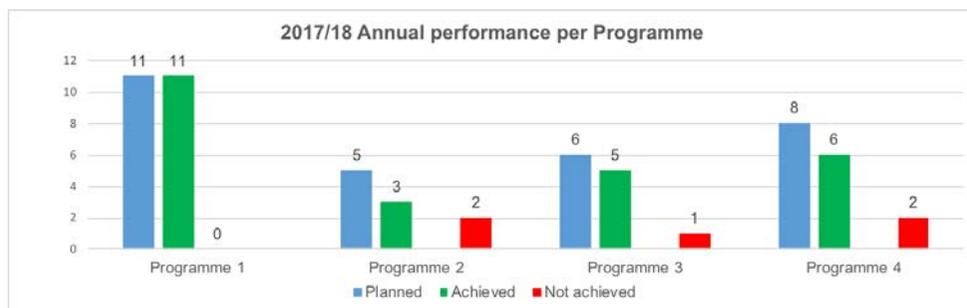
2. OVERVIEW OF THE DEPARTMENTAL PERFORMANCE

2.1 Service-Delivery Environment

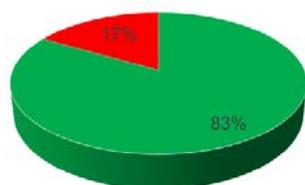
The department had 30 targets planned, 25 were achieved, five were not achieved. Programme 1 achieved 11 targets, Programme 2 achieved three, Programme 3 achieved five of its targets and Programme 4 achieved six of its planned targets.

Table # DoC 2017/18 Annual performance per programme

Programmes	Planned	Achieved	Not achieved	% Achieved
Programme 1	11	11	0	100%
Programme 2	5	3	2	60%
Programme 3	6	5	1	83%
Programme 4	8	6	2	75%
DoC	30	25	5	83%



Overall 2017/18 Performance



■ Achieved ■ Not achieved

2.1.1 PROGRAMME 1: ADMINISTRATION

The purpose of the programme is to provide strategic leadership, management and support services to the department. The Corporate Services function provided support services to the department through HR, information technology (IT), security, facilities, strategic management and legal services.

During the year under review, the subprogramme submitted the HR Plan (HRP) Implementation Report to the Department of Public Service and Administration (DPSA) and the 2016/17 Annual Training Report, 2017/18 Workplace Skills Plan (WSP) to Public Service Sector Education and Training Authority (PSETA) as per legislative requirement. It also submitted four 2017/18 training reports to the PSETA. The department reduced the vacancy rate from 16% to 14%.

The Legal Services unit continued to provide services to both the GCIS and DoC, and compiled reports on contracts, Memorandum of Understanding (MoU), litigation cases and legal opinions received during the reporting period. The department also commissioned its first Evaluation Study to assess the effectiveness of the implementation of the BDM Communication Strategy (Public Awareness Campaign and Consumer) and how it could be enhanced.

The Management Committee (Manco) approved the evaluation report with seven recommendations and an improvement plan was developed to ensure implementation of the recommendations. The 2018/19 APP was submitted to National Treasury and the Department of Planning, Monitoring and Evaluation (DPME) by 31 January 2018 and tabled in Parliament as per legislation.

The Office of the Chief Financial Officer (CFO) provided an efficient and effective support service to the department from a finance perspective, by implementing sound financial management, and fostering compliance with all applicable legislation and policies. During the year under review, the subprogramme submitted the 2016/17 AFS to AGSA and National Treasury on 31 May 2017. The subprogramme submitted 2017/18 financial statements to National Treasury together with a verified and updated assets register and procurement plan report.

Some 98.72% of invoices received from suppliers were paid within 30 days. The target to pay 100% of received invoices was not met due to delays in resolving queries on invoices with suppliers. The 98.72% constitutes 2 680 out of 2 716 invoices received during the year under review.

The Directorate: Internal Audit and Risk provided assurance to management and ARC by evaluating the effectiveness of risk management, control and governance processes. During the year under review, the subprogramme successfully delivered the Three-Year Rolling Internal Audit Strategic Plan and 2017/18 risk-based Internal Audit Annual Operational Plan which were signed off by the ARC.

Furthermore, the ARC compiled and approved four progress reports on financial, compliance and performance audits against the annual operational plan. Manco developed and approved the departmental 2017/18 risk register, highlighting the strategic and operational risks.

The risk mitigation progress reports highlighting the progress on mitigating identified departmental risks were compiled. The 2018/19 risk register was not updated owing to internal consultations which took longer than expected. The programme achieved all the planned activities during the period under review.



2.1.2 PROGRAMME 2: COMMUNICATIONS POLICY, RESEARCH AND DEVELOPMENT

The purpose of the programme is to conduct research and develop communications and broadcasting policies. During the year under review, the division performed in the following manner:

During the 2016/17 financial year, the subprogramme developed the *White Paper on Audio-Visual and Digital Content Policy for South Africa*, which provides enabling mechanisms to facilitate ownership of the new audio-visual digital content value chain by previously disadvantaged communities and small, medium and micro enterprises. In the 2017/18 financial year, the department intended to coordinate five stakeholder consultations on the draft *White Paper on Audio-Visual and Digital Content Policy for South Africa*.

The consultations could not be coordinated as planned owing to Cabinet's proposal for the draft White Paper to undergo further consultations with the Department of Economic Development (EDD) and the Department of Telecommunications and Postal Services (DTPS).

The draft White Paper will be resubmitted to the Economic Sectors, Employment and Infrastructure Development (ESEID) Cabinet Committee during the 2018/19 financial year for approval to conduct public consultations in the provinces. The final White Paper will be developed for approval by Cabinet. The process of developing the Bill will commence after the approval of the final White Paper.

To ensure transformation of the media sector, the division developed a discussion document on the Media Transformation and Diversity Policy. The discussion document consists of 13 chapters: South Africa's enabling laws; media transformation and diversity; regulation; media status quo; broadcast media; media expansion into digital space; cross-media ownership; government-owned media; content diversity and advertising and diversity; a conceptual framework of the principles and values that have guided the democratic transition in South Africa's media environment; an analysis of the status quo in South Africa; consideration of the effectiveness of current media policies and recommendations for a policy framework derived from extensive research and multi-stakeholder consultations. The discussion paper was

submitted to the Executive Authority for approval in preparation for conducting stakeholder consultations.

The media diversity and transformation discussion paper highlights the following proposals:

- The agencies responsible for ensuring media diversity must be strengthened.
- The role of government, through agencies such as the MDDA and the Universal Service and Access Agency of South Africa (USAASA), is critical in ensuring continued and consistent funding for community and small commercial media that serve marginalised communities.
- At the same time, government should explore additional policies to promote media diversity other than through government advertising and support through established agencies, as this has proved inadequate.
- Legislation on government advertising must be tightened to ensure that it corrects market failures and promotes diversity.
- The 30% government adspend to community media must be enforced across national, provincial and local government.

The approved media diversity and transformation discussion paper will be used in the 2018/19 financial year as a basis for the development of the Media Transformation Charter in line with broad-based black economic empowerment to ensure transformation in the sector by 2019. The programme also continued to monitor implementation of the Community Broadcasting Support Strategy with focus on delivery of broadcasting infrastructure and signal distribution.

The monitoring report is covering infrastructure support provided to community radio stations as well as non-financial support activities coordinated to support the community broadcasting sector. The programme accompanied the PCC on an oversight visit to KwaZulu-Natal. The research report on the Regulatory Policy Framework of the public broadcaster was finalised, and Manco approved it for further consultation and refinement. The research report and concept paper on Regulatory Policy Framework of the SABC is a guideline document that seeks to advise the Minister on issues affecting the public broadcaster. A 2009 – 2017 review of the SABC indicates that there has been myriads of issues facing the corporation.

The Minister of Communications is empowered by Section 38 of the Broadcasting Act of 1999 to establish the South African Broadcast Production Advisory Body (SABPAB) to advise the Minister on how the development, production and display of local TV and radio content can be supported. During the period under review, the SABPAB produced reports focusing on funding and skills for the creative sector. The objective on the report of funding is to review the applicable funding system, exploration of untapped funding mechanisms, and to strengthen and support the financial capacity of the cultural and creative sector to operate transnationally. This

will help in pursuing the NDP priorities of job creation and economic growth. Some of the recommendations from the report include the need for the country and the sector to develop and implement strategies to develop the skills needed for the audio-visual sector as well as the establishment of the Audio-Visual Skills Development Fund to provide training in line with the current trends and technologies. It also indicates the crucial need for interdepartmental collaboration of relevant departments and their entities for continuous engagement and strengthening of the audio-visual sector skills development agenda. The programme achieved 60% of its planned targets.



2.1.3 PROGRAMME 3: INDUSTRY AND CAPACITY DEVELOPMENT

Broadcasting Digital Migration

The BDM Programme, which is intended to migrate the country from analogue to digital signal, is underway. The BDM Programme remained a flagship programme of the department. The programme continued with the extensive distribution and installation of DTT STBs and related devices.

During the period under review, 58 awareness campaigns were carried out in North West, Eastern Cape, Western Cape, KwaZulu-Natal, Free State, Gauteng and Mpumalanga. The increase in the number of awareness campaigns was as a result of exploring other ways of conducting awareness campaigns, given the limited resources. The establishment of partnerships with other national, provincial departments and local municipalities in their community engagements played a vital role in holding more digital migration awareness campaigns.

Four quarterly progress reports on the implementation of the BDM Programme were compiled, indicating 560 521 households were registered, and 310 485 STBs distributed and 259 396 installed. Towards complete analogue switch-off, a key focus was placed on fast-tracking the registration uptake, distribution and installation of STBs and related devices. The focus was on the provinces bordering neighbouring countries. Currently, a focused roll-out is placed in the Free State and North West.

A partnership has been forged with the Department of Public Works (DPW) to train installers. A MoU was signed between the two departments to train at least 2 700 young people and women on the installation of DTT STBs. During the period under review, a total of 50 installers were trained in the Lejweleputswa District Municipality in the Free State. The roll-out of BDM has made significant progress in making a difference to the lives of the people in rural areas.

Stakeholder engagements

During the period under review, as part of implementing the departmental Stakeholder Engagement and International Relations Strategy, 10 stakeholder engagements were held. Engagements held were on:

- Interdepartmental Meeting in preparation for WIPO's 34th Session of the Standing Committee on Copyright and Related Rights (SCCR).

- Brazil, Russia, India, China and South Africa (BRICS) Interdepartmental Meeting.
- 24th BRICS Interdepartmental Technical Senior Officials Team (IDTSOT).
- Interdepartmental meeting in preparation for the 57th Session of the WIPO General Assembly.
- South Africa-European Union (EU) Interdepartmental Steering Committee.
- 3rd National Preparatory Working Group (NPWG) meeting in preparation of the WRC.
- Draft Intellectual Property (IP) Policy Workshop.
- Preparatory Meeting for WIPO SCCR.
- South Africa-Russia intergovernmental Committee on Trade and Economic Cooperation (ITEC) Interdepartmental Meeting.
- Interdepartmental meeting on Central Africa.

The department participated in the 34th Session of the SCCR of the WIPO conference which continued the discussions on the following issues: the Broadcasting Treaty – protection of broadcasting organisations; exceptions and limitations for libraries and archives, expectations and limitations for educational and research institutions, and persons with disabilities.

The SCCR pursued discussions on the protection of broadcasting and cablecasting organisations in the traditional sense. There seemed to be an understanding to limit the text of the draft Broadcasting Treaty to be signal-based and focus on broadcasting organisations in the traditional sense, with the appreciation that this includes broadcast in any technology platform, to render the treaty technologically relevant. It was further agreed that the definition for broadcasting should take into account 21st century technological developments and existing definitions in current international treaties.

The BRICS Interdepartmental Meeting discussed the overview of Chinese Chairship, the planning for South Africa's BRICS Chairship and Hosting of the 10th BRICS Summit. The Inter-Ministerial Committee (IMC) was requested to ensure optimal synergy between the successive Chinese and South African BRICS chairships. In keeping with the directive to create synergy and establish continuity in BRICS, emphasis was to seek to build further on the Chinese proposals during our chairship in 2018. The IMC also discussed the preparation for the review of the BRICS Strategy (adopted by Cabinet in September 2012) which will be submitted to Cabinet prior to the United Nations (UN) General Assembly meeting in September

2017, together with proposals for hosting the 10th BRICS Summit in 2018. The support and commitment to ensuring that the President presides over a successful chairship as well as the 10th BRICS Summit in 2018 is highly valued.

The department also tabled two position papers on the WIPO and WRC-19 at multilateral engagements to support the development of the communications sector. The objective of the third SADC meeting was to continue with the development of common SADC preliminary positions in preparation of WRC-19. The programme achieved 67% of its planned targets.

The overall purpose of Intergovernmental Relations and Stakeholder Management is to provide strategic support to the department, and promote collaboration with other spheres of government and the sector. Furthermore, it aims to ensure a well-managed, effective cooperative governance and healthy sustainable stakeholder relationships to promote the mandate of the DoC. BDM is one of the flagship programmes of the DoC, whose objective is see the country switching off the analogue broadcasting signal in favour of the digital TV signal.

The implementation of digital migration will represent many opportunities for South Africans, including the release of valuable spectrum that could be used for other services such as more TV channels attracting local content, quality picture, digital dividend, etc.

Another benefit for the country will be the growing of the electronic manufacturing industry by using the manufacturing of STBs as an anchor and the training of young people to benefit in the value chain as installers. The critical phase of digital migration at the moment is the awareness and registration of poor qualifying households that will benefit from government-subsidised STBs. It is in the interest of the department to collaborate with other spheres of government and relevant stakeholders on projects of this nature.

In this regard, Intergovernmental Relations and Stakeholder Management has engaged Premiers' offices in targeted provinces such the Free State and North West to solicit support for the programme and assist in facilitating local government collaboration. This focused approach has yielded positive results that culminated in the coordination and establishment of the DTT roll-out steering committees

in district municipalities. These are chaired by the office the Executive Mayor or Speaker and their role to fast-track the registration process working with the DoC and South African Post Office.

Furthermore, the steering committees assist the process by identifying established local installers that will mentor trained young installers. Intergovernmental Relations and Stakeholder Management has also assisted DTT Project Management Office by facilitating partnerships with the Department of Cooperative Governance and Traditional Affairs through their Community Works Programme and the DPSA's Community Development Workers.

These partnerships will assist with more capacity to drive registration and awareness at ward level since DTT does not have the capacity to reach out everywhere in the country. MoUs in this regard are being developed between the departments. The DPW is also on board to train unemployed youth as installers through the Expanded Public Works Programme, in collaboration with established district DTT steering committees.

2.1.4 PROGRAMME 4: ENTITY OVERSIGHT

The department adopted the Policy Framework and Procedure on Oversight and Governance of Public Entities and Statutory Institutions (Entity Oversight Policy) from the Department of Trade and Industry as best practice and adapted it to DoC SOEs.

The purpose of the policy is to regulate the relationship between the Minister and the entities, in particular outlining the principles, structures and the modus operandi of how the Minister exercises oversight over the entities and how they comply with governance prescripts.

The Entity Oversight Policy is underpinned by two concepts, namely, Oversight and Governance. Oversight means scrutinising the work of the entities, and giving direction and leadership on the part of the Ministry. Governance can be defined broadly as good institutional culture, systems and practices that conform to set norms and standards, legislative and regulatory prescripts applicable to the entities.

Quarterly performance oversight reports were analysed and submitted to the Executive Authority. The purpose of the oversight reports is to provide the Minister with an analysis of the performance against key deliverables that were set for each quarter of the financial year for the DoC SOEs. The overall achievement for the 2017/18 per SOE is Brand SA: 96%; FPB: 80%; MDDA: 54%; ICASA: 87%; and SABC: 40%.

Feedback letters based on the analysis of performance reports were submitted to chairpersons of the boards for continuous monitoring on targets that were not achieved. The department noted the challenges (lack of capacity in critical positions) faced by the SOEs in the 2017/18 financial year. The department requested the boards to fill positions as a matter of urgency and furnish the Ministry with a recruitment plan outlining timelines for filling vacant positions.

In ensuring the viability and sustainability of SOEs, 29 funding requests were processed and funds transferred. The programme continued with implementing the governance protocols and coordinated eight entity governance forums as per governance policy during the period under the review. A joint planning session was held between the department and SOEs to ensure alignment of plans. Furthermore,

SOEs submitted their first and second draft APP for analysis to ensure alignment to departmental priorities.

Feedback was provided to the entities highlighting areas of improvements in preparation for tabling the 2018/19 APP in Parliament.

The 2018/19 shareholder compact for SABC and accountability instruments of the MDDA, Brand South Africa and FPB were developed for submission to the Executive Authority for sign-off. The accountability instruments could not be signed owing to a prolonged discussion order to ensure effective oversight.

The entities and Ministry will sign the accountability instruments in the first quarter of 2018/19 financial year. Performance agreements of the Chairperson of the Board and councillors of ICASA were still being finalised.

The performance agreements could not be signed by the Executive Authority owing to an inherent need to enhance the agreements in order to ensure effective oversight. The Regulator and Ministry were expected to sign performance agreements of the Chairperson of the Board and councillors of ICASA in the first quarter of the 2018/19 financial year. The programme achieved 75% of the planned 2017/18 targets.

2.2 Service Delivery Improvement Plan (SDIP)

The department has completed a SDIP. The tables below highlight the service-delivery plan and the achievements to date.

Main services and standards



Service Delivery Improvement Plan

Main services	Beneficiaries	Current standard of service	Desired standard of service 2017/18	Actual achievement
<p>Provide legislative frameworks and guidelines to support nation-building and social cohesion, universal access to broadcasting and media services:</p> <p>Audio-Visual and Digital Content Bill for South Africa developed</p> <p>The implementation of Community Broadcasting Support Strategy</p> <p><i>Audio-Visual Green Paper</i></p> <p>ICASA Amendment Bill</p>	<p>South African citizens, broadcasting and media industry, national and provincial government departments, local government, civil society, Cabinet, PCC, investors, international delegations</p>	<p>Broadcasting Amendment Bill was approved by Cabinet and introduced to Parliament for public hearings and enacting into law. The department presented the memorandum and objectives of the Bill to Parliament in February 2016.</p> <p>The department is in the process of supporting the parliamentary processes related to the Bill until it is passed by the National Assembly and presented to the President to enact into law.</p> <p>Draft ICASA Amendment Bill was developed</p> <p>Community Broadcasting Support Strategy was developed and published for public comments. The comments were analysed and the strategy was submitted to Manco for approval. FPB Bill was approved by Cabinet and submitted/tabled in Parliament for public hearings. The department presented the memorandum and objectives of the Bill to Parliament in February 2016.</p> <p>There are ongoing discussions with the stakeholders both within government and the private sector on the finalisation of the White Paper for submission to Cabinet.</p>	<p>Broadcasting Amendment Bill</p> <p>FPB Amendment Bill</p> <p><i>Audio-Visual Green Paper</i></p> <p>ICASA Amendment Bill</p>	<p>Broadcasting Amendment Bill: The Bill is currently with Parliament. It was presented to the PCC on April 2016. The department is waiting for Parliament to respond.</p> <p><i>Audio-Visual Green Paper</i> was developed finalised in the 2016/17 financial year, which lead to the development of the White Paper. The draft <i>White Paper on Audio-Visual and Digital Content Policy for South Africa</i> has be presented to the Economic Cluster and Cabinet Committee, and it was recommended for further consultations.</p> <p>The draft <i>White Paper on Audio-Visual and Digital Content Policy for South Africa</i> has be presented to the Economic Cluster and Cabinet Committee. The Ministers of Economic Development.</p> <p>DTPS and DoC are yet to meet to address issues that are relevant to the mandate of the their departments.</p> <p>FPB Amendment Bill: In March 2018 the National Assembly approved the FBP Amendment Bill. As a procedure it will be sent to the NCOP.</p> <p>ICASA Amendment Bill: The <i>White Paper on ICTs</i> will impact on the ICASA Amendment Bill as the White Paper is calling for an economic regulator. Therefore, the amendment cannot be done until the issue has been dealt with.</p>
Batho Pele arrangements with beneficiaries				

(Consultation access, etc.)

Current/actual consultation arrangements	Desired arrangements	Actual achievements
<p>Four consultative meetings with the Department of Justice and Constitutional Development</p> <p>Presentations to Cabinet</p> <p>Two policy and regulatory committee meetings</p>	<p>Nine provincial consultations</p> <p>Publish for public comments in the <i>Government Gazette</i></p> <p>Four policy and regulatory committee meetings</p>	<p>Two reports were compiled on seven DG/(Chief Executive Officer (CEO) forums convened and one Company Secretary Forum for the number of entity governance forums coordinated during the year under review as per governance policy.</p>

Service delivery information tool

Current/actual consultation arrangements	Desired arrangements	Actual achievements
<p><i>Government Gazette</i></p> <p>Departmental website</p> <p>15 <i>Izimbizo</i></p> <p>Stakeholders' consultations</p>	<p>Departmental website</p> <p>18 <i>Izimbizo</i></p> <p>Stakeholders' consultations</p>	<p>Five <i>Izimbizo</i> campaigns were carried out in Limpopo, North West, Free State, Mpumalanga and Western Cape. A total of 98 awareness campaigns were carried out in North West, Eastern Cape, Western Cape, KwaZulu-Natal, Free State, Gauteng and Mpumalanga.</p>

Complaints mechanism

Current/actual consultation arrangements	Desired arrangements	Actual achievements
<p>Acknowledge of receipt within two days</p> <p>Full response within 30 working days</p>	<p>Acknowledge of receipt within two days</p> <p>Full response within 20 working days</p>	<p>All the inputs were incorporated into the draft legislations and consultation will continue until the Bill is passed in Parliament. Responses and enquiries to policy issues are acknowledged within 24 hours.</p> <p>Most of the queries arise from the challenges faced by communities related to community broadcasting licensing and funding issues.</p> <p>Community radio stations were provided with broadcasting infrastructure and funds to the community broadcasting sector to address the imbalance in the sector.</p>

Courtesy

Current/actual consultation arrangements	Desired arrangements	Actual achievements
Acknowledgement of public comments on the draft Bill Provide feedback and explain decisions taken	Acknowledgement of public comments on the draft Bill provides feedback and explains decisions taken	The department developed an analysis document that captures the issues, problems and future challenges identified by stakeholders in responses to the published draft FPB Bill and Community Broadcasting Support Scheme.

Access

Current/actual consultation arrangements	Desired arrangements	Actual achievements
Online (Internet and email) Printed copies Stakeholders' consultations	Online (Internet and email) Printed copies Stakeholders' consultations	Two implementation monitoring reports on the approved Community Broadcasting Support Strategy were compiled on broadcasting infrastructure and signal distribution.

Openness and transparency

Current/actual openness and transparency mechanism	Desired openness and transparency mechanism	Actual achievements
Publish draft Bills for public comments Coordinate provincial information sharing sessions (<i>Izimbizo</i>)	Publish draft Bills for public comments Coordinate provincial information sharing sessions (<i>Izimbizo</i>)	The draft Community Broadcasting Support Strategy was developed and approved through consulting affected communities and individuals who have interests in the community broadcasting sector.

Value for money

Current/actual Value-for-Money mechanism	Desired Value-for-Money mechanism	Actual achievements
Public inputs covered in the overall development of departmental legislations	Public inputs covered in the overall development of departmental of legislations	All inputs from the consultations were incorporated into the final draft Community Broadcasting Support Strategy. All the inputs were incorporated into the draft legislations and consultation will continue until the Bill is passed in Parliament.

Human resources

Current/actual consultation arrangements	Desired HR mechanism	Actual achievements
7	12	No increase of the staff. Currently, the chief directorate has six permanent employees.

Cost

Current/actual Cost mechanism	Desired Cost mechanism	Actual achievements
0 cost to the client R1,5 million	0 cost to the client R2,5 million	R250 000 for Community Broadcasting Support Strategy workshops.

Time

Current/actual Cost mechanism	Desired Cost mechanism	Actual achievements
30 to 90 days	30 to 90 days	<p>Broadcasting Amendment Bill: The Bill is currently with Parliament. It was presented in the PCC on April 2016. The department is waiting for Parliament to respond.</p> <p><i>Audio-Visual Green Paper</i> has not been developed as it is led by the finalisation of the White Paper.</p> <p>FPB Amendment Bill: In March 2018 the National Assembly approved FBP Amendment Bill. As a procedure it will be sent to the NCOP.</p> <p>ICASA Amendment Bill: The <i>White Paper on ICTs</i> will impact on the ICASA Amendment Bill as the White Paper is calling for economic regulator. Therefore, the amendment cannot be done until the issue has been dealt with.</p>

2.3 Organisational environment

The DoC is responsible for overarching communications policy and strategy, information dissemination and publicity as well as branding the country abroad. Improved communications will promote an informed citizenry and will also assist the country to promote investments, economic growth and job creation. The department comprises five public entities, namely: Brand South Africa, FPB, ICASA, MDDA and SABC. The department is advancing with building its own capacity and key strategic positions are being filled. The departmental vacancy rate is at 14%, above the 10% benchmark target, as set by the DPSA. The department managed to recruit six employees and promoted four. Of the 85 funded posts, 73 have been filled and 12 are vacant. In terms of EE, females at Senior Management Service (SMS) level accounted for 11 (50%) and males 11 (50%). People with disabilities constitute 1%.

The department trained 16 officials by the end of Quarter Four and the quarterly monitoring reports were submitted to the PSETA. Awareness on compliance with

the Employee Performance Management and Development System was launched during the period under review to ensure that officials are up to date and aware of compliance rules and regulations, including the revised DPSA directive that must be implemented from 1 April 2018. Biannual and annual performance assessment documents are also quality assured for alignment with the performance agreements. The performance moderation of 2016/17 assessments was also concluded in line with the departmental policy.

The department participated in the wellness programmes including, the Big Walk and National Recreation Day. The DoC is sharing office space with the GCIS. A combined commemorative event was held to celebrate 16 Days of Activism for No Violence Against Women and Children, World AIDS Day and International Day of Persons living with Disabilities on 1 December 2017. The space is currently inadequate and the department would require additional space. The process of acquiring office space for the DoC has been put on hold owing to lack of funding.

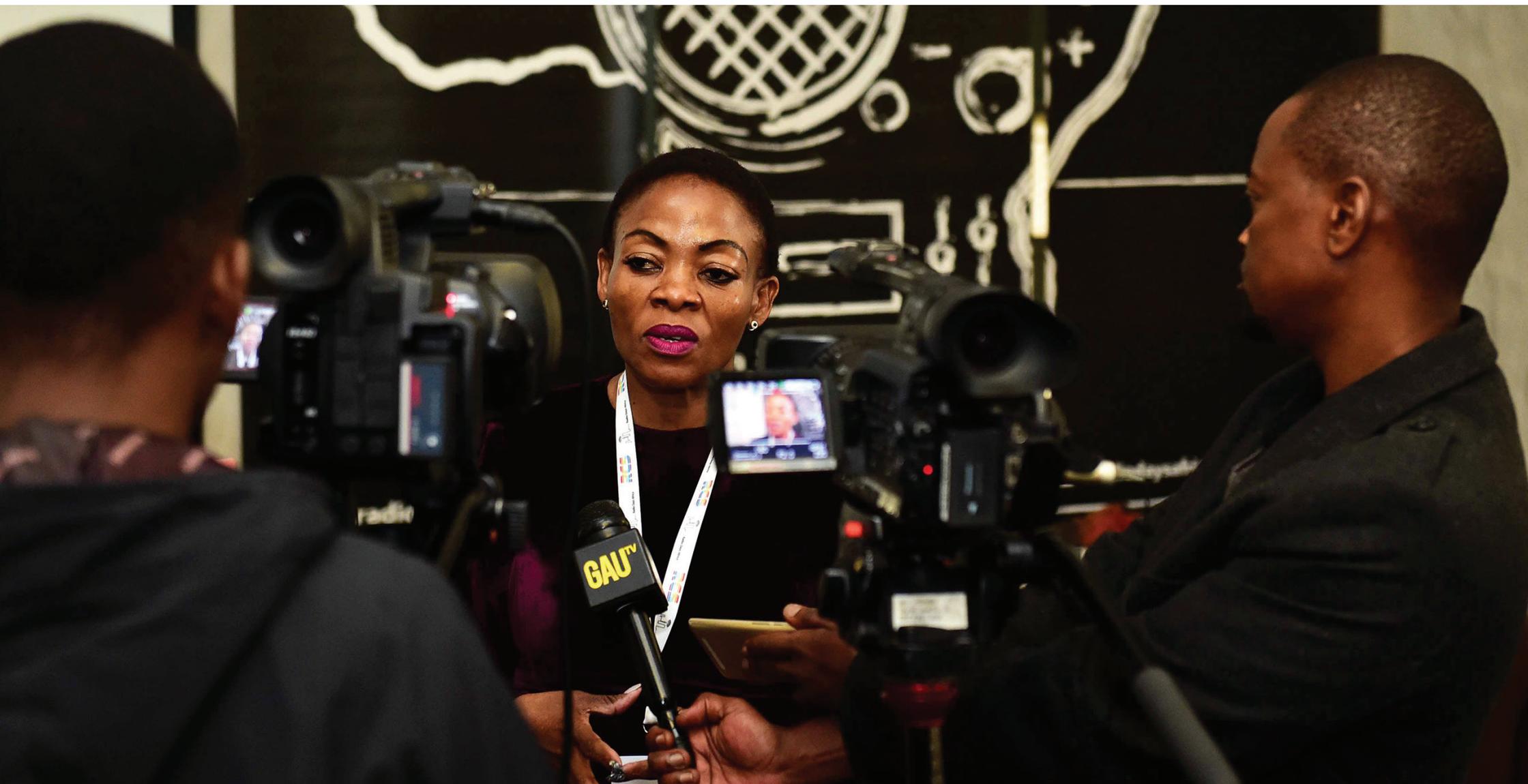
2.4 Key policy developments and legislative changes

The DoC reviewed the following policies and legislation during the period under review. On the legislative front, the department amended the following legislation which are before Parliament:

Name of legislation	Purpose
FPB Amendment Bill	The objective of the amendment is to align the Act and strengthen the capacity of the FPB to perform its functions.
Broadcasting Amendment Act	The objective of the amendment is to address governance matters in relation to the size of the board, appointment procedure for the non-executive board of directors as well as the removal and resignation of non-executive board members.
<i>White Paper on Audio-Visual and Digital Content Policy for South Africa</i>	To review the 1998 <i>White Paper on Broadcasting</i> and related policies.

In the medium term the DoC anticipates to develop and review policies and legislation in a number of important areas:

Name of legislation	Purpose
Audio-Visual and Digital Content Bill for South Africa	To review the 1998 <i>White Paper on Broadcasting</i> and related policies.
Media Development and Diversity Amendment Bill	The objective of the amendment is to align the Act to the name of the Minister of Communications and the department, and review the entity's 10-year-old mandate in the digital environment.
Media Transformation and Diversity Charter	To address collectively the challenges in respect of transformation and diversity in print and digital media and seek solutions for immediate implementation.



3. STRATEGIC OUTCOME-ORIENTED GOALS (KEY ACHIEVEMENTS FOR OUTCOME 14: NATION-BUILDING AND SOCIAL COHESION)

The DoC plays a role in implementing Outcome 14: Nation-Building and Social Cohesion. The department has a role in “Forging a new overarching identity”. It needs to influence citizens to be proud of being South Africans and it has to improve the target from 75% to 80% of South Africans reflecting pride to be South Africans. The actual achievement for 2017/18 is 62.3%. It also has a role in improving identity based on self-description, from 50% to 60% target.

The SABC has showcased the percentage of local content broadcasted, has improved from 70% to 72% of content reflecting South African perspectives and cultural diversity that was showcased on SABC1, 2 and 3. This is in accordance with the Outcome 14 indicator that impacts on the activity of promoting social cohesion across society through increased interaction across race and class. Brand South Africa conducted a study to measure the percentage of South Africans with pride of the national sporting teams, and it revealed that 71% of South Africans are proud to be participating in such activities. The key objectives of this study were to identify the trends and the perception of South African society in how they view sports.

Nation-building pillar	Impact indicator	2019 targets	2017/18 targets	Actual achievement 2017/18
Promotion of social cohesion across society through increased interaction across race and class	Percentage of local content on SABC1 and 2	70% of content reflects South Africans	70%	72%
Promotion of social cohesion across society through increased interaction across race and class	Percentage of local content on SABC3	70%	50%	52%
Study Report	Conduct a study to measure percentage of South Africans with pride of the national sporting teams	66%	75%	71%
Active citizenry and leadership	Active Citizenship Index	85%	80%	64%
Forging a new overarching identity	Pride in being South African	75% of South African reflecting pride to be South African	80% of South Africans proud to be South African	62.3
	Identity based on self-description	60% of population describing themselves South African first	50% of population describing themselves South African first	60%

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 Programme 1: Administration

The purpose of the programme is to provide coordinated strategic and administrative support services to enable the Ministry and the department to deliver on mandates.

The programme's functions are organised into the following directorates and subprogrammes:

1. Ministry:
2. Office of the Director-General (DG):
 - Outcome 14 coordination.
 - Risk Management: Performs risk management functions.
 - Internal Audit: Provides internal audit functions.
3. Subprogramme: CS:
 - HR Management and Development (HRM&D): Manages and facilitates the provisioning of HRM&D services.
 - Information and Technology Management: Provides information and technology management services.
 - Facilities and Security Management Services: Manages the provisioning of facilities management and security services.
 - Communications: Provides communication and events management services to the department.
 - Legal Services: Provides legal services.
 - Strategic Planning and Performance Monitoring: Develops, reports and monitor the implementation of the Strategic Plan and the APP, and ensures that planning and performance reporting is coordinated across the department.
4. CFO:
 - Financial Management, Accounting and Administration: Manages finances.
 - SCM: Manages supply chain and asset management.

Strategic objectives for the financial year under review

- Ensure compliance with statutory requirements and good governance practices by 2019.



Strategic objectives, performance indicators, planned targets and actual achievements

Strategic objectives

Subprogramme: Human Resource Management and Development

Strategic objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Ensure compliance with statutory requirements and good governance practices by 2019	MTEF HRP was approved and submitted to the DPISA	HRP implementation report submitted to the DPISA	HRP implementation report was submitted to the DPISA	None	None

Performance indicators

Subprogramme: Human Resource Management and Development

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
HRD Strategy implemented	Not achieved The WSP was not submitted to the PSETA	The WSP was approved and training programmes were conducted	2017/18 WSP submitted to the PSETA WSP monitoring reports submitted to the PSETA	2017/18 WSP was submitted to the PSETA 2017/18 monitoring reports (quarterly training) reports were submitted to the PSETA	None	None

Strategic objectives

Subprogramme: Financial Management, Accounting and Administration

Strategic objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement 2017/18	Comment on deviations
Ensure compliance with statutory requirements and good governance practices by 2019	Clean audit opinion was achieved on 2015/16 AFS	Unqualified audit outcome on AFS	Clean audit opinion was achieved on 2016/17 AFS	None	None

Performance indicators

Subprogramme: Financial Management, Accounting and Administration

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
AFS submitted to the AGSA and National Treasury	Financial policies, plans and procedures were developed and four quarterly financial reports were also compiled and submitted to the Accounting Officer and the Executive	2015/16 AFS were compiled and submitted to National Treasury by 31 May 2016	AFS submitted to the AGSA and National Treasury	2016/17 AFS were compiled and submitted to National Treasury and AGSA by 31 May 2017	None	None
Assets Register submitted to AGSA and National Treasury	N/A	N/A	Assets Register prepared within the legislated prescripts	Assets Register was prepared within the legislated prescripts submitted to AGSA and National Treasury	None	None
Procurement plans reviewed as per legislated prescripts and submitted to National Treasury	N/A	N/A	Procurement plans prepared and reviewed as per legislated prescripts	Procurement plans were reviewed as per legislated prescripts and submitted to National Treasury	None	None

Subprogramme: Risk Management

Strategic objectives

Subprogramme: Risk Management

Strategic objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Ensure compliance with statutory requirements and good governance practices by 2019	N/A	Develop Risk Management Plan	Risk Management Plan (including Fraud) was signed off	None	None

Performance indicators

Subprogramme: Risk Management

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Number of risk mitigation/assessment reports compiled	Operational risks and core risks were monitored through the APP	N/A	Four progress reports on risk mitigation	Four progress reports on risk mitigation were compiled	None	None

Subprogramme: Internal Audit

Strategic objectives

Subprogramme: Internal Audit

Strategic objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Ensure compliance with statutory requirements and good governance practices by 2019	Internal Audit policy and plan were developed and four quarterly internal-audit reports were compiled	Three-year rolling Audit Strategic Plan approved	The updated three year 2018-2021 Internal Audit Strategic Plan was approved by the ARC	None	None

Performance indicators

Subprogramme: Internal Audit

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Risk-based Internal Audit Annual Operational Plan approved	N/A	2016/17 risk-based Internal Audit Plan and Operational Plan were developed and approved by the IARC	2017/18 risk-based Internal Audit Plan and Operational Plan approved	2017/18 risk-based Internal Audit Plan and Operational Plan were developed and approved by the IARC	None	None
Number of progress reports on the implementation of the Annual Operational Plan (covering financial, compliance and performance)	Four compliance audit reports were compiled Four performance audit reports were compiled	Four quarterly progress reports on financial, compliance and performance audits against annual operational plan were compiled	Four reports on financial, compliance and performance audits against the Annual Operational Plan	Four quarterly progress reports on financial, compliance and performance audits against annual operational plan were compiled	None	None

Strategy to overcome areas of underperformance

The DoC manages performance in the following manner:

- Quarterly reports are presented to the Minister and discussed at Manco, ARC and PCC meetings for interventions.
- A report on targets that were not achieved is compiled and submitted to Manco for decision-making on corrective measures.

Linking performance with budgets: Subprogramme expenditure.

Subprogramme name	2017/18			2016/17		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1. Ministry	10 745	10 065	680	8 389	8 376	13
2. Departmental Management	34 847	32 334	2 513	32 040	31 611	429
3. Internal Audit	1 096	1 093	3	854	854	-
4. Corporate Services	12 781	12 512	269	9 916	9 903	134
5. Financial Management	9 890	9 459	431	6 531	6 511	20
TOTAL	69 359	65 463	3 896	57 730	57 255	475

4.2 Programme 2: Communication Policy, Research and Development

The purpose of the programme is to conduct research, develop communications and broadcasting policies.

The programme's functions are organised into the following subprogrammes:

- **Broadcasting Policy**, which conducts research and develops broadcasting policies.
- **Technology and Engineering Services**, which conducts research and develops broadcasting spectrum policy and plan, develops standards and manages technology and engineering services.

- **Media Policy**, which conducts research and develops print media, new media and communications policies.
- **Branding Policy**, which conducts research and develops branding and messaging policies.

The strategic objectives for the financial year under review

- Improve universal access to broadcasting services by 2019.
- Broaden access to information all citizens by 2019.

Strategic objectives, performance indicators, planned targets and actual achievements

Strategic objectives

Programme name: Broadcasting Policy

Strategic objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement 2017/18	Comment on deviations
Improve universal access to broadcasting services and information by all citizens in 2019	The draft <i>White Paper on Audio-Visual and Digital Content for South Africa</i> was presented to the Cabinet Committee on ESEID and the inputs from the committee were incorporated towards the final draft White Paper, for approval by Cabinet	Audio-Visual and Digital Content Bill for South Africa developed	The Audio-Visual and Digital Content Bill has not been developed as it awaits the finalisation of the White Paper that was consulted with EDD and DTSPS as recommended by Cabinet Committee on ESEID	Audio-Visual and Digital Content Bill for South Africa was not developed	<p>The Audio-Visual and Digital Content Bill was not been developed as it awaits the finalisation of the White Paper that was consulted with EDD and DTSPS as recommended by the Cabinet Committee on ESEID</p> <p>The draft White Paper will be re-submitted to the ESEID Cabinet Committee during the 2018/19 financial year for approval to conduct public consultations towards finalisation of the White Paper and inform the process of developing the Bill</p>

Performance indicators

Programme/Subprogramme: Broadcasting Policy

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Number of monitoring reports on the implementation of Community Broadcasting Support Strategy compiled	Community Broadcasting Support Strategy was not submitted to Cabinet for approval. The department was in the process of analysing the cost-benefit analysis on the Community Broadcasting Strategy before submission to Cabinet	Consultation on Community Broadcasting Support Strategy was conducted and the final strategy was produced	Two monitoring reports on Community Broadcasting Support Strategy compiled on broadcasting infrastructure and signal distribution	Two monitoring reports on Community Broadcasting Support Strategy were compiled on broadcasting infrastructure and signal distribution	None	None

Subprogramme: Media Policy

Strategic objectives

Subprogramme: Media Policy

Strategic objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Improve universal access to broadcasting services and information by all citizens in 2019	N/A	Concept Paper on the Regulatory Policy Framework of the SABC submitted to the Minister of Communications for approval	A concept Paper on the Regulatory Policy Framework of the SABC was produced	Concept Paper on the Regulatory Policy Framework of the SABC was not submitted to the Minister of Communications for approval	A draft Concept Paper on the Regulatory Policy Framework of the SABC was developed. However, it could not be submitted to the Minister owing to further consultations The Concept Paper on the Regulatory Policy Framework of the SABC will be finalised and submitted to the Minister in the 2018/19 financial year
Support the growth and development of the creative industries sector by 2019	N/A	Draft Position Paper on the Media Transformation and Diversity Policy submitted to the Minister	Draft Position Paper on the Media Transformation and Diversity Policy was submitted to the Minister	None	None

Performance indicators

Programme/Subprogramme: Media Policy

Strategic objectives	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Number of reports on SABPAB Programme of Action (PoA) (work programme) compiled	The SABPAB was established and two meetings were convened during the financial year	Two reports on SABPAB work programme and the Annual Report were compiled	Two reports on SABPAB PoA (work programme) focusing on skills and funding compiled	Two reports on SABPAB PoA (work programme) focusing on skills and funding were compiled	None	None

Strategy to overcome areas of underperformance

The DoC manages performance in the following manner:

- Quarterly reports are presented to the Minister and discussed at Manco, ARC and PCC meetings for interventions.
- A report on targets that were not achieved is compiled and submitted to Manco for decision-making on corrective measures.

Linking performance with budgets: Subprogramme expenditure

Subprogramme name	2017/18			2016/17		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Broadcasting Policy	6 532	5 811	721	7 161	6 324	837
Media Policy	27	23	4	-	-	-
Technical and Engineering Services	83	3	80	-	-	-
TOTAL	6 642	5 837	805	7 161	6 324	837

4.3 Programme 3: Industry and Capacity Development

The purpose of the programme is to manage enterprise development, BDM and industry research and analysis.

The programme's functions are organised into the following subprogrammes:

- **Enterprise Development**, which manages enterprise development.
- **BDM**, which manages digital migration.
- **Industry Research and Analysis**, which manages industry research and analysis.
- **Intergovernmental Relations and Stakeholder Management**, which manages intergovernmental relations and stakeholder relations.

Strategic objectives for the financial year under review:

- Support the growth and development of the creative industries by 2019.
- Manage digital broadcasting migration by 2019.
- Strengthen support and interrelations with stakeholders by 2019.
- Market the country locally and internationally to provide an enabling environment for investment by 2019.

Strategic objectives, performance indicators, planned targets and actual achievements

Programme name: Broadcasting Digital Migration

Strategic objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement 2017/18	Comment on deviations
Manage BDM by 2019	Analogue signal was switched off in the core towns of the Square Kilometre Array in the Northern Cape	Analogue signal switched off in 88 borderline towns within seven provinces	Analogue signal was not switched off in 88 borderline towns within seven provinces	Analogue signal was not switched off in 88 borderline towns within seven provinces	The analogue signal could not be switched off due to the absence of Direct to Home STBs as a result of cancellation of the contracts by USAASA with manufacturers Delivery model is being explored with participating SOEs

Performance indicators

Programme/Subprogramme: Broadcasting Digital Migration

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Number of digital broadcasting awareness campaigns (<i>Izimbizo</i>) held per year	A number of awareness campaigns (<i>Izimbizo</i> , evening news coverage and TV breakfast show) were held and an average of 20 452 879, 44 TV-owning households were reached	69 digital migration broadcasting awareness campaigns were conducted	10 digital migration broadcasting awareness campaigns (<i>Izimbizo</i>) held	58 (five <i>Izimbizo</i> and 53 awareness campaigns) digital migration broadcasting awareness campaigns were held	The overachievement was as a result of exploring other innovative ways of conducting awareness campaigns Partnerships established with national departments, provincial governments and municipalities across different provinces	None
Number of reports showing consumer access to digital broadcasting, particularly those with government-subsidised STBs, compiled	Registrations of qualifying TV-owning households commenced in October 2015 in the Northern Cape. Distribution of the government-subsidised STBs commenced in December 2015 as a result one report on consumer access to digital broadcasting was compiled	Four quarterly reports showing consumer access to digital broadcasting were compiled	Four quarterly reports showing consumer access to digital broadcasting compiled	Four quarterly reports showing consumer access to digital broadcasting were compiled	None	None

Subprogramme: Intergovernmental Relations and Stakeholder Management

Programme name: Intergovernmental Relations and Stakeholder Management

Strategic objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement 2017/18	Comment on deviations
Strengthen support, guidance and interrelations with stakeholders by 2019	11 stakeholder engagements were coordinated	10 stakeholder engagements coordinated	10 stakeholder engagements were coordinated as follows: a. Interdepartmental Meeting in preparation for WIPO's 34th Session of the SCCR. b. BRICS Interdepartmental. c. 24th BRICS IDTSOT. d. Interdepartmental meeting in preparation for the 57th Session of the WIPO General Assembly. e. South Africa-EU Interdepartmental Steering Committee. f. 3rd NPWG meeting in preparation of the WRC. g. Draft IP Policy Workshop. h. Preparatory Meeting for WIPO SCCR. i. South Africa-Russia ITEC Interdepartmental Meeting. j. Interdepartmental meeting on Central Africa.	None	None
Market the country locally and internationally to provide an enabling environment for investment by 2019	Multilateral (WIPO/ SCCR) and bilateral (China, Russia) partnerships were negotiated	Four multilateral partnerships coordinated (WIPO, ITU, SADC, ATU)	Four multilateral partnerships were coordinated with WIPO, ITU, SADC and ATU	None	None

Performance indicators

Programme/Subprogramme: Intergovernmental Relations and Stakeholder Management

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Number of position papers tabled at multilateral engagements	N/A	Two position papers were tabled at the multilateral and bilateral engagements	Two position papers tabled at multilateral engagements – WIPO and WRC-19	Two position papers were tabled on WIPO and WRC-19 at multilateral engagements	None	None

Strategy to overcome areas of underperformance

The DoC manages performance in the following manner:

- Quarterly reports are presented to the Minister and discussed at Manco, ARC and PCC meetings for interventions.
- A report on targets that were not achieved is compiled and submitted to Manco for decision-making on corrective measures.

Changes to planned targets

During the layout and design of the APP, some targets were erroneously omitted and a subprogramme was also misnamed. The following corrections were communicated with the DPME on rectifying the Quarterly Performance Reporting Template for in-year monitoring and reporting.

1. Under Programme 3: Industry and Capacity Development, the Subprogramme “Media Policy was substituted with Broadcasting Digital Migration.
2. The last error is that there has been an omission under Programme 3: Industry and Capacity Development, Subprogramme: Intergovernmental Relations and Stakeholder Management, Programme Performance Indicator “Number of Stakeholder engagements coordinated”, Reporting period is Quarterly, with an Annual Target of 10 Stakeholder engagements coordinated - Q1: 2, Q2: 3, Q3: 3 and Q4: 2.

Linking performance with budgets: Subprogramme expenditure

Subprogramme name	2017/18			2016/17		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1. Enterprise Development	801	3	798	1 610	207	1 403
2. Broadcasting Digital Migration	18 840	15 147	3 693	40 715	27 868	12 847
3. Industry Research and Analysis	3 932	3 844	88	5 450	5 394	56
4. Intergovernmental Relations and Stakeholder Management	2 472	2 406	66	-	1 697	(1697)
TOTAL	26 045	21 400	4 645	47 775	35 166	12 609

4.4 Programme 4: Entity Oversight

The purpose of the programme is to monitor the implementation of policies by state-owned and regulatory institutions, and to provide guidance and oversight on their governance matters.

The programme's functions are organised into the following subprogrammes:

1. **Broadcasting and Community Media**, which monitors the implementation of broadcasting and community media policies and provides guidance and oversight over the governance matters of SOEs.
2. **SOE Communication and Branding**, which monitors the implementation of communications and branding policies and provides guidance and oversight over the governance matters of SOEs.
3. **Regulatory Institutions**, which monitors the implementation of policies and provides guidance and oversight over the governance matters of regulatory institutions.
4. **Strategy and Policy Alignment**, which ensures entity strategy and policy alignment to the departmental mandates and manages entity funding.

Strategic objectives for the financial year under review

- Improve capacity of the entities to deliver by 2019
- Ensure viability and sustainability of SOEs by 2019.

Strategic objectives, performance indicators, planned targets and actual achievements

Subprogramme: Strategy and Policy Alignment

Strategic objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement 2017/18	Comment on deviations
Improve capacity of the entities to deliver by 2019	One shareholder compact and three accountability instruments for 2016/17 were signed One shareholder compact and three accountability instruments for 2017/18 were developed	One shareholder Compact and three accountability instruments	The 2018/19 shareholder compact for SABC and accountability instruments for MDDA, Brand South Africa and FPB were developed	The 2018/19 shareholder compact for SABC and accountability instruments for MDDA, FPB and Brand South Africa were not signed	The inability of the department to finalise the 2018/19 accountability instruments was as a result of prolonged consultation on separating operational matters from accountability instruments and changes in executive authorities The department will strengthen the Entity Oversight unit on the process of compiling the accountability instruments in order to ensure finalisation of the 2018/19 accountability instruments in the 2018/19 financial year
	2016/17 performance agreements of ICASA Chairperson and councillors were not signed	Performance agreements of the Board and councillors of ICASA signed	Draft performance agreements of ICASA Chairperson and other councillors were developed	Performance agreements of ICASA Chairperson and other Councillors were not signed	The performance agreements could not be finalised owing to prolonged consultation on separating operational matters from performance agreements The department will ensure full compliance to the ICASA Act of 2000, including the signing of performance agreements The Minister will also to address the concerns of councillors on the contents of the agreements

Strategic objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement 2017/18	Comment on deviations
Ensure viability and sustainability of SOEs by 2019	Public entities' governance policy protocols were developed and 10 governance forums were coordinated	Facilitate the implementation of public entities' governance policy	Public entities' governance policy was implemented and a report was compiled on entity governance forum coordinated as per governance policy	None	None
	N/A	12 funding requests compliant to the drawdown conditions	29 funding requests compliant to the drawdown conditions were processed	The target was overachieved by 16	The transfers were processed quarterly The SABC is funded to deliver on three distinct projects: Channel Africa, Public Broadcaster and Programme Production, as per the ENE

Performance indicators

Programme/Subprogramme: Strategy and Policy Alignment

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Number of entities quarterly oversight reports submitted to the Executive Authority	2015/16 quarterly entity oversight reports were submitted to the Executive Authority	Five annual reports were analysed and submitted to the Executive Authority for tabling Analysis reports and feedback letters for 20 quarterly entity oversight reports were compiled	20 quarterly oversight reports of entities (SABC, MDDA, Brand South Africa, FPB and ICASA) reports submitted to the Executive Authority	20 quarterly oversight reports of entities (SABC, MDDA, Brand South Africa, FPB and ICASA) were submitted to the Executive Authority	None	None

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Number of entities' annual oversight reports submitted to the Executive Authority	N/A	Five annual reports were analysed and submitted to the Executive Authority for tabling	Five (SABC, MDDA, Brand South Africa, FPB and ICASA) annual oversight reports submitted to the Executive Authority	Five (SABC, MDDA, Brand South Africa, FPB and ICASA) annual reports were submitted to the Executive Authority	None	None
Number of reports on alignment of entities' strategies to departmental priorities submitted to the Executive Authority	Two reports on alignment of entities' strategies to departmental priorities were compiled	10 reports (two per entity) on alignment of entities' strategies to departmental priorities were compiled and submitted to the Executive Authority	Two reports on alignment of public entities' (SABC, MDDA, Brand South Africa, FPB and ICASA) strategies to departmental priorities submitted to the Executive Authority	Two reports on alignment of public entities' (SABC, MDDA, Brand South Africa, FPB and ICASA) strategies to departmental priorities were compiled and submitted to the Executive Authority	None	None
Number of reports compiled on entity governance forums coordinated as per governance policy	Monitoring report on the performance of regulatory institutions compiled and no policy direction was required	Four reports were compiled on 10 entity governance forums coordinated as per governance framework	Two reports compiled on entity governance forums coordinated as per governance policy	Two reports were compiled on entity governance forums coordinated as per governance policy	None	None

Strategy to overcome areas of underperformance

The DoC manages performance in the following manner:

- Quarterly reports are presented to the Minister and discussed at Manco, ARC and PCC meetings for interventions.
- A report on targets that were not achieved is compiled and submitted to Manco for decision-making on corrective measures.

Changes to planned targets

N/A

Linking performance with budgets: Subprogramme expenditure

Subprogramme name	2017/18			2016/17		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Management for Entity Oversight	3 418	3 425	(7)	4 558	4 142	416
Broadcasting and Community Media	205 019	205 012	7	206 511	206 870	(359)
Communication and Branding	595 750	595 750	-	566 442	566 442	-
Regulatory Institutions	522 067	522 067	-	459 543	459 543	-
TOTAL	1 326 254	1 326 254	-	1 237 054	1 236 997	57

5. TRANSFER PAYMENTS

5.1 Transfer payments to public entities

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Brand South Africa	Brand South Africa was established as a trust in 2002 and gazetted as a schedule 3A public entity in 2006, in accordance with the PFMA of 1999. Its purpose is to develop and implement proactive and coordinated international marketing and communications strategy for South Africa, to contribute to job creation and poverty reduction, and to attract inward investment, trade and tourism.	194 300	194 300	Concluded research studies on domestic perception as well as international reputation and the perception of National Brand. Implemented <i>Play Your Part</i> activities in all nine provinces. Improved Nation Brand reputation and perception. Coordinated and implemented programmes in partnership with civil-society stakeholders (OR Tambo Centenary Lecture with the Tambo Foundation; Memories of the Struggle Exhibition with Australian High Commission and Australasian, UN in South Africa Exhibition with the UN.
FPB	The FPB regulates and controls the creation, production, possession, exhibition and distribution of films, interactive computer games and certain publications in terms of the Films and Publications Act of 1996. The board is also responsible for monitoring age restricted business premises for compliance with their licence and registration terms.	R91 684 000	Funds used – R84 944 422.12 Funds committed – R6 739 577.88	The FPB achieved 82% of its targets during the 2017/18 financial year 18% not achieved Two targets (11%) of the 18% was deferred to the 2018/19 financial year: 1. Tariff structure developed and approved The draft tariff structure to be approved by council and Minister envisaged to be achieved in Q2 of the 2018/19 financial year 2. Implementation of reviewed guidelines Roll-out of the second round of public consultations on the draft classification guidelines, draft guidelines to be approved by council in Q3 of the 2018/19 financial year

<p>ICASA</p>	<p>ICASA was established by the ICASA Act of 2000, as amended, to regulate the South African communications, broadcasting and postal service sectors. The regulator's mandate is defined in the ECA of 2005 as licensing and regulating electronic communications and broadcasting services, and in the Postal Services Act of 1998 as regulating the postal services sector. Enabling legislation also empowers the regulator to monitor licensee compliance with the licence terms and conditions, develop regulations for the three sectors, plan and manage radio frequency spectrum, and protect consumers in relation to these services.</p>	<p>430 383</p>	<p>451 898 091</p>	<p>The completion of 50% of licensing processes for broadband spectrum, 50% of migration plan revision, production of four frequency spectrum assignment plans and completion of 30% of International Mobile Telecommunication roadmap all meant to increase access to broadband spectrum from 566 Megahertz (MHz) to 958 MHz by 2019/20. Two research reports on frameworks on dynamic and opportunistic spectrum management and one regulatory framework on TV white space spectrum were completed in contribution towards development of regulatory frameworks for the use of dynamic and opportunistic spectrum, which also contribute to the increase of access to broadband spectrum from 566 MHz to 958 MHz by 2019/20.</p> <p>The completion of 50% of licensing processes for commercial free to air (FTA) TV broadcasting services, completion of 50% of licensing processes of MUX 3 spectrum capacity which constitute Publication of Notice regarding applications for 55% of MUX 3 spectrum capacity for FTA TV broadcasting services and completion of the publication of the Amended/ New Number Portability Regulations all of which contribute to the promotion of competition and reduction of costs of electronic communications, electronic communications networks, postal and broadcasting services.</p>
--------------	--	----------------	--------------------	---

MDDA	The MDDA was set up in terms of MDDA Act of 2002 to enable historically disadvantaged communities and individuals to gain access to the media. The mandate of the agency is to create an enabling environment for media development and diversity that reflects the needs and aspirations of all South Africans; redress the exclusion and marginalisation of disadvantaged communities and people from access to the media and the media industry; and promote media development and diversity by providing support primarily to community and commercial media projects. The overall objective of the agency is to ensure that all citizens can access information in a language of their choice, and to transform media access, ownership and control patterns in South Africa.	30 005	84 151	Funded a total of four community radio stations and small commercial media projects each across provinces for the first time. Two community print media projects were funded. Produced four newsletters and implemented one publicity campaign. Produced 80 monitoring and 35 evaluation reports on community media. Signed MoUs with partners that enhance MDDA's projects' environment. Conducted six training interventions such as learning forums and grantee-orientation workshops. Three partnership agreements were concluded with accredited learning and training institutions. Achieved ICASA local content quotas as per terrestrial TV licence conditions. The public broadcaster scheduled content that reflect South African stories.
SABC	The SABC is listed as Schedule 2 public entity in terms of the PFMA of 1999. Its mandate is set out in its charter and in the Broadcasting Act of 1999, as amended, and requires it to provide radio and TV broadcasting services to South Africans.	173 766	173 766	Eight provincial programmes were shown on the SABC platforms. The SABC broadcasted one hour, 48 minutes marginalised content per week during the 2017/18 financial year. A total of seven websites were upgraded.

6. CONDITIONAL GRANTS

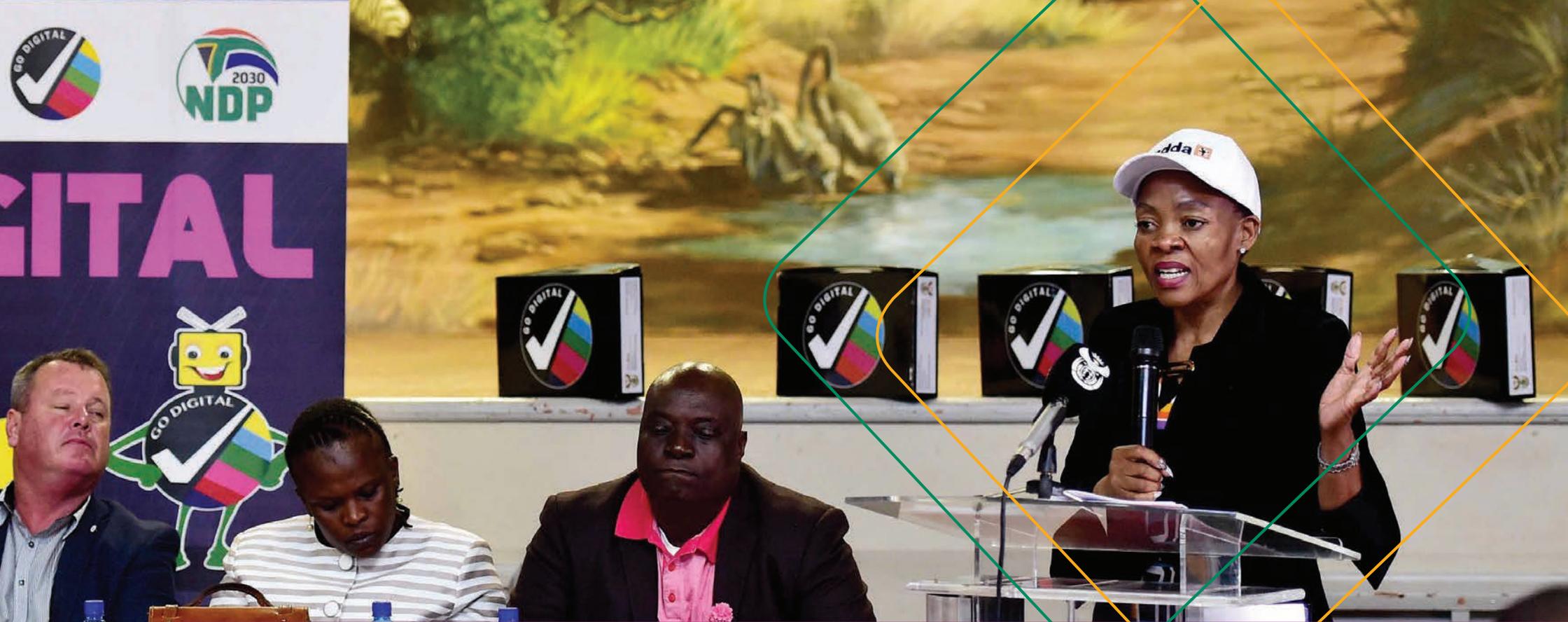
Not applicable.

7. DONOR FUNDS

Not applicable.

8. CAPITAL INVESTMENT

The department plans to leave the GCIS building and rent its own building.



PART C:

GOVERNANCE

SOUTH AFRICA

1. INTRODUCTION

The DoC is committed to continuously strengthening compliance, managing risks and upholding good governance within the risk, control and governance environment. This is fundamental to the management of public finance and the assurance that the use of the department's resources is effective, efficient and realises optimum value for money.

The department ensures continuous monitoring, reviewing and evaluation of mechanisms aimed at mitigating identified strategic and operational risks.

2. RISK MANAGEMENT

In terms of Section 38(1) of the PFMA of 1999, as amended, the Accounting Officer must ensure that the department develops and maintains effective, efficient and transparent systems of financial and risk management and internal control. Towards the end of the 2017/18 financial year, the department filled the post of Director: Internal Audit and Risk Management. The DoC managed to put in place plans to address every risk to which the department may be exposed to, ensuring that risks are managed and/or mitigated to an acceptable level. The department ensures that risk is not only seen as a threat, but as an opportunity to enhance its commitment to continuous improvement.

The risk management process is aligned with the planning and objective-setting process of the department. The ARC has developed and approved a strategic risk register which contains risks that are considered to impede the achievement of the DoC's strategic objectives has been developed and approved by the ARC. Divisions within the department compiled risk registers aligned with divisional operational plans. Both the strategic and operational risks are monitored quarterly and will be reported to the Audit and Risk Management Committee.

3. FRAUD AND CORRUPTION

The DoC is committed to a zero-tolerance approach to fraud and corruption. The fraud-prevention policy, strategy and plan assist in driving initiatives to ensure that

employees of the DoC and the public are encouraged to report any suspicious activities. Since the department is still accommodated in the GCIS building, the GCIS Risk Management unit broadcasted fraud prevention messages on Did You Know posters and promoted the toll-free National Anti-Corruption Hotline (0800 701 701) as part of the initiative to encourage the reporting of any form of fraudulent and/or corrupt activity.

A process of identifying fraud risks was undertaken and a fraud risk register has been developed. The following functional areas have been identified as areas that might be susceptible to fraud and corruption:

- HR on payment of ghost employees;
- Finance on travel claims and misuse of landlines and 3G cards;
- SCM on collusion in relation to tenders.

The other fraud prevention measures entail pre-screening of all job applicants before appointments are made. SMS and designated employees are obliged to disclose their financial interests annually and all employees are required to obtain approval to perform any remunerative work outside the Public Service.

4. MINIMISING CONFLICT OF INTEREST

The department enforces the mandatory financial disclosure requirement of all SMS members and designated employees as regulated by the Public Service Regulations (PSR), 2016. The processes outlined in the PSR of 2016 are implemented by the executing authority in instances of officials failing to adhere to this requirement. Awareness was also made regarding the prohibition of employees to do business with any organs of state, or of being a director of a public or private company conducting business with an organ of state as outlined in the PSR of 2016.

All employees who seek to perform remunerative work outside of their official duties are required to obtain the necessary permission to enable the department to determine if there is any conflict of interest or the employee's private work is not interfering with his/her official duties.

All panel members of recruitment interviews declare their interests to ensure that there is no conflict of interest in the appointment processes of the department.

5. CODE OF CONDUCT

To promote and maintain a high standard of professional ethics in the department, employees are expected to adhere to the Code of Conduct for the Public Service as outlined in the PSR, 2016. New employees are inducted on the Code of Conduct and it is enforced through policies and circulars. The Public Service Commission (PSC) conducted a Code of Conduct workshop for all departmental employees on 13 September 2017. The Code of Conduct is also periodically circulated to all employees. Compliance with the Code enhances professionalism and helps to ensure confidence in the Public Service. Non-compliance to the Code is handled in terms of the Public Service Coordinating Bargaining Council (PSCBC) Resolution 1 of 2003 and Chapter 7 of the *Senior Management Handbook* which deals with misconduct.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The DoC is sharing office accommodation with the GCIS and the DoC has appointed its own Occupational Health and Safety (OHS) officers to serve in the OHS Committee comprising officials from the two departments.

7. PORTFOLIO COMMITTEES

The following table contains the dates and topics for meetings with the PCC.

DATE	TOPIC	MATTERS RAISED BY THE COMMITTEE	DEPARTMENTAL RESPONSE
2 May 17	Discussion on the DoC APP	The committee noted the presentation	Not applicable
3 May 17	Discussion on the FPB APP	<ul style="list-style-type: none"> To engage the committee on the FPB Amendment Bill. To table a comprehensive report on the suspensions at the FPB. 	<ul style="list-style-type: none"> The committee was briefed on the FPB Amendment Bill on 23 May 2017 A comprehensive report was submitted to the committee
	Discussion on the ICASA APP	To foster collaboration with the DTSPS on the <i>ICT White Paper</i> .	The DoC engaged with the DTSPS on the ICT White Paper.
9 May 17	Discussion on the MDDA APP	The presentation was noted. Issues raised by the committee were responded to at the meeting.	Not applicable
	Discussion on the Brand South Africa APP	The presentation was noted. Issues raised by the committee were responded to at the meeting.	Not applicable
10 May 17	SABC APP presentation	Extensive discussion was held on the SABC APP. All issues raised were responded to at the meeting.	Not applicable
16 May 17	Film and Publication Amendment Bill: Socio-Economic Impact Assessment (SEIAS)	The committee was briefed on the amendments to the Bill and the SEIAS. The SEIAS report. The committee resolved that there should be permission from the National Assembly on the fundamental changes to the Bill that was originally tabled.	The committee deliberated on the amendments clause by clause on 23 May 2017.
	MDDA and ICASA vacancies	Filling of vacancies is critical. The FPB to re-advertise to allow more women to apply. The MDDA recruitment process should continue.	<ul style="list-style-type: none"> The FPB recruitment process was reported to be at its final stage. The MDDA CEO resigned. The recruitment process is at an advanced stage.
23 May 17	Films and Publications Amendment Bill: SEIAS	The DoC to consider whether the Bill was in line with the Bill of Rights and subsequent jurisprudence, and to address cost of uncertainties related to fee and tariff structure. The potential disproportionate effect needs to be addressed.	All matters arising were actioned. The Films and Publications Amendment Bill was approved by the PCC and is before the NCOP for consideration.
30 May 17	DoC Quarter 4 performance report	<ul style="list-style-type: none"> The department should make available the report on the analysis of the performance of the entities reporting to it. The department must make available the report on the status of community radios. 	<ul style="list-style-type: none"> The report was provided to the committee.

DATE	TOPIC	MATTERS RAISED BY THE COMMITTEE	DEPARTMENTAL RESPONSE
13 June 17	2016/17 4th quarter expenditure and Performance report of the SABC	<ul style="list-style-type: none"> SABC to provide a comprehensive report on the progress made in the implementation of the BDM policy and challenges encountered in implementing the project. To communicate and explain to stakeholders the position on the 90/10 local content policy. Ensure that the broadcaster is proactive enough to ensure that there is continuity and the work of the interim board does not go to waste post the end of the six month term. SABC to consider opening up the parliamentary channel. 	<ul style="list-style-type: none"> The report was made available. Decision has been reversed since, reverting to the ICASA quota. A Board was appointed in October 2017 and relevant handover reports done. Discussions are underway on the proposal for parliamentary channel.
6 September 17	DoC Quarter 1 performance report	<ul style="list-style-type: none"> Minister should provide a comprehensive report about the Gugulethu Community Radio matter. To compile a report on the financial matters of all entities as raised by the committee. 	<ul style="list-style-type: none"> A report is available. The committee was apprised on the financial matters of entities.
14 September 17	MDDA status report	To intervene and take corrective steps to turn the agency around.	Greater oversight is provided to the MDDA.
3 October 17	DoC 2016/17 Annual report presentation	The DoC to fill in critical positions.	Critical positions were identified and filled.
5 October 17	ICASA 2016/17 Annual Report presentation	To report to the committee a on the suspension of the CEO and not following processes for the suspension.	A report was submitted to the committee.
	FPB 2016/17 Annual Report presentation	<ul style="list-style-type: none"> The FPB Council to report on the suspension of the CEO and not following processes for the suspension. FPB to work with DeafSA to educate the deaf community on pornography. 	<ul style="list-style-type: none"> A report was submitted to the committee. FPB has engaged with DeafSA. FPB Child Protection Officer received Sign Language training in January 2018, to enable better communication when engaging with the deaf community.
10 October 17	SABC 2016/17 Annual Report	Concern raised on the SABC financial crisis and its inability to meet its contractual obligations.	National Treasury was engaged on the government guarantee.
	MDDA 2016/17 Annual Report	<ul style="list-style-type: none"> Concern raised on the poor governance at the MDDA owing to critical vacancies. To present the board with an audit action plan of all entities. 	<ul style="list-style-type: none"> The committee undertook to conduct an investigation into the state of the MDDA. The committee is timeously apprised on progress in implementing the audit actions.
11 October 17	Brand South Africa 2016/2017 Annual Report	The report was noted. Matters raised by the committee to be considered by Brand South Africa	Not applicable

DATE	TOPIC	MATTERS RAISED BY THE COMMITTEE	DEPARTMENTAL RESPONSE
14 November 17	Brand South Africa Quarter 1 performance report	Ensure that Brand South Africa and GCIS work together	Brand South Africa and GCIS have committed to work together. Planning meetings are held
21 November 17	Films and Publications Amendment Bill finalisation	The committee adopted the FPB Amendment Bill	Not applicable
27 November 17	Briefing on the treaties/international agreements signed with the neighbouring countries between 2014 and 2017	The committee adopted the report on the agreements signed with neighbouring countries	Not applicable
	Consideration of ICASA and FPB reports on the removal of the CEOs	The committee adopted the reports and resolved that the committee will address the matter further.	Not applicable
23 January 2018	Broadcasting Digital Migration	<ul style="list-style-type: none"> To establish partnerships for implementation. The deaf community must be included and assisted in the registration process. 	Work in progress noted
06 February 2018	CEO removal at ICASA & FPB; ICASA Chairperson conviction	<p>The committee deliberated extensively on the reports provided by ICASA and FPB.</p> <ul style="list-style-type: none"> To provide the committee with an Entity Oversight Strategy. 	The Entity Oversight Strategy is being finalised
27 February 2018	MDDA Board impact study findings	The committee noted the findings of the impact study conducted by the MDDA.	Not applicable
13 March 2018	2017/18 2nd Quarter Performance Reports and plans to mitigate AGSA audit findings	<ul style="list-style-type: none"> To submit the information economic classification per programme. Submit a database on installer training per municipality 	The information was submitted to the committee
20 March 2018	SABC Quarter 2 performance report	<ul style="list-style-type: none"> To engage with NT on the SABC funding and guarantee. Committee to invite authors of the letter on allegations of awarding a contract to Security Company linked to board members. 	<ul style="list-style-type: none"> The department is engaging National Treasury. The security company contract is being investigated.
	ICASA Quarter 2 performance report	The second quarter performance report was adopted	Not applicable
27 March 2018	FPB Quarter 2 performance report	<p>The committee adopted the report.</p> <ul style="list-style-type: none"> To fast track the appointment of the CEO 	<ul style="list-style-type: none"> The recruitment process is being finalised
	MDDA Quarter 2 performance report	The committee adopted the report and resolved to visit the MDDA to address areas of concern.	Not applicable

8. STANDING COMMITTEE ON PUBLIC ACCOUNTS (SCOPA)

During the period under review, the department did not appear before SCOPA and there are no SCOPA resolutions to report.

9. PRIOR MODIFICATION TO AUDIT REPORTS

There has been no modification of the audit report.

10. INTERNAL CONTROL UNIT

10.1 Internal audit and audit committees

The audit committee plays an important role in ensuring that an entity functions according to good governance, accounting and audit standards. It also monitors the adoption of appropriate risk management arrangements.

10.2 Objectives of the Internal Audit

Provide professional internal audit services for the improvement of governance, risk and control.

10.3 Key Activities of the Internal Audit:

Senior management and the Audit Committee (AC) rely on Internal Audit for independent objective assurance and insight on the effectiveness and efficiency of the Department's governance, risk management and internal control processes. The Internal Audit Activity focused primarily on providing professional audit services to management and the Audit Committee, and conducting activities efficiently and effectively in accordance with professional standards for internal auditors. In assisting the Audit Committee in their oversight role, the Internal Audit Activity developed a three-year risk-based internal audit plan, guided by the Department's

strategic documents and risk profile for the committee's approval. Emerging risks and issues were considered when completing the audit plan. Internal Audit Activity conducted a follow-up of audit recommendations to ensure value is derived from the auditing performed.

10.4 Work done by Internal Audit

Internal Audit Activity completed the risk-based audit plan during the year, comprising of internal audits and project audits. Internal Audit Activity selected and prioritised the audit engagements for the year according to risk exposure, external audit reports, Management Performance Assessment Tool (MPAT) results, the complexity of the area, management priority (which reflects the level of interest in an area expressed during consultation with senior management), and lack of previous coverage, as well as ad hoc audit requests.

Audit work focused on control weaknesses identified in the areas of performance information, SCM processes, Asset Management, Human Resource Development (HRD), IT audits, follow up of internal of internal and external audit findings, Organisational APP and Technical Indicator Descriptors 2018, including three entities and reviews of financial statements. The Internal Audit Activity also performed an audit on performance information and the Management Performance Assessment Tool (MPAT) 2017, Auditor-General Dashboard.

10.5 Annexure B: Report of the Audit Committee

We are pleased to present our report for the financial year ended 31 March 2018. The Audit Committee consists of the members listed hereunder and meets at least four times per year as per its approved Audit Committee Charter. Four meetings were held (as well as an induction for new members), and below-mentioned are records of the profiles of each member of the committee and their attendance of Audit Committee meetings.

Name of the member	Qualifications	Internal or external member	If internal, position in the department	Date appointed	Date resigned	No. of meetings attended
Ndanduleni Makhari	<ul style="list-style-type: none"> Independent Review Certification Advanced Certificate in Auditing Certificate in the Theory of Accountancy Honours: Bachelor of Accounting Science Higher Education Diploma (postgraduate) Bachelor of Commerce Diploma in State Finance and Auditing 	External member		November 2015	Term ended November 2017	2/2
Thilivali Ramawa	<ul style="list-style-type: none"> B.Com Accounting Postgraduate Diploma in Accountancy Chartered Accountant (CA/SA) 	External member		November 2015	Term ended November 2017	1/2
Massacha Mbonambi	<ul style="list-style-type: none"> Bachelor of Accounting B.Com Honours (Accounting) Certificate in Board Governance Certificate in Enterprise-wide Risk Management 	External member		November 2015	Resigned July 2017	1/2
Ayanda Pearl Zinhle Mafuleka	<ul style="list-style-type: none"> Chartered Accountant B. Comp (Honours) CTA B. Comp Degree Advanced Financial Management Certificate 	External member		March 2018		2/2
Ntokozo Makhosazane Gugulethu Langa	<ul style="list-style-type: none"> Chartered Accountant Bachelor of Accountancy (CTA) Bachelor of Accountancy Advanced Diploma in Auditing National Certificate Financial Markets and Instruments 	External member		March 2018		1/2

Joshua Motjuwadi	<ul style="list-style-type: none"> • Bachelor of Science • Executive Development Programme (EDP) • Delivering Information Services (DIS) 	External member		March 2018		2/2
------------------	---	-----------------	--	------------	--	-----

10.6 Objectives of the Audit Committee

Provide oversight services to the DoC on the adequacy and effectiveness of governance, risk management, the system of internal control, and the assurance services.

10.7 Key activities of the Audit Committee

- i. Review the AFS to ensure they are fairly presented, complete and reflect appropriate accounting principles as per Modified Cash Standards;
- ii. Review other sections of the annual report before release and consider the accuracy and completeness of the information in line with the relevant prescripts;
- iii. the quality of in-year management and quarterly reports submitted in terms of the PFMA of 1999 and Treasury Regulations;
- iv. Review the Internal Audit charter, strategic and operational plans, internal audit activities, staffing and organisational structure of the IAA, progress report against annual operational plan, and compliance with IAA Standards;
- v. Review the risk management framework (including the risk policy, strategic and plan) for identifying, assessing, monitoring and managing significant risks and implementation thereof, including reporting;
- vi. Review the provision as per MoU signed with GCIS, the governance and management of the ICTs in conformance with the government-wide Corporate Governance ICT Framework and related prescripts, including reporting.
- vii. Review the AG's (external auditors') proposed Audit Strategy and Engagement Letter and approach, including audit fees and coordination of audit efforts with Internal Audit.
- viii. Monitor implementation by management of the agreed audit action list with recommendations arising from Internal and External Audit reports.

10.8 Summary of the work done by the Audit Committee

- i. **Risk Management** – considered and recommended for approval by the DG the risk management strategy, risk assessment report, policy, fraud risk strategy, fraud policy and fraud implementation plan. The committee also received progress reports on the implementation of risk mitigation plans;
- ii. **Financial Management and Reporting** – received and considered the expenditure against budget for the year under review including Interim Financial Statements;
- iii. **Performance Planning and Reporting** – received and considered the APP and related Technical Indicators, as well as Quarterly Performance Information reports including progress on the implementation of the catch-up plans for missed quarterly targets;
- iv. **Internal Audit** – received and considered the Internal Audit Charter, revised risk-based Three-Year Rolling Plan 2017-2020 and Annual Operational Plan 2017/18, Audit Committee Charter, Progress Reports against approved Annual Internal Audit Plan, as well as detailed audit reports on the audit projects performed; The committee also considered Internal Audit assessment of the implementation by management of previous audit recommendations of Internal Audit and AG;
- v. **AG** – received and considered the Audit Strategy, Engagement Letter, Communication Protocols and Final Management Letters, including Final Audit Report for 2017/18.

10.9 Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38(1) (a) (ii) of the PFMA of 1999 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, except that we have not reviewed changes in accounting policies and practices.

10.10 The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the department revealed certain weaknesses, which were then raised with the department.

Areas selected for audit included:

- Performance audit
- SCM processes
- Asset Management
- Financial statements reviews
- IT audits
- HR management
- Follow up of internal of internal and external audit findings
- The Management Performance Assessment Tool.

10.11 The following were areas of concern raised by Internal Audit:

Area covered	Audit concern
Q2 Performance	<p>The following areas of concerns were raised by Internal Audit:</p> <ul style="list-style-type: none"> • Over/understatement of commitments, accruals, and payables. • Supporting schedules to substantiate disclosure items relating to assets not provided, partially due to assets that could not be accounted for that are under investigation. • Reported achievements not consistent with predetermined indicators and targets. • Insufficient and relevant portfolio of evidence to support reported achievements. • Weaknesses over administration of leave, performance management, and vetting of employees. • Recurring weaknesses around the controls over manual suppliers' orders, system for receipt and payment of invoices within 30 days, and the impact of the aforementioned to general commitments, accruals, and payables. • Weaknesses were noted with regard to the administration of user access controls and monitoring of users and administrators' activities. • Some of the accountability instruments with entities not signed off, measures to ensure effective controls are in place prior to transfer of quarterly tranches not adhered to, and monitoring of quarterly performance reports and corrective actions not adequate. • Comprehensive project management plan and monitoring and evaluation framework not in place. Weaknesses around management of the stock on hand of the STBs. Installations reported not consistent with the sampled site inspections performed.
Quarterly Performance Reports 2017/18	
Quarterly IFS (Q2 and Q3)	
AR 2017/18	
AFS 2017/18	
SCM Review	
HRM Review	
Follow-up Reviews	

10.12 In-Year Management and Monthly/Quarterly Report

The department has reporting monthly and quarterly to the Treasury as is required by the PFMA of 1999. The Audit Committee considered the Interim Financial Statements and Quarterly Performance reports, together with statements of expenditure against budget including intervention measures to ensure compliance with all relevant prescripts.

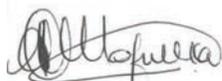
10.13 Evaluation of Financial Statements and Annual Performance Report

We have reviewed the AFS and performance report prepared by the DoC prior- and post-submission to the AG, and are satisfied that both these reports are a fair reflection of the state of affairs for DoC for the financial year 2017/18.

11. Audit Committee Report

We have reviewed the department's implementation plan and progress reports for audit issues raised in the previous year and we are satisfied that the matters have been adequately resolved.

The Audit Committee concurs and accepts the conclusions of the AG on the AFS and performance report, and is of the opinion that the audited AFS and performance report be accepted and read together with the report of the AG.



Ms Ayanda Mafuleka CA (SA)

Chairperson of the Audit Committee

DoC

31 July 2018



PART D:

HUMAN RESOURCE MANAGEMENT

1. Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- Amount spent on personnel
- Amount spent on salaries, overtime, homeowner's allowance and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2017 to 31 March 2018

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	65 577.00	42 410.00	51.00	0.00	64.70	428.00
Communication Policy, Research and Development	5 837.00	4 409.00	0.00	0.00	75.50	45.00
Entity Oversight	1 326 254.00	4 236.00	0.00	0.00	0.30	43.00
Industry and Capacity Development	21 322.00	13 429.00	0.00	0.00	63.00	136.00
TOTAL	1 418 989.00	64 484.00	51.00	0.00	4.50	651.00

Table 3.1.2 Personnel costs by salary band for the period 1 April 2017 to 31 March 2018

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
1 lower skilled (levels 1-2)	0.00	0.00	0	0.00
2 skilled (levels 3-5)	872.00	1.3	5	218 000.00
3 highly skilled production (levels 6-8)	5853.00	9.0	26	333 818.00
4 highly skilled supervision (levels 9-12)	12 808.00	19.86	25	640 400.00
5 senior management (levels 13-16)	24 952.00	38.69	22	1 084 870.00
Contract (levels 3-5)	335.00	0.51	5	167 500.00
Contract (levels 6-8)	2 633.00	40.6	3	438 833.00
Contract (levels 9-12)	4 595.00	7.12	2	656 429.00
Contract (levels 13-16)	12 115.00	18.78	4	1 211 500.00
Periodical remuneration	321.00	0.49	7	64 200.00
TOTAL	64 484.00	4.68	99	666 616.00

Table 3.1.3 Salaries, Overtime, Homeowner's Allowance and Medical Aid by programme for the period 1 April 2017 to 31 March 2018

Programme	Salaries		Overtime		Homeowner's Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	Homeowner's Allowance as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
DoC: Administration	37 794.00	86.50	438.00	1.00	518.00	1.20	667.00	1.50
DoC: Communication Policy Research and Development	3 826.00	85.70	6.00	0.10	84.00	1.90	102.00	2.30
DoC: Entity Oversight	3818.00	89.80	2.00	0.00	5.00	0.10	53.00	1.20
DoC: Industry and Capacity Development	12 499.00	85.30	30.00	0.20	75.00	0.50	128.00	0.90
TOTAL	57 937.00	86.40	475.00	0.70	682.00	1.00	951.00	1.40

Table 3.1.4 Salaries, Overtime, Homeowner's Allowance and Medical Aid by salary band for the period 1 April 2017 to 31 March 2018

Salary band	Salaries		Overtime		Homeowner's Allowance			Medical Aid		
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)			Amount (R'000)	Medical aid as a % of personnel costs	
1 lower skilled (levels 1-2)	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2 skilled (levels 3-5)	692.00	76.80	31.00	3.50	36.00	4.10	44.00	5.00	44.00	5.00
3 highly skilled production (levels 6-8)	5762.00	78.20	241.00	3.30	292.00	4.00	343.00	4.70	343.00	4.70
4 highly skilled supervision (levels 9-12)	11 114.00	86.20	163.00	1.30	113.00	0.90	269.00	2.10	269.00	2.10
5 senior management (levels 13-16)	22 149.00	87.00	0.00	0.00	181.00	0.70	280.00	1.10	280.00	1.10
11 contract (levels 3-5)	318.00	93.80	1.00	0.30	2.00	0.60	0.00	0.00	0.00	0.00
12 contract (levels 6-8)	2 446.00	89.50	39.00	1.40	5.00	0.20	7.00	0.30	7.00	0.30
13 contract (levels 9-12)	4215. 00	90.00	0.00	0.00	31.00	0.70	3.00	0.10	3.00	0.10
14 Contract (levels 13-16)	10 932.00	88.50	0.00	0.00	20.00	0.20	4.00	0.00	4.00	0.00
19 periodical remuneration	308.00	87.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	57 937.00	86.40	475.00	0.70	682.00	1.00	951.00	1.40	951	1.40

3.2 Employment and vacancies

The tables in this section summarise the position regarding 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
- Salary band
- Critical occupations (see definition in notes below).

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 2018

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1	75	51	32%	9
Programme 2	8	7	12.5 %	0
Programme 3	8	8	0%	4
Programme 4	9	7	22%	0
TOTAL	100	73	26%	13

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2018

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	0	0	0	0
Skilled (3-5)	8	8	0%	1
Highly skilled production (6-8)	39	25	36%	2
Highly skilled supervision (9-12)	27	21	22%	4
Senior management (13-16)	26	22	15%	6
TOTAL	100	73	26%	13

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2018

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, Permanent	15	6	40	3
Client inform clerks (switch board, receptionist inform clerks), Permanent	2	1	50	0
Communication and information related, Permanent	23	19	17	0
Financial and related professionals, Permanent	5	5	0	3
Financial clerks and credit controllers, Permanent	1	1	0	0
Food services aids and waiters, Permanent	1	1	0	1
HR and organisational development and related professionals, Permanent	4	3	25	0
HR related, Permanent	3	1	67	0
HR clerks, Permanent	1	1	0	0
Library mail and related clerks, Permanent	3	3	0	0
Material-recording and transport clerks, Permanent	6	5	17	0
Secretaries and other keyboard operating clerks, Permanent	10	5	50	0
Senior managers, Permanent	26	22	15	6
TOTAL	100	73	27	13

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

3.3 Filling of SMS posts

The tables in this section provide information on employment and vacancies as it relates to members of the SMS by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1 SMS post information as on 31 March 2018

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
DG/Head of Department (HoD)	1	0	0	1	100
Salary level 15	0	0	0	0	0
Salary level 14	10	8	80	2	20
Salary level 13	15	14	93	1	7
TOTAL	26	22	85	4	15

Table 3.3.2 SMS post information as on 30 September 2017

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
DG/HoD	1	0	0	1	100
Salary level 15	2	0	0	2	100
Salary level 14	9	8	89	1	11
Salary level 13	13	12	92	1	8
TOTAL	25	20	83	4	17

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2017 to 31 March 2018

SMS Level	Advertising	Filling of posts	
	Number of vacancies per level advertised in six months of becoming vacant	Number of vacancies per level filled in six months of becoming vacant	Number of vacancies per level not filled in six months but filled in 12 months
DGI/HoD	0	0	0
Salary level 16	0	0	0
Salary level 15	0	0	0
Salary level 14	1	0	0
Salary level 13	2	2	0
TOTAL	3	2	0

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS posts advertised within six months and filled within 12 months after becoming vacant for the period 1 April 2017 to 31 March 2018

Reasons for vacancies not advertised within six months
DG – The post was re-advertised several times but no suitable candidate was found.
Director: IT – The post was advertised but could not be filled due to budgetary constraints.

Reasons for vacancies not filled within 12 months
DG – The post was re-advertised several times but no suitable candidate was found.
Director: IT – The post was advertised but could not be filled due to budgetary constraints.

Notes

- In terms of the PSR Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2017 to 31 March 2018

Reasons for vacancies not advertised within six months
None

Reasons for vacancies not filled within six months
None

Notes

In terms of the PSR of 2016, Regulation 65, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed time frames. In the event of non-compliance with this regulation, the relevant executive authority or HoD must take appropriate disciplinary steps in terms of Section 16A (1) or (2) of the Public Service Act of 1994.

3.4 Job Evaluation

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

Table 3.1.3 Salaries, Overtime, Homeowner's Allowance and Medical Aid by programme for the period 1 April 2017 to 31 March 2018

Salary band	Number of posts on approved establishment	Number of jobs evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (levels 1-2)	0	0	0	0	0	0	0
Skilled (levels 3-5)	3	0	0	0	0	0	0
Highly skilled production (levels 6-8)	30	0	0	0	0	0	0
Highly skilled supervision (levels 9-12)	24	0	0	0	0	0	0
SMS Band A	2	0	0	0	0	0	0
SMS Band B	9	0	0	0	0	0	0
SMS Band C	17	0	0	0	0	0	0
SMS D	0	0	0	0	0	0	0
TOTAL	85	0	0	0	0	0	0

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2017 to 31 March 2018

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
TOTAL	0	0	0	0	0
Employees with disabilities (EWD)	0				

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2017 to 31 March 2018

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
N/A	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation	0			
Percentage of total employed	0			

The following table summarises the beneficiaries of the above in terms of race, gender and disability.

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2017 to 31 March 2018

- If there were no cases where the salary levels were higher than those determined by job evaluation, keep the heading and replace the table with the following:

Total number of employees whose salaries exceeded the grades determined by job evaluation	None
---	------

3.5 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 and critical occupations (see definition in notes below).

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2017 to 31 March 2018

Salary band	Number of employees at beginning of period-1 April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (levels 1-2), Permanent	0	0	0	0
Skilled (levels 3-5), Permanent	9	3	3	22
Highly Skilled Production (levels 6-8), Permanent	22	5	1	6
Highly skilled supervision (levels 9-12), Permanent	15	7	1	6
SMS Band A, Permanent	11	4	0	0
SMS Band B, Permanent	8	0	1	13
SMS Band D, Permanent	2	2	1	50
Contract (levels 3-5), Permanent	4	2	4	50
Contract (levels 6-8), Permanent	13	4	13	100
Contract (levels 9-12), Permanent	5	6	12	17
Contract Band A, Permanent	6	4	11	33
Contract Band B, Permanent	3	1	2	67
Contract Band C, Permanent	2	1	3	66
Contract Band D, Permanent	1	1	2	100
TOTAL	99	40	56	57

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2017 to 31 March 2018

Critical occupation	Number of employees at beginning of period- April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related, Permanent	18	11	11	61
Communication and Information Related, Permanent	2	0	1	50
Finance and Economics Related, Permanent	2	0	0	0
Financial and Related Professionals, Permanent	3	0	0	0
Financial Clerks and Credit Controllers, Permanent	4	0	0	0
Food Services Aids and Waiters, Permanent	2	1	1	50
HR clerks, Permanent	5	0	0	0
HR Related, Permanent	2	0	0	0
Library Mail and Related Clerks, Permanent	3	1	1	33
Light Vehicle Drivers, Permanent	3	1	1	33
Logistical Support Personnel, Permanent	1	0	0	0
Material-Recording and Transport Clerks, Permanent	1	0	0	0
Other Administration and Related Clerks and Organisers, Permanent	15	3	14	93
Other Occupations, Permanent	2	3	2	100
Secretaries and Other Keyboard Operating Clerks, Permanent	9	4	4	44
Senior Managers, Permanent	27	13	19	70
TOTAL	99	40.00	56.00	57

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

The table below identifies the major reasons why staff left the department.

Table 3.5.3 Reasons why staff left the department for the period 1 April 2017 to 31 March 2018

Termination Type	Number	% of total resignations
Death	0	0
Resignation	5	9%
Expiry of contract	51	91%
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	0	0
Transfer to other Public Service departments	3	5%
Other	0	0
TOTAL	56	100%
Total number of employees who left as a % of total employment	56	100%

Table 3.5.4 Promotions by critical occupation for the period 1 April 2017 to 31 March 2018

Occupation	Employees 1 April 2017	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Officer	18	2	16	0	0
Personal Assistant	0	1	0	0	0
Senior Supply Chain Officer	3	1	33	0	0
TOTAL	4	4	100	0	0

Table 3.5.5 Promotions by salary band for the period 1 April 2017 to 31 March 2018

Salary Band	Employees 1 April 2017	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (levels 1-2)	0	0	0	0	0
Skilled (levels 3-5)	5	0	0	0	0
Highly skilled production (levels 6-8)	25	4	16	0	0
Highly skilled supervision (levels 9-12)	21	0	0	0	0
Senior Management (levels 13-16)	22	0	0	0	0
TOTAL	73	4	5	0	0

Table 3.6.1 Salaries, Overtime, Homeowner's Allowance and Medical Aid by salary band for the period 1 April 2017 to 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	10	0	0	1	9	0	2	0	22
Professionals	11	0	0	0	10	0	0	1	22
Technicians and associate professionals	8	0	0	0	16	0	1	0	25
Clerks	2	0	0	0	2	0	0	0	4
TOTAL	31	0	0	1	37	0	3	1	73
EWD	0	0	0	0	0	0	1	0	1

Table 3.6.2 Total number of employees (including EWD) in each of the following occupational bands as on 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	10	0	0	1	9	0	2	0	22
Professionally qualified and experienced specialists and mid-management	11	0	0	0	10	0	0	1	22
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	8	0	0	0	16	0	1	0	25
Semi-skilled and discretionary decision-making	2	0	0	0	2	0	0	0	4
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
TOTAL	31	0	0	1	37	0	3	1	73

Table 3.6.3 Recruitment for the period 1 April 2017 to 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	2	0	0	0	2	0	0	0	4
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	1	0	0	0	2
Semi-skilled and discretionary decision-making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision-making	0		0	0	0	0	0	0	0
TOTAL	3	0	0	0	3	0	0	0	6
EWD	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	3	0	0	0	4
Semi-skilled and discretionary decision-making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
TOTAL	1	0	0	0	3	0	0	0	4
EWD	0	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 1 April 2017 to 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	4	0	0	0	0	0	0	0	4
Senior Management	11	0	0	0	5	0	0	0	16
Professionally qualified and experienced specialists and mid-management	8	0	0	0	8	0	0	0	16
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	5	0	0	0	9	0	0	0	14
Semi-skilled and discretionary decision-making	4	0	0	0	1	1	0	0	6
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
TOTAL	32	0	0	0	23	1	0	0	56
EWD	0	0	0	0	0	0	0	0	0

Table 3.6.6 Disciplinary action for the period 1 April 2017 to 31 March 2018

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
N/A	0	0	0	0	0	0	0	0	0

Table 3.6.7 Skills development for the period 1 April 2017 to 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	0	0	0	0	0	0	0	0	0
Professionals	2	0	0	0	2	0	0	0	4
Technicians and associate professionals	1	0	0	0	5	0	0	0	6
Clerks	2	0	0	0	4	0	0	0	6
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
TOTAL	5	0	0	0	13	0	0	0	16
EWD	0	0	0	0	0	0	0	0	0

3.7 Signing of performance agreements by SMS members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1 Signing of performance agreements by SMS members as on 31 May 2017

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Salary level 16	1	0	0	0
Salary level 15	1	0	0	0
Salary level 14	10	10	8	80%
Salary level 13	19	12	11	91.6%
TOTAL	31	22	19	86.3%

- In the event of a national or provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example, if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2016.

Table 3.7.2 Reasons for not having concluded performance agreements for all SMS members as on 31 March 2018

Reasons
One SMS member was on suspension during the period of review, there was one late submission and an SMS official on long incapacity leave from June 2016 to October 2017 (Contract ended).

Notes

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded performance agreements as on 31 March 2018

Reasons
No disciplinary action that has been taken for the late submission. However, the SMS member will not receive any financial incentive for the financial year.

Notes

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

3.8 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, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1 Performance rewards by race, gender and disability for the period 1 April 2017 to 31 March 2018

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African	10	62	16.1	349,396.62	34,939.66
Male	3	30	10	99,153.51	33051.17
Female	7	33	21.2	250,243.11	35,749.01
Asian	2	3	66.6	74,409.96	37,204.98
Male	0	0	0	0	0
Female	2	2	66.6	74,409.96	37,204.98
Coloured	0	0	0	0	0
Male	0	0	0	0	0
Female	0	0	0	0	0
White	2	2	100	69,879.87	34,939.35
Male	1	1	100	44,937.15	44,937.15
Female	1	1	100	24,942.72	24,942.72
TOTAL	13	69	18.8	493,686.45	37,975.88

Table 3.8.2 Performance rewards by salary band for personnel below SMS for the period 1 April 2017 to 31 March 2018

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	
Lower skilled (levels 1-2)	0	0	0	0	0	0
Skilled (levels 3-5)	0	0	0	0	0	0
Highly skilled production (levels 6-8)	7	26	26.9	157,928.28	22,561.18	0,20,59
Highly skilled supervision (levels 9-12)	2	17	11.7	92,474.82	46,237.41	0,12,05
TOTAL	9	43	20.9	250,403.10	68,798.59	0,32,26

Table 3.8.3 Performance rewards by critical occupation for the period 1 April 2017 to 31 March 2018

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Administrative related, Permanent	1	6	16.6	37,320.84	37,320.84
Client inform clerks (switchboard receptionist inform clerks), Permanent	0	1	0	0	0
Communication and information related, Permanent	2	19	10.5	27,371.04	13,685.52
Financial clerks and credit controllers, Permanent	5	6	83.3	110,028.96	22,005.79
Food services aids and waiters, Permanent	0	1	0	0	0
HR clerks, Permanent	0	5	0	0	0
Library mail and related clerks, Permanent	0	3	0	0	0
Light vehicle drivers, Permanent	0	1	0	0	0
Messengers porters and deliverers, Permanent	0	1	0	0	0
Secretaries and other keyboard operating clerks, Permanent	1	5	20	20,528.28	20,528.28
Senior managers, Permanent	5	22	22.7	243,283.35	48,656.67
Contracts	0	23	0	0	0
TOTAL	14	91	14.4	438,532.47	31,323.74

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees;

Table 3.8.4 Performance-related rewards (cash bonus), by salary band for SMS for the period 1 April 2017 to 31 March 2018

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	
Band A	2	11	11.1	108,471.90	54,235.95	0.14.14
Band B	3	12	25	134,811.45	44,937.15	0,18.09
Band C	0	0	0	0	0	0
Band D	0	0	0	0	0	0
TOTAL	5	22	18.1	243,283.35	60,820.83	0,31.72

3.9 Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2017 to 31 March 2018

Salary band	01 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (levels 9-12)	0	0	0	0	0	0
Contract (levels 9-12)	0	0	0	0	0	0
Contract (levels 13-16)	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2017 to 31 March 2018

Major occupation	01 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% Change
N/A	0	0	0	0	0	0

3.10 Leave utilisation

The PSC 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 and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1 Sick leave for the period 1 January 2017 to 31 December 2017

Salary band	Total days	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skills (levels 1-2)	0	0	0	0	0	0
Skilled (levels 3-5)	12.00	50.00	3.00	4.70	4.00	9.00
Highly skilled production (levels 6-8)	128.00	69.50	18.00	28.10	7.00	166.00
Highly skilled supervision (levels 9-12)	111.00	81.10	16.00	25.00	7.00	286.00
Top and Senior management (levels 13-16)	59.00	67.80	14.00	21.90	4.00	237.00
TOTAL	310	268.4	51.00	79.7	22.00	698

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2017 to 31 December 2017

Salary band	Total days	% days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Lower skilled (levels 1-2)	0	0	0	0	0	0
Skilled (levels 3-5)	0	0	0	0	0	0
Highly skilled production (levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (levels 9-12)	0	0	0	0	0	0
Senior management (levels 13-16)	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

The table below 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 3.10.3 Annual Leave for the period 1 January 2017 to 31 December 2017

Salary band	Total days taken	Number of employees using annual leave	Average per employee
Lower skilled (levels 1-2)	0	0	0
Skilled (levels 3-5)	105.00	13.00	8.00
Highly skilled production (levels 6-8)	511.00	22.00	23.00
Highly skilled supervision (levels 9-12)	445.00	19.00	23.00
Senior management (levels 13-16)	357.00	18.00	20.00
TOTAL	1418	72	74

Table 3.10.4 Capped leave for the period 1 January 2017 to 31 December 2017

Salary band	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2018
Lower skilled (levels 1-2)	0	0	0	0
Skilled (levels 3-5)	0	0	0	0
Highly skilled production (levels 6-8)	0.00	0.00	0.00	25.00
Highly skilled supervision (levels 9-12)	0.00	0.00	0.00	26.00
Senior management (levels 13-16)	0.00	0.00	0.00	48.00
TOTAL	0	0	0	41.00

The following table summarise payments made to employees as a result of leave that was not taken.

Table 3.10.5 Leave payouts for the period 1 April 2017 to 31 March 2018

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2017 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2016/17	0	0	0
Current leave payouts on termination of service for 2017/18	1262 995	41	30804
TOTAL	1262 995	41	30804

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
0	0
0	0

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the PSR of 2001? If so, provide her/his name and position.	Yes		Ms Judy Stephens Director (D): HRM&D
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		Four officials No budget. The MoU between the GCIS and DoC allowed the DoC staff members to use the employee wellness services offered to GCIS employees by ICAS.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this programme.	Yes		HIV and TB Management Health and Productivity Policy Safety, Health, Environment, Risk and Quality (SHERQ) Wellness Management Policy ICAS services: <ul style="list-style-type: none"> • Psychosocial counselling • Life management • Managerial support • e/Care • 24 hours confidential service • Musculoskeletal health management • Medical and Health Support and Advice Government Employees Medical Scheme (GEMS) services: <ul style="list-style-type: none"> • Blood pressure check • Blood sugar and cholesterol • Weight, height and waist circumference • HIV counselling and testing • Aerobics and soccer.

4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the PSR of 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		HR Committee: 1. Ms M Thusi, CD: CS Chairperson 2. Ms M Thindisa, CFO 3. Mr F Mutuvhi, CD: DTT 4. Ms J Stephens, D: HRM&D 5. Ms N Masakazi, D: ED 6. Mr P Vumazonke, D: BCM 7. Ms E Mohapi, SDF, Deputy Director (DD): HRD 8. Ms B Motlhaoleng, DD: HRM 9. Mr M Baqwa, DD: SOE 10. Mr I Skhosana: (Organised Labour – Public Service Association) 11. Ms Makgoale, DD: ED 12. Mr T Malapane, Assistant Director (ASD): HRD 13. Ms M Frade, ASD: FA 14. Mr S Mata, ASD: DTT
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		HIV and AIDS and TB Policy
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		HIV and AIDS and TB Policy Reporting on stigma quarterly to the DPSA Created awareness on: <ul style="list-style-type: none"> • Voluntary Male Medical Circumcision • HIV and AIDS Stigma and Discrimination at the workplace. Provision of condoms and femidoms in the workplace.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	No		
8. Has the department developed measures/indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		Quarterly/annual reports are submitted to the DPSA on Employee Health and Wellness. <ul style="list-style-type: none"> • HIV and TB Management Policy • Health and Productivity Policy • SHERQ Policy • Wellness Management Policy • ICAS wellness services • GEMS health screenings

12. Labour relations

Table 3.12.1 Collective agreements for the period 1 April 2017 to 31 March 2018

Subject matter	Date
Total number of collective agreements	None

Notes

- If there were no agreements, keep the heading and replace the table with the following:

Total number of collective agreements	None
---------------------------------------	------

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2017 and 31 March 2018

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	0	0
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
TOTAL	0	0

Notes

- If there were no agreements, keep the heading and replace the table with the following:

Total number of disciplinary hearings finalised	None
---	------

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2017 and 31 March 2018

Type of misconduct	Number	% of total
N/A	0	0

Table 3.12.4 Grievances logged for the period 1 April 2017 to 31 March 2018

Grievances	Number	% of total
Number of grievances resolved	2	3
Number of grievances not resolved	0	0
Total number of grievances lodged	2	3

Table 3.12.5 Disputes logged with councils for the period 1 April 2017 to 31 March 2018

Disputes	Number	% of total
Number of disputes upheld	1	50
Number of disputes dismissed	1	50
Total number of disputes lodged	2	100%

Table 3.12.6 Strike actions for the period 1 April 2017 to 31 March 2018

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

Table 3.12.7 Precautionary suspensions for the period 1 April 2017 to 31 March 2018

Number of people suspended	0
Number of people who's suspension exceeded 30 days	1
Average number of days suspended	262
Cost of suspension (R'000)	0.00

3.13 Skills development

This section highlights the efforts of the department regarding skills development.

Table 3.13.1 Training needs identified for the period 1 April 2017 to 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at start of the reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	11	0	7	0	7
	Male	12	0	0	0	0
Professionals	Female	7	0	18	0	18
	Male	9	0	13	0	13
Technicians and associate professionals	Female	21	0	10	0	10
	Male	8	0	4	0	4
Clerks	Female	4	0	10	0	10
	Male	2	0	9	0	9
Service and sales workers	Female	2	0	1	0	1
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Elementary occupations	Female		0	0	0	0
	Male	0	0	0	0	0
Subtotal	Female	42	0	46	0	46
	Male	27	0	26	0	26
TOTAL		77	0	72	0	72

Table 3.13.2 Training provided for the period 1 April 2017 to 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at start of the reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	11	0	0	0	0
	Male	12	0	0	0	0
Professionals	Female	7	0	2	0	2
	Male	9	0	2	0	2
Technicians and associate professionals	Female	21	0	5	0	5
	Male	8	0	1	0	1
Clerks	Female	4	0	4	0	5
	Male	2	0	2	0	2
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Elementary occupations	Female	2	0	0	0	0
	Male	0	0	0	0	0
Subtotal	Female	42	0	11	0	11
	Male	27	0	5	0	5
TOTAL		77	0	16	0	16

3.14 Table 3.14.1 Injury on duty for the period 1 April 2017 to 31 March 2018

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
TOTAL	0	0

3.15 Utilisation of consultants

The following tables relates information on the utilisation of consultants in the department. In terms of the PSR “consultant” means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

- (a) The rendering of expert advice;
- (b) The drafting of proposals for the execution of specific tasks; and
- (c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2017 to 31 March 2018

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
N/A	N/A	N/A	N/A

Total number of projects	Total individual consultants	Total duration (work days)	Total contract value in Rand
N/A	N/A	N/A	N/A

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of historically disadvantaged individuals (HDIs) for the period 1 April 2017 to 31 March 2018

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A	N/A	N/A	N/A

Table 3.15.3 Report on consultant appointments using donor funds for the period 1 April 2017 to 31 March 2018

Project title	Total Number of consultants that worked on project	Duration (work days)	Donor and contract value in Rand
N/A	N/A	N/A	N/A

Total number of projects	Total individual consultants	Total duration (work days)	Total contract value in Rand
N/A	N/A	N/A	N/A

Table 3.15.4 Analysis of consultant appointments using donor funds, in terms of HDIs for the period 1 April 2017 to 31 March 2018

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A	N/A	N/A	N/A

3.16 Severance packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2017 to 31 March 2018

Salary band	Number of applications received	Number of applications referred to the Minister of Public Service and Administration (MPSA)	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (levels 1-2)	0	0	0	0
Skilled (levels 3-5)	0	0	0	0
Highly skilled production (levels 6-8)	0	0	0	0
Highly skilled supervision (levels 9-12)	0	0	0	0
Senior management (levels 13-16)	0	0	0	0
TOTAL	0	0	0	0

The background features several large rolls of paper or documents, some partially unrolled, showing the texture of the paper and the dark shadows between the pages. Overlaid on this are two decorative, thin lines in green and orange, forming a stylized, overlapping geometric shape that resembles a diamond or a series of connected curves.

PART E:

ANNUAL FINANCIAL STATEMENTS

DEPARTMENT OF COMMUNICATIONS VOTE 3

APPROPRIATION STATEMENT for the year ended 31 March 2018

Table of Contents

Report of the AG to Parliament	105
Appropriation Statement	109
Notes to the Appropriation Statement	127
Statement of Financial Performance	129
Cash Flow Statement	130
Accounting Policies	131
Notes to the Annual Financial Statements (including Accounting policies)	136
Annexures	152



Report of the Auditor-General to Parliament on vote no. 3: Department of Communications.

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Communications set out on pages 109 to 151, which comprise the appropriation statement, the statement of financial position as at 31 March 2018, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Communications as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No.1 of 1999) (PFMA).

Basis for opinion

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

Other matter

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

Unaudited supplementary schedules

7. The supplementary information set out on pages 152 to 156 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the Accounting Officer for the financial statements

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, the accounting officer is responsible for assessing the Department of Communications's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

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

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

11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

12. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

13. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2018:

Programmes	Pages in the annual performance report
Programme 2: Communication Policy, Research and Development	44 – 47
Programme 3: Industry and Capacity Development	48 – 52
Programme 4: Entity Oversight	53 – 57

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

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

- Programme 2: Communication Policy, Research and Development
- Programme 3: Industry and Capacity Development
- Programme 4: Entity Oversight

Achievement of planned targets

17. Refer to the annual performance report on pages xx to xx for information on the achievement of planned targets for the year and explanations provided for the under/ over achievement of a number of targets.

Report on the audit of compliance with legislation

Introduction and scope

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

19. I did not raise material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

20. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and

those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.

21. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
22. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
23. I have nothing to report in this respect.

Internal control deficiencies

24. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.

Auditor - General

Pretoria
31 July 2018



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

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

Financial statements

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

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- obtain sufficient appropriate audit evidence regarding the financial information of the department's activities to express an opinion on the financial statements. I am responsible for the direction, supervision and performance of the audit. I remain solely responsible for my audit opinion.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.



APPROPRIATION STATEMENT

for the year ended 31 March 2018

Appropriation per programme

2017/18								2016/17	
Voted funds and Direct charges	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration	67 385	-	1 974	69 359	65 464	3 895	94.4%	57 730	57 255
2. Communications Policy, Research and Development	6 899	-	(257)	6 642	5 836	806	87.9%	7 161	6 324
3. Industry and Capacity Development	28 156	-	(2 111)	26 045	21 400	4 645	82.2%	47 775	35 166
4. Entity Oversight	1 325 860	-	394	1 326 254	1 326 254	-	100%	1 237 054	1 236 997
TOTAL	1 428 300	-	-	1 428 300	1 418 954	9 346	99.3%	1 349 720	1 335 742
				Final Appropriation	Actual Expenditure			Final Appropriation	Actual Expenditure
Add									
Departmental receipts				2 225				2579	
Actual amounts per Statement of Financial Performance (total revenue)				1 430 525				1 352 299	
Actual amounts per Statement of Financial Performance (total expenditure)					1 418 954				1 335 742

Appropriation per economic classification

Voted funds and Direct charges	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	104 380	(1)	(1 021)	103 358	93 937	9 421	90.9%	113 827	99 844
Compensation of employees	71 169	-	-	71 169	64 484	6 685	90.6%	68 025	65 482
Salaries and wages	63 997	(345)	-	63 652	58 205	5 447	91.4%	62 032	59 507
Social contributions	7 172	345	-	7 517	6 280	1 237	83.5%	5 993	5 975
Goods and services	33 211	(1)	(1 021)	32 189	29 453	2 736	91.5%	45 802	34 362
Administrative fees	807	(325)	114	596	534	62	89.6%	557	556
Advertising	194	1 691	-	1 885	1 535	350	81.4%	8 746	1 463
Minor assets	82	(19)	(7)	56	42	14	75.0%	108	136
Audit costs: External	880	177	-	1 057	1 056	1	99.9%	790	790
Bursaries: Employees	4	9	-	13	13	-	100.0%	30	32
Catering: Departmental activities	724	(37)	(16)	671	600	71	89.4%	2 384	2 507
Communication (G&S)	1 242	467	(21)	1 688	1 584	104	93.8%	8 896	5 607
Computer services	261	175	(1)	435	313	122	72.0%	216	253
Consultants: Business and advisory services	141	423	-	564	553	11	98.0%	40	39
Legal services	1 966	834	-	2 800	2 747	53	98.1%	2 149	2 149
Contractors	125	(29)	(60)	36	32	4	88.9%	56	104
Agency and support/outsourced services	126	(26)	(100)	-	-	-	-	32	32
Entertainment	53	(10)	-	43	43	-	100.0%	9	9
Fleet services (Including government motor transport)	2 794	36	80	2 910	2 689	221	92.4%	4 031	3,924
Consumable supplies	318	(83)	(9)	226	194	32	85.8%	111	94
Consumable: Stationery, printing and office supplies	529	909	(50)	1 388	1 173	215	84.5%	771	708
Operating leases	288	2	-	290	287	3	99.0%	218	219
Property payments	-	-	-	-	87	(87)	-	-	-
Travel and subsistence	19 976	(3 083)	(427)	16 466	15 258	1 208	92.7%	13 593	13 600
Training and development	31	46	(24)	53	51	2	96.2%	107	106

Operating payments	570	(107)	-	463	280	183	60.5%	658	654
Venues and facilities	100	(94)	-	6	5	1	83.3%	177	177
Rental and hiring	2 000	(957)	(500)	543	377	166	69.4%	2 123	1 122
Transfers and subsidies	1 322 321	-	531	1 322 852	1 322 851	1	100.0%	1 232 093	1 232 091
Departmental agencies and accounts	1 147 822	-	-	1 147 822	1 147 822	-	100.0%	1 049 799	1 049 799
Departmental agencies and accounts (non-business entities)	1 147 822	-	-	1 147 822	1 147 822	-	100.0%	1 049 799	1 049 799
Public corporations and private enterprises	173 766	-	-	173 766	173 766	-	100.0%	182 093	182 093
Public corporations	173 766	-	-	173 766	173 766	-	100.0%	182 093	182 093
Other transfers to public corporations	173 766	-	-	173 766	173 766	-	100.0%	182 093	182 093
Households	733	-	531	1 264	1 263	1	99.9%	201	199
Social benefits	733	-	531	1 264	1 263	1	99.9%	201	199
Payments for capital assets	1 599	1	490	2 090	2 088	2	99.9%	3 800	3 784
Machinery and equipment	1 599	1	490	2 090	2 088	2	99.9%	3 800	3 784
Transport equipment	1 505	-	-	1 505	1 505	-	100.0%	(531)	2 710
Other machinery and equipment	94	1	490	585	583	2	99.7%	4 331	1 074
Payment for financial assets	-	-	-	-	78	(78)	-	-	23
TOTAL	1 428 300	-	-	1 428 300	1 418 954	9 346	99.3%	1 349 720	1 335 742

Programme 1: Administration

Subprogramme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Ministry	10 375	111	259	10 745	10 066	679	93.7%	8 389	8 376
1.2 Departmental Management	34 008	(398)	1 237	34 847	32 334	2 513	92.8%	32 040	31 11
1.3 Internal Audit	967	129	-	1 096	1 093	3	99.7%	854	854
1.4 Corporate Services	11 986	786	9	12 781	12 512	269	97.9%	9 916	9 903
1.5 Financial Management	10 049	(628)	469	9 890	9 459	431	95.6%	6 531	6 511
Total for subprogrammes	67 385	-	1 974	69 359	65 463	3 896	94.4%	57 730	57 255

Economic classification									
Current payments	65 197	(1)	1 275	66 471	62 504	3 967	94.0%	56 455	55 968
Compensation of employees	46 646	-	(464)	46 182	42 333	3 849	91.7%	43 112	42 643
Salaries and wages	42 243	(453)	(464)	41 326	38 083	3 243	92.2%	38 991	38 545
Social contributions	4 403	453	-	4 856	4 250	606	87.5%	4 121	4 098
Goods and services	18 551	(1)	1 739	20 289	20 171	118	99.4%	13 343	13 325
Administrative fees	582	(263)	125	444	443	1	99.8%	268	267
Advertising	45	132	-	177	177	-	100.0%	86	86
Minor assets	36	5	-	41	34	7	82.9%	61	61
Audit costs: External	880	177	-	1 057	1 056	1	99.9%	790	790
Bursaries: Employees	4	9	-	13	13	-	100.0%	30	32
Catering: Departmental activities	161	(50)	-	111	99	12	89.2%	150	149
Communication (G&S)	974	287	51	1 312	1 301	11	99.2%	1 161	1 164
Computer services	251	182	-	433	312	121	72.1%	212	211
Consultants: Business and advisory services	71	(7)	-	64	55	9	85.9%	39	36
Legal services	1 693	834	-	2 526	2 525	1	100.0%	155	155
Contractors	52	(23)	-	29	27	2	94.7%	8	8
Agency and support / outsourced services	28	(28)	-	-	-	-	-	32	32
Entertainment	53	(10)	-	43	43	-	100.0%	9	9

Fleet services(including government motor transport)	2 729	(353)	220	2 596	2 569	27	99.0%	3 323	3 324
Consumable supplies	174	18	-	192	176	16	91.7%	72	69
Consumable: Stationery, printing and office supplies	346	(122)	-	224	217	7	96.9%	307	304
Operating leases	138	-	-	138	137	1	99.3%	162	163
Travel and subsistence	9 938	(741)	1 343	10 540	10 662	(122)	101.2%	6 070	6 063
Training and development	11	40	-	51	51	-	100.0%	107	106
Operating payments	386	(94)	-	292	269	23	92.1%	301	296
Venues and facilities	-	6	-	6	5	1	83.3%	-	-
Transfers and subsidies	589	-	209	798	798	-	100.0%	-	-
Households	589	-	209	798	798	-	100.0%	-	-
Social benefits	589	-	209	798	798	-	100.0%	-	-
Payments for capital assets	1 599	1	490	2 090	2 088	2	99.0%	1 275	1 271
Machinery and equipment	1 599	1	409	2 090	2 088	2	99%	1 275	1 271
Transport equipment	1 505	-	-	1 505	1 505	-	100.0%	(118)	1065
Other machinery and equipment	94	1	490	585	584	1	99.8%	1 393	206
Payment for financial assets	-	-	-	-	74	(74)	-	-	16
TOTAL	67 385	-	1 974	69 359	65 464	3 895	94.4%	57 730	57 255

1.1 Ministry

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	8 835	115	259	9 209	8 520	689	92.5%	7 321	7 308
Compensation of employees	4 778	268	-	5 046	4 391	655	87.0%	4 215	4 211
Goods and services	4 057	(153)	259	4 163	4 129	34	99.2%	3 106	3 097
Payments for capital assets	1 540	(4)	-	1 536	1 535	1	99.9%	1 068	1 065
Machinery and equipment	1 540	(4)	-	1 536	1 535	1	99.9%	1 068	1 065
Transport equipment	1 505	-	-	1 505	1 505	-	100.0%	(118)	1 065
Other machinery and equipment	35	(4)	-	31	30	1	96.8%	1 186	-
Payments of financial assets	-	-	-	-	11	(11)	-	-	3
TOTAL	10 375	111	259	10 745	10 066	679	93.7%	8 389	8 376

1.2 Departmental Management

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	33 378	(399)	1 016	33 995	31 414	2 581	92.4%	31 988	31 553
Compensation of employees	23 315	430	(464)	23 281	20 595	2 686	88.5%	24 060	23 626
Goods and services	10 063	(829)	1 480	10 714	10 819	(105)	101.0%	7 928	7 927
Transfers and subsidies	589	-	200	789	789	-	100.0%	-	-
Households	589	-	200	789	789	-	100.0%	-	-
Payments for capital assets	41	1	21	63	68	(6)	107.9%	52	58
Machinery and equipment	41	1	21	63	68	(6)	107.9%	52	58
Payment for financial assets	-	-	-	-	63	(63)	-	-	-
TOTAL	34 008	(398)	1 237	34 847	32 334	2 513	92.8%	32 040	31 611

1.3 Internal Audit

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	967	129	-	1 096	1 093	3	99.7%	848	848
Goods and services	967	129	-	1 096	1 093	3	99.7%	848	848
Payments for capital assets	-	-	-	-	-	-	-	6	6
Machinery and equipment	-	-	-	-	-	-	-	6	6
TOTAL	967	129	-	1 096	1 093	3	99.7%	854	854

1.4 Corporate Services

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	11 968	786	-	12 754	12 486	268	97.9%	9 807	9 787
Compensation of employees	9 190	(185)	-	9 005	8 903	102	98.9%	8 722	8 705
Goods and services	2 778	971	-	3 749	3 583	166	95.6%	1 085	1 082
Transfers and subsidies	-	-	9	9	9	-	100.0%	-	-
Households	-	-	9	9	9	-	100.0%	-	-
Payments for capital assets	18	-	-	18	17	1	94.4%	109	103
Machinery and equipment	18	-	-	18	17	1	94.4%	109	103
Payment for financial assets	-	-	-	-	-	-	-	-	13
TOTAL	11 986	786	9	12 781	12 512	269	97.9%	9 916	9 903

1.5 Financial Management

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	10 049	(632)	-	9 417	8 991	426	95.5%	6 491	6 472
Compensation of employees	9 363	(513)	-	8 850	8 444	406	95.4%	6 115	6 101
Goods and services	686	(119)	-	567	547	20	96.5%	346	371
Payments for capital assets	-	4	469	473	468	5	98.9%	40	39
Machinery and equipment	-	4	469	473	468	5	98.9%	40	39
TOTAL	10 049	(628)	469	9 890	9 459	431	95.6%	6 531	6 511

Programme 2: Communications Policy, Research and Development

Subprogramme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Subprogramme									
2.1 Broadcasting Policy	5 517	1 015	-	6 532	5 810	722	88.9%	7 161	6 324
2.2 Media Policy	-	27	-	27	23	4	85.2%	-	-
2.3 Technology And Engineering Services	1 382	(1 042)	(257)	83	3	80	3.6%	-	-
Total for subprogrammes	6 899	-	(257)	6 642	5 837	805	87.9%	7 161	6 324

Economic Classification							%		
Current payments	6 899	-	(257)	6 642	5 836	806	87.9%	7 074	6 238
Compensation of employees	5 215	-	-	5 215	4 409	806	84.5%	5 602	4 766
Salaries and wages	4 642	(130)	-	4 512	3 912	600	86.7%	5 077	4 246
Social contributions	573	130	-	703	497	206	70.7%	525	520
Goods and Services	1 684	-	(257)	1 427	1 427	-	100.0%	1 472	1 472
Administrative fees	30	(9)	-	21	13	8	61.9%	23	23
Advertising	141	(141)	-	-	-	-	-	-	-
Minor assets	42	(31)	(7)	4	-	4	-	-	-
Catering: Departmental activities	13	-	-	13	3	10	23.1%	1	1
Communication (G&S)	64	28	(19)	73	76	(3)	104.1%	1 002	1 002
Computer services	8	(8)	-	-	-	-	-	-	-
Consultants: Business and advisory	50	(50)	-	-	-	-	-	-	-
Contractors	20	(20)	-	-	-	-	-	-	-
Fleet services (including government motor transport)	3	(3)	-	-	-	-	-	-	-
Consumable supplies	8	(4)	-	4	3	1	75.0%	-	-
Consumable: Stationery, printing and office supplies	68	(61)	(6)	1	-	1	-	12	12
Operating leases	60	18	-	78	77	1	98.7%	34	34
Travel and subsistence	907	551	(225)	1 233	1 255	(22)	101.8%	214	214
Training and development	20	(20)	-	-	-	-	-	-	-

Operating payments	150	(150)	-	-	-	-	-	26	26
Venues and facilities	100	(100)	-	-	-	-	-	160	160
Transfer and subsidies	-	-	-	-	-	-	-	62	61
Households	-	-	-	-	-	-	-	62	61
Social benefits	-	-	-	-	-	-	-	62	61
Payment of Capital assets	-	-	-	-	-	-	-	25	25
Machinery and Equipment	-	-	-	-	-	-	-	25	25
Transport equipment	-	-	-	-	-	-	-	25	25
TOTAL	6 899	-	(257)	6 642	5 836	806	87.9%	7 161	6 324

2.1 Broadcasting Policy

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	5 517	1 015	-	6 532	5 810	722	88.9%	7 074	6 238
Compensation of employees	4 115	1 000	-	5 115	4 386	729	85.7%	5 602	4 766
Goods and services	1 402	15	-	1 417	1 424	(7)	100.5%	1 472	1 472
Transfer and subsidies	-	-	-	-	-	-	-	62	61
Households	-	-	-	-	-	-	-	62	61
Payments for capital assets	-	-	-	-	-	-	-	25	25
Machinery and equipment	-	-	-	-	-	-	-	25	25
TOTAL	5 517	1 015	-	6 532	5 810	722	88.9%	7 161	6 324

2.2 Media Policy

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	-	27	-	27	23	4	85.2%	-	-
Compensation of employees	-	27	-	27	23	4	85.2%	-	-
TOTAL	-	27	-	27	23	4	85.2%	-	-

2.3 Technology and Engineering Services

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 382	(1 042)	(257)	83	3	80	3.6%	-	-
Compensation of employees	1 100	(1 027)	-	73	-	73	-	-	-
Goods and services	282	(15)	(257)	10	3	7	30.0%	-	-
TOTAL	1 382	(1 042)	(257)	83	3	80	3.6%	-	-

Programme 3: Industry and Capacity Development

Subprogramme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Enterprise Development	2 754	(1 543)	(410)	801	3	798	0.4%	1 610	207
3.2 Broadcasting Digital Migration	20 540	-	(1 700)	18 840	15 147	3 693	80.4%	40 715	27 868
3.3 Industry Research and Analysis	2 922	944	66	3 932	3 844	88	97.8%	5 450	5 394
3.4 Intergovernmental Relations and Stakeholder Management	1 940	599	(67)	2 472	2 406	66	97.3%	-	1 697
Total for subprogrammes	28 156	-	(2 111)	26 045	21 400	4 645	82.2%	47 775	35 166

Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	28 012	-	(2 433)	25 579	20 931	4 648	81.8%	45 218	32 615
Compensation of employees	15 536	-	-	15 536	13 506	2 030	86.9%	14 573	13 392
Salaries and wages	14 422	(428)	-	13 994	12 385	1 609	88.5%	13 578	12 394
Social contributions	1 114	428	-	1 542	1 121	421	72.7%	995	998
Goods and services	12 476	-	(2 433)	10 043	7 425	2 618	73.9%	30 645	19 223
Administrative fees	177	(45)	(11)	121	70	51	57.9%	264	264
Advertising	-	1 695	-	1 695	1 346	349	79.4%	8 625	1 343
Minor assets	2	7	-	9	7	2	77.8%	36	64
Catering: Departmental activities	510	1	-	511	469	42	91.8%	2 221	2 357
Communication (G&S)	92	178	(28)	242	148	94	61.2%	6 701	3 441
Computer services	2	1	(1)	2	1	1	50.0%	4	42
Consultants: Business and advisory services	20	480	-	500	498	2	99.6%	1	3
Legal services	274	-	-	274	222	52	81.0%	1 994	1 994
Contractors	51	14	(60)	5	3	2	60.0%	48	96
Agency and support/ outsourced services	100	-	(100)	-	-	-	-	-	-
Fleet services (including government motor transport)	62	392	(140)	314	120	194	38.2%	708	600
Consumable supplies	107	(76)	(6)	25	10	15	40.0%	33	21

Consumable: Stationery, printing and office supplies	100	1 103	(44)	1 159	952	207	82.1%	395	378
Operating leases	55	(16)	-	39	38	1	97.4%	22	22
Property payments	-	-	-	-	87	(87)	-	-	-
Travel and Subsistence	8 898	(2 934)	(1 519)	4 445	3 077	1 368	69.2%	7 122	7 127
Training and development	-	24	(24)	-	-	-	-	-	-
Operating payments	26	133	-	159	-	159	-	331	332
Venues and facilities	-	-	-	-	-	-	-	17	17
Rental and hiring	2 000	(957)	(500)	543	377	166	69.4%	2 123	1 122
Transfer and subsidies	144	-	322	466	465	1	99.8%	57	56
Households	144	-	322	466	465	1	99.8%	57	56
Social benefits	144	-	322	466	465	1	99.8%	57	56
Payments for capital assets	-	-	-	-	-	-	-	2 500	2 488
Machinery and equipment	-	-	-	-	-	-	-	2 500	2 488
Transport equipment	-	-	-	-	-	-	-	(413)	1 645
Other machinery and equipment	-	-	-	-	-	-	-	2 913	843
Payment for financial assets	-	-	-	-	4	(4)	-	-	7
TOTAL	28 156	-	(2 111)	26 045	21 400	4 645	82.2%	47 775	35 166

3.1 Enterprise Development

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	2 754	(1 543)	(410)	801	3	798	0.4%	1 610	192
Compensation of employees	2 204	(1 467)	-	737	-	737	-	1 527	-
Goods and services	550	(76)	(410)	64	3	61	4.7%	83	192
Payments for capital assets	-	-	-	-	-	-	-	-	15
Machinery and equipment	-	-	-	-	-	-	-	-	15
TOTAL	2 754	(1 543)	(410)	801	3	798	0.4%	1 610	207

3.2 Broadcasting Digital Migration

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	20 396	-	(1 838)	18 558	14 862	3 696	80.1%	38 458	25 584
Compensation of employees	8 970	-	-	8 970	7 835	1 135	87.3%	10 622	9 447
Goods and services	11 426	-	(1 838)	9 588	7 027	2 561	73.3%	27 836	16 137
Transfer and subsidies	144	-	138	282	281	1	99.6%	57	56
Households	144	-	138	282	281	1	99.6%	57	56
Payments for capital assets	-	-	-	-	-	-	-	2 200	2 221
Machinery and equipment	-	-	-	-	-	-	-	2 200	2 221
Payment for financial assets	-	-	-	-	4	(4)	-	-	7
TOTAL	20 540	-	(1 700)	18 840	15 147	3 693	80.4%	40 715	27 868

3.3 Industry Research and Analysis

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	2 922	944	(78)	3 788	3 700	88	97.7%	5 150	5 142
Compensation of employees	2 672	900	-	3 572	3 475	97	97.3%	2 424	2 421
Goods and services	250	44	(78)	216	225	(9)	104.2%	2 726	2 721
Transfer and subsidies	-	-	144	144	144	-	100.0%	-	-
Households	-	-	144	144	144	-	100.0%	-	-
Payments for capital assets	-	-	-	-	-	-	-	300	252
Machinery and equipment	-	-	-	-	-	-	-	300	252
TOTAL	2 922	944	66	3 932	3 844	88	97.8%	5 450	5 394

3.4 Intergovernmental Relations and Stakeholder Management

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 940	599	(107)	2 432	2 366	66	97.3%	-	1 697
Compensation of employees	1 690	567	-	2 257	2 196	61	97.3%	-	1 524
Goods and services	250	32	(107)	175	170	5	97.1%	-	173
Transfer and subsidies	-	-	40	40	40	0	100.0%	-	-
Households	-	-	40	40	40	0	100.0%	-	-
TOTAL	1 940	599	(67)	2 472	2 406	66	97.3%	-	1 697

Programme 4: Entity Oversight

Subprogramme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Programme Management For Entity Oversight	1 500	1 598	320	3 418	3 425	(7)	100.2%	4 558	4 142
4.2 Broadcasting And Community Media	205 121	(176)	74	205 019	205 012	7	100.0%	206 511	206 870
4.3 Communication And Branding	595 750	-	-	595 750	595 750	-	100.0%	566 442	566 442
4.4 Regulatory Institutions	523 489	(1 422)	-	522 067	522 067	-	100.0%	459 543	459 543
Total for subprogrammes	1 325 860	-	394	1 326 254	1 326 254	-	100.0%	1 237 054	1 236 997

Economic classification									
Current payments	4 272	-	394	4 666	4 666	-	100.0%	5 080	5 023
Compensation of employees	3 772	-	464	4 236	4 236	-	100.0%	4 738	4 681
Salaries and wages	2 690	666	464	3 820	3 824	(4)	100.1%	4 386	4 322
Social contributions	1 082	(666)	-	416	412	4	99.0%	352	359
Goods and services	500	-	(70)	430	430	-	100.0%	342	342
Administrative fees	18	(8)	-	10	8	2	80.0%	2	2
Advertising	8	5	-	13	12	1	92.3%	35	34
Minor assets	2	-	-	2	1	1	50.0%	11	11
Catering: Departmental activities	40	12	(16)	36	29	7	80.6%	12	-
Communication (G&S)	112	(26)	(25)	61	59	2	96.7%	32	-
Contractors	-	2	-	2	2	-	100.0%	-	-
Consumable supplies	22	(14)	(3)	5	5	-	100.0%	6	4
Consumable: Stationery printing and office supplies	15	(11)	-	4	4	-	100.0%	57	14
Operating leases	40	(5)	-	35	35	-	100.0%	-	-
Travel and subsistence	233	41	(26)	248	264	(16)	106.5%	187	196
Training and development	-	2	-	2	-	2	-	-	-
Operating payments	10	2	-	12	11	1	91.7%	-	-
Transfers and subsidies	1 321 588	-	-	1 321 588	1 321 588	-	100.0%	1 231 974	1 231 974
Departmental agencies and accounts	1 147 822	-	-	1 147 822	1 147 822	-	100.0%	1 049 799	1 049 799

Departmental agencies and accounts (non-business entities)	1 147 822	-	-	1 147 822	1 147 822	-	100.0%	1 049 799	1 049 799
Public corporations and private enterprises	173 766	-	-	173 766	173 766	-	100.0%	182 093	182 093
Public corporations	173 766	-	-	173 766	173 766	-	100.0%	182 093	182 093
Other transfers to public corporations	173 766	-	-	173 766	173 766	-	100.0%	182 093	182 093
Households	-	-	-	-	-	-	-	82	82
Social benefits	-	-	-	-	-	-	-	82	82
TOTAL	1 325 860	-	394	1 326 254	1 326 254	-	100.0%	1 237 054	1 236 997

4.1 Programme Management for Entity Oversight

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 500	1 598	320	3 418	3 425	(7)	100.2%	4 476	4 060
Compensation of employees	1 164	1 561	320	3 045	3 042	3	99.9%	4 147	3 730
Goods and services	336	37	-	373	383	(10)	102.7%	329	330
Transfers and subsidies	-	-	-	-	-	-	-	82	82
Households	-	-	-	-	-	-	-	82	82
TOTAL	1 500	1 598	320	3 418	3 425	(7)	100.2%	4 558	4 142

4.2 Broadcasting and Community Media

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 350	(176)	74	1 248	1 241	7	99.4%	604	963
Compensation of employees	1 186	(139)	144	1 191	1 194	(3)	100.3%	591	951
Goods and services	164	(37)	(70)	57	47	10	82.5%	13	12
Transfers and subsidies	203 771	-	-	203 771	203 771	-	100.0%	205 907	205 907
Departmental agencies and accounts	30 005	-	-	30 005	30 005	-	100.0%	23 814	23 814
Public corporations and private enterprises	173 766	-	-	173 766	173 766	-	100.0%	182 093	182 093
TOTAL	205 121	(176)	74	205 019	205 012	7	100.0%	206 511	206 870

4.3 Communication and Branding

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	595 750	-	-	595 750	595 750	-	100.0%	566 442	566 442
Departmental agencies and accounts	595 750	-	-	595 750	595 750	-	100.0%	566 442	566 442
TOTAL	595 750	-	-	595 750	595 750	-	100.0%	566 442	566 442

4.4 REGULATORY INSTITUTIONS

Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 422	(1 422)	-	-	-	-	-	-	-
Compensation of employees	1 422	(1 422)	-	-	-	-	-	-	-
Transfers and subsidies	522 067	-	-	522 067	522 067	-	100.0%	459 543	459 543
Departmental agencies and accounts	522 067	-	-	522 067	522 067	-	100.0%	459 543	459 543
TOTAL	523 489	(1 422)	-	522 067	522 067	-	100.0%	459 543	459 543

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2018

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

Detail of these transactions can be viewed in the note on Transfers and Subsidies, Notes and Annexure 1 (A-D) to the Annual Financial Statements (AFS).

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

Detail of these transactions can be viewed in Note 1 (Annual Appropriation) to the AFS.

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note on payments for financial assets to the AFS.

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

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Programme 1: Administration	69 359	65 464	3 895	94.4%
The underspending is on compensation of employees as a result of delays in filling the vacant positions during the financial year.				
Programme 2: Communications Policy, Research and Development	6 642	5 836	806	87.9%
The underspending is on compensation of employees as a result of delays in filling the vacant positions during the financial year.				
Programme 3: Industry and Capacity and Development	26 045	21 400	4 645	82.2%
The underspending is mainly due to slow spending on marketing and increasing awareness of the DTT project.				
Programme 4: Entity Oversight	1 326 254	1 326 254	-	100.0%
The programme expenditure was on par at 31 March 2018.				

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current payments	103 358	93 937	9 421	90.9%
Compensation of employees	71 169	64 484	6 685	90.6%
Goods and services	32 189	29 453	2 736	91.5%
Transfers and subsidies	1 322 852	1 322 851	1	100.0%
Departmental agencies and accounts	1 147 822	1 147 822	-	100.0%
Public corporations and private enterprises	173 766	173 766	-	100.0%
Households	1 264	1 263	1	99.9%
Payments for capital assets	2 090	2 088	2	99.9%
Machinery and equipment	2 090	2 088	2	99.9%
Payments for financial assets	-	78	(78)	-

The underspending is mainly as a result of savings recorded under Compensation of Employees which could not be used for any other purpose. Saving on Goods and Services was due to the slow spending on marketing and increasing awareness of the DTT project.

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2018

	Note	2017/18	2016/17
		R'000	R'000
REVENUE			
Annual appropriation	1	1,428,300	1,349,720
Departmental revenue	2	2,225	2,579
TOTAL REVENUE		1,430,525	1,352,299
EXPENDITURE			
Current expenditure			
Compensation of employees	3	64,484	65,482
Goods and services	4	29,453	34,362
Total current expenditure		93,937	99,844
Transfers and subsidies			
Transfers and subsidies	6	1,322,851	1,232,091
Total transfers and subsidies		1,322,851	1,232,091
Expenditure for capital assets			
Tangible assets	7	2,088	3,784
Total expenditure for capital assets		2,088	3,784
Payment for financial assets	5	78	23
TOTAL EXPENDITURE		1,418,954	1,335,742

SURPLUS/(DEFICIT) FOR THE YEAR	11,571	16,557
---------------------------------------	---------------	---------------

Reconciliation of Net Surplus/(Deficit) for the year

Voted funds		9,346	13,978
Annual appropriation		9,346	13,978
Departmental revenue and National Revenue Fund (NRF) receipts	13	2,225	2,579

SURPLUS/(DEFICIT) FOR THE YEAR	11,571	16,557
---------------------------------------	---------------	---------------

ASSETS

Current assets	9,378	14,084
-----------------------	--------------	---------------

Cash and cash equivalents	8	9,182	13,538
Prepayments and advances	9	79	401
Receivables	10	117	145

Non-current assets	20,799	27,394
---------------------------	---------------	---------------

Receivables	10	-	3
Loans	11	20,799	27,391

TOTAL ASSETS	30,177	41,478
---------------------	---------------	---------------

LIABILITIES

Current liabilities		9,378	13,989
Voted funds to be surrendered to the revenue fund	12	9,346	13,978
Departmental revenue and NRF receipts to be surrendered to the NRF	13	2	2
Payables	14	30	9
TOTAL LIABILITIES		9,378	13,989
NET ASSETS		20,799	27,489
Represented by:			
Capitalisation reserve		20,799	27,391
		-	98
TOTAL		20,799	27,489
Capitalisation Reserves			
Opening balance		27,391	27,391
Movement in Equity	11	(6,592)	-
Closing balance		20,799	27,391
Recoverable revenue			
Opening balance		98	-
Transfers		(98)	98
Debts recovered		(98)	98
Closing balance		-	98
TOTAL		20,799	27,489

CASH FLOW STATEMENT

for the year ended 31 March 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts		1,430,525	1,352,299
Annual appropriated funds received	1.1	1,428,300	1,349,720
Departmental revenue received	2.1:2.3	233	340
Interest received	2.2	1,992	2,239
Net (increase)/decrease in working capital		374	(517)
Surrendered to the revenue fund		(16,203)	(5,424)
Current payments		(93,937)	(99,844)
Payments for financial assets		(78)	(23)
Transfers and subsidies paid		(1,322,851)	(1,232,091)
Net cash flow available from operating activities	15	(2,170)	14,400

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for capital assets	7	(2,088)	(3,784)
(Increase)/decrease in loans		6,592	-
Net cash flows from investing activities		4,504	(3,784)

CASH FLOWS FROM FINANCING ACTIVITIES

Increase/(decrease) in net assets		(6,690)	98
Net cash flows from financing activities		(6,690)	98
Net increase/(decrease) in cash and cash equivalents		(4,356)	10,714
Cash and cash equivalents at beginning of period		13,538	2,824
Cash and cash equivalents at end of period	8	9,182	13,538



ACCOUNTING POLICIES

for the year ended 31 March 2018

Summary of significant accounting policies

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

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

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

1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standards (MCS).

2. Going concern

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

3. Presentation currency

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

4. Rounding

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

5. Foreign currency translation

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

6. Comparative information

6.1 Prior period comparative information

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

6.2 Current year comparison with budget

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

7. Revenue

7.1 Appropriated funds

Appropriated funds comprise departmental allocations and direct charges against the revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the Statement of Financial Performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the Statement of Financial Performance on the date the adjustments become effective.

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

7.2 Departmental revenue

Departmental revenue is recognised in the Statement of Financial Performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3. Accrued departmental revenue

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

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

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

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

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

Salaries and wages are recognised in the Statement of Financial Performance on the date of payment.

8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the Statement of Financial Performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the Statement of Financial Performance on the date of payment.

8.2 Other expenditure

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

8.3 Accrued expenditure payable

Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department or in the case of transfers and subsidies when they are due and payable.

Accrued expenditure payable is measured at cost.

8.4 Leases

8.4.1 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the Statement of Financial Performance on the date of payment.

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

8.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the Statement of Financial Performance on the date of payment.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

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

9. Cash and cash equivalents

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

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

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

10. Prepayments and advances

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

Prepayments and advances are initially and subsequently measured at cost.

11. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

12. Payables

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

13. Capital Assets

13.1 Movable capital assets

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

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

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

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

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

13.2 Intangible assets

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

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

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

cannot be determined, the intangible assets are measured at R1.

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

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

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

14 Provisions and contingents

14.1 Provisions

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

14.2 Contingent liabilities

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

14.3 Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

14.4 Commitments

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

15 Unauthorised expenditure

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

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

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

16 Fruitless and wasteful expenditure

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

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

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

17 Irregular expenditure

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

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

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

18 Changes in accounting policies, accounting estimates and errors

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

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

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

19 Events after the reporting date

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

20 Departures from the MCS requirements

The departments has compiled the AFS as per MCS. Management has concluded that the financial statements present fairly the department's primary and secondary information.

21 Capitalisation reserve

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

22 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the NRF when recovered or are transferred to the Statement of Financial Performance when written-off.

23 Related party transactions

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

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

1. Annual Appropriation

1.1 Annual Appropriation

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

Programmes	2017/18			2016/17	
	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Final Appropriation R'000	Appropriation received R'000
1. Administration	69,359	69,359	-	57,730	57,730
2. Communications Policy, Research and Development	6,642	6,642	-	7,161	7,161
3. Industry and Capacity Development	26,045	26,045	-	47,775	47,775
Entity Oversight	1,326,254	1,326,254	-	1,237,054	1,237,054
Total	1,428,300	1,428,300	-	1,349,720	1,349,720

2. Departmental revenue

	Notes	2017/18	2016/17
		R'000	R'000
Tax revenue			
Sales of goods and services other than capital assets	2.1	51	61
Interest, dividends and rent on land	2.2	1,992	2,239
Transactions in financial assets and liabilities	2.3	182	279
Total revenue collected		2,225	2,579
Departmental revenue collected		2,225	2,579

Included in the total revenue is interest received from the South African Broadcasting Corporation (SABC) on Loan No 14 in terms of Section 30(1) of the Exchequer Act, 1975 (Act 66 of 1975). Interest is payable at a rate of 6.5% per annum, payable six monthly in arrears on 31 January and 31 July every year.

2.1 Sales of goods and services other than capital assets

	Note	2017/18	2016/17
	2	R'000	R'000
Sales of goods and services produced by the department		51	61
Sales by market establishment		41	50
Other sales		10	11
Total		51	61

2.2 Interest, dividends and rent on land

	Note	2017/18	2016/17
	2	R'000	R'000
Interest		1,992	2,239
Total		1,992	2,239

2.3 Transactions in financial assets and liabilities

	Note	2017/18	2016/17
	2	R'000	R'000
Other Receipts including Recoverable Revenue		182	279
Total		182	279

2.4 Cash received not recognised (not included in the main note)

	2017/18		
Name of entity	Amount received	Amount paid to the revenue fund	Balance
	R'000	R'000	R'000
Independent Communications Authority of South Africa (ICASA)	1,318,423	1,318,423	-
Total	1,318,423	1,318,423	-

	2016/17		
Name of entity	Amount received	Amount paid to the revenue fund	Balance
	R'000	R'000	R'000
ICASA	1,168,849	1,168,849	-
Total	1,168,849	1,168,849	-

A total of R1,511 billion was received from ICASA during the 2017/18 financial year, of which R192,357 million was surrendered to the South African Revenue Service (SARS). The information for 2016/17 was included for comparative purposes. The DoC is deemed to be a "conduit" as it only passes administrative fees from ICASA to the NRF and SARS. Therefore, the department does not record the mentioned amounts as departmental revenue in the Statement of Financial Performance at year end as this will overstate the department's revenue.

3. Compensation of employees

3.1 Salaries and Wages

	Note	2017/18	2016/17
	3	R'000	R'000
Basic salary		42,671	42,852
Performance award		501	-
Service Based		69	9
Compensative/circumstantial		1,496	1,786
Periodic payments		308	1,244
Other non-pensionable allowances		13,160	13,615
Total		58,205	59,506

3.2 Social contributions

	Note	2017/18	2016/17
	3	R'000	R'000
Employer contributions			
Pension		5,340	5,076
Medical		932	893
Bargaining council		7	7
Total		6,279	5,976
Total compensation of employees			
		64,484	65,482
Average number of employees		86	102

The average number of employees' figure represent the number of officials in service as at 31 March 2018.

4. Goods and services

	Note	2017/18	2016/17
		R'000	R'000
Administrative fees		535	557
Advertising		1,536	1,463
Minor assets	4.1	44	136
Bursaries (employees)		13	31
Catering		596	2,520
Communication		1,588	5,677
Computer services	4.2	314	254
Consultants: Business and advisory services		553	38
Legal services		2,746	2,148
Contractors		31	105
Agency and support / outsourced services		-	32
Entertainment		42	9
Audit cost-external	4.3	1,056	791
Fleet services		2,687	3,923
Consumables	4.4	1,366	800
Operating leases		287	219
Rental and hiring		377	1,122
Travel and subsistence	4.5	15,258	13,599
Venues and facilities		5	177
Training and development		51	107
Other operating expenditure	4.6	368	654
Total		29,453	34,362

4.1 Minor assets

	Note	2017/18	2016/17
	4	R'000	R'000
Tangible assets			
Machinery and equipment		44	136
Total		44	136

4.2 Computer Services

	Note	2017/18	2016/17
	4	R'000	R'000
SITA Computer Services		311	239
External computer service providers		3	15
Total		314	254

4.3 Audit cost-external

	Note	2017/18	2016/17
	4	R'000	R'000
Regularity audits		1,056	791
Total		1,056	791

4.4 Consumables

	Note	2017/18	2016/17
	4	R'000	R'000
Consumable supplies		194	93
Uniform and clothing		71	21
Household supplies		94	54
Building material and supplies		3	7
IT consumables		-	3
Other consumables		26	8
Stationery, printing and office supplies		1,172	707
Total		1,366	800

4.5 Travel and subsistence

	Note	2017/18	2016/17
	4	R'000	R'000
Local		13,791	11,805
Foreign		1,467	1,794
Total		15,258	13,599

4.6 Other operating expenditure

	Note	2017/18	2016/17
	4	R'000	R'000
Resettlement costs		-	100
Other		368	554
Total		368	654

5. Payments for financial assets

	Note	2017/18	2016/17
		R'000	R'000
Other material losses written off	5.1	-	13
Debts written off	5.2	78	10
Total		78	23

5.1 Other material losses written off

Nature of losses (Group major categories, but list material items)	Note	2017/18	2016/17
	5	R'000	R'000
Cancellation of interviews		-	13
Total		-	13

5.2 Debts written off

Other debt written off	Note	2017/18	2016/17
	4	R'000	R'000
Licence fees		-	3
Damage on car rental		28	7
Administration Fee		1	-
Cellular telephone debt		35	-
No shows		14	-
Total		78	10
Total debt written off		78	10

6. Transfers and subsidies

	Note	2017/18	2016/17
		R'000	R'000
Departmental agencies and accounts	Annex 1A	1,147,822	1,049,799
Public corporations and private enterprises	Annex 1B	173,766	182,093
Households	Annex 1C	1,263	199
Total		1,322,851	1,232,091

7. Expenditure for capital assets

	Note	2017/18	2016/17
		R'000	R'000
Tangible assets		2,088	3,784
Machinery and equipment	26	2,088	3,784
Total		2,088	3,784

7.1 Analysis of funds utilised to acquire capital assets-2017/18

	2017/18	2017/18
	Voted Funds	Total
	R'000	R'000
Tangible assets	2,088	2,088
Machinery and equipment	2,088	2,088
Total	2,088	2,088

7.2 Analysis of funds utilised to acquire capital assets – 2016/17

	Voted funds	Total
	R'000	R'000
Tangible assets	3,784	3,784
Machinery and equipment	3,784	3,784
Total	3,784	3,784

8. Cash and cash equivalents

	Note	2017/18	2016/17
		R'000	R'000
Consolidated Paymaster General Account		10,742	14,980
Disbursements		(1,595)	(1,472)
Cash on hand		35	30
Total		9,182	13,538

Four amounts to the total value of R3,648 million were received in the Paymaster General Account of the department in the first week of April 2018 which related to deposits made into the commercial bank account in March 2018.

9. Prepayments and advances

	Note	2017/18	2016/17
		R'000	R'000
Travel and subsistence		-	13
Advances paid	9.1	79	388
Total		79	401

9.1 Advances paid (Not expensed)

	Note	Balance as at 1 April 2017	Less: Amount expensed in current year	Add: Current year advances	Balance as at 31 March 2018
	<i>Annexure 5</i>	R'000	R'000	R'000	R'000
National departments		388	950	641	79
Total		388	950	641	79

9.2 Advances paid (Expensed)

	Note	Balance as at 1 April 2017	Less: Amount expensed in current year	Add: Current year advances	Balance as at 31 March 2018
	<i>Annexure 5</i>	R'000	R'000	R'000	R'000
National departments		2,863	205	-	2,658
Total		2,863	205	-	2,658

Accruals amounting to R1,213 million and commitments of R760 933.00 were recorded by the GCIS against the closing balance of R2,658 million by 31 March 2018.



10. Receivables

		Current	Non-current	Total	Current	Non-current	Total
	Note	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	10.1	60	-	60	-	-	-
Recoverable expenditure	10.2	44	-	44	-	-	-
Staff debt	10.3	7	-	7	104	3	107
Other debtors	10.4	6	-	6	41	-	41
Total		117	-	117	145	3	148

10.1 Claims recoverable

	Note	2017/18	2016/17
	10 and Annex 3	R'000	R'000
National departments		60	-
Total		60	-

10.2 Recoverable expenditure (disallowance accounts)

	Note	2017/18	2016/17
	10	R'000	R'000
Disall Damages & Losses: CA		44	-
Total		44	-

10.3 Staff debt

	Note	2017/18	2016/17
	10	R'000	R'000
Debt Account		-	107
Subsistence and Travel Account		7	-
Total		7	107

10.4 Other debtors

	Note	2017/18	2016/17
	10	R'000	R'000
Ex-Employee Debt		-	41
Sal: Tax Debt		3	-
Debt Account: Private Institutions		3	-
Total		6	41

11. Loans

	Note	2017/18	2016/17
	10	R'000	R'000
Public corporations		20,799	27,391
Total		20,799	27,391

Analysis of Balance

Opening balance	27,391	27,391
Repayments	(6,592)	-
Closing balance	20,799	27,391

In terms of Section 30(1) of the Exchequer Act of 1975, an amount of R27,391 million was made available by National Treasury to the SABC as permanent capital (SABC Loan: Channel Africa - Loan 14). The loan was transferred from the Department of Telecommunications and Postal Services to the DoC in line with Section 42 of the PFMA of 1999, when the SABC was transferred to the department to form part of the portfolio of the Ministry of Communications.

12. Voted funds to be surrendered to the revenue fund

Note	2017/18	2016/17
	R'000	R'000
Opening balance	13,978	2,846
As restated	13,978	2,846
Transfer from statement of financial performance (as restated)	9,346	13,978
Paid during the year	(13,978)	(2,846)
Closing balance	9,346	13,978

13. Departmental revenue and NRF Receipts to be surrendered to the revenue fund

Note	2017/18	2016/17
	R'000	R'000
Opening balance	2	1
As restated	2	1
Transfer from Statement of Financial Performance (as restated)	2,225	2,579
Paid during the year	(2,225)	(2,578)
Closing balance	2	2

14. Payables – current

Note	2017/18	2016/17
	R'000	R'000
Other payables	30	9
Total	30	9

14.1 Other payables

Note	2017/18	2016/17
	R'000	R'000
Sal: Income Tax: CL	22	9
Disall Damages & Losses: CA	7	-
Sal: Pension Fund: CL	1	-
Total	30	9

15. Net cash flow available from operating activities

Note	2017/18	2016/17
	R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance	11,571	16,557
Add back non-cash/cash movements not deemed operating activities	(13,741)	(2,157)
(Increase)/decrease in receivables – current	31	115
(Increase)/decrease in prepayments and advances	322	2,631
Increase/(decrease) in payables – current	21	(3,263)
Expenditure on capital assets	2,088	3,784
Surrenders to the revenue fund	(16,203)	(5,424)
Net cash flow generated by operating activities	(2,170)	14,400

17. Contingent liabilities and contingent assets

17.1 Contingent liabilities

Note	2017/18	2016/17	
	R'000	R'000	
Liable to			
Nature			
Claims against the department	Annex 2B	3,120	1,093
Total		3,120	1,093

The following court cases are still pending and the outcomes were unknown by 31 March 2018:

1. Mashangu Ronny Lubisi vs SABC.
2. Support Public Broadcasting Coalition vs SABC and Others
3. Minister of Communications vs Speaker of the National Assembly and Others
4. Madzhe vs Minister of Communications
5. DoC vs Senior Official

6. Universal Service and Access Agency of South Africa (USAASA) vs CZ Electronics/ Minister
 7. Amabhungane vs Minister of Justice/Communications
 8. Nicodimus Molefe vs Minister
 9. Government Employees Pension Fund (GEPF) vs SABC/Minister *
 10. KH Mohale vs DoC **
 11. Support Public Broadcasting Coalition vs SABC and Others (This case was consolidated with case listed as No 2 above. No further claims will be received on this specific matter).
- * - GEPF represented by Public Investment Corporation (PIC) instituted action against SABC for an amount of R144 883 845.80 and R232 120 136.38, totaling to R377 003 982.18. SABC alleged that North West Government, Minister of Finance, Minister of Communications and Minister of Arts, Culture, Science and Technology should indemnify the SABC for the amount claimed. This claim is based on a lease agreement allegedly concluded during 1991 between Sefalana Employees Benefits Organization (SEBO) and the Bophuthatswana Broadcasting Corporation (BopBC) whereby BopBC leased certain premises from SEBO for a period of 20 years. The mentioned figure is not included in the table above as the final liability for the DoC is still to be determined. As at 31 March 2018, the liability could not be determined.
- ** - The case was dismissed. However, the Commissioner ordered the DoC to pay for the cost of postponement. At this stage, the plaintiff attorneys did not submit the bill of costs to the General Public Service Sector Bargaining Council (GPSSBC) and as such the amount of liability could not be determined. However, the Legal Services after considering the merits of the case and Taxation of Bill of Costs (see attached) is of the view that the total cost may not exceed a total amount of R10 000.00.

18. Commitments

Note	2017/18	2016/17
	R'000	R'000
Current expenditure		
Approved and contracted	992	2,501
Approved but not yet contracted	-	-
	992	2,501
Capital expenditure		
Approved and contracted	18	33
	18	33
Total Commitments	1,010	2,534

All commitments are less than a year.

19. Accruals and payables not recognised

19.1 Accruals

	2017/18		2016/17	
	R'000		R'000	
Listed by economic classification				
	30 Days	30 + Days	Total	Total
Goods and services	2,018	1,779	3,797	5,178
Total	2,018	1,779	3,797	5,178

Note	2017/18	2016/17
	R'000	R'000
Listed by programme level		
Programme 1: Administration	2,679	4,009
Programme 2: Communications Policy, Research and Development	104	6
Programme 3: Industry and Capacity Development	915	1,125
Programme 4: Entity Oversight	99	38
Total	3,797	5,178

19.2 Payables not recognised

	2017/18			2016/17
	R'000			R'000
Listed by economic classification				
	30 Days	30 + Days	Total	Total
Goods and services	81	-	81	636
Total	81	-	81	636

	Note	2017/18	2016/17
		R'000	R'000
Listed by programme level			
Programme 1: Administration		54	603
Programme 2: Communications Policy, Research and Development		27	17
Programme 3: Industry and Capacity Development		-	3
Programme 4: Entity Oversight		-	13
Total		81	636

20. Employee benefits

	Note	2017/18	2016/17
		R'000	R'000
Leave entitlement		2,478	2,625
Service bonus (13th cheque)		1,241	1,396
Performance awards		925	1,020
Capped leave commitments		958	860
Other: Long term service provision		10	70
Total		5,612	5,971

Included in the leave entitlement is negative leave amounting to R15,166.36 as at 31 March 2018.

20. Employee benefits

21.1 Operating leases expenditure

2017/18	Machinery and equipment	Total
	R'000	R'000
Not later than 1 year	1,839	1,839
Later than 1 year and not later than 5 years	1,220	1,298
Total lease commitments	3,059	3,137

2016/17	Machinery and equipment	Total
Not later than 1 year	191	191
Later than 1 year and not later than 5 years	88	88
Total lease commitments	279	279

The contract is for 36 months but if willing to extend, it may be extended not more than 24 months and during the period of extension of the 24 months you pay 25% of operating leases.

22. Irregular expenditure

22.1 Reconciliation of irregular expenditure

	Note	2017/18	2016/17
		R'000	R'000
Opening balance			
Prior period error		-	-
As restated		-	-
Add: Irregular expenditure – relating to prior year		-	-
Add: Irregular expenditure – relating to current year		-	-
Less: Prior year amounts condoned		-	-
Less: Current year amounts condoned		-	-
Less: Amounts not condoned and recoverable		-	-
Less: Amounts not condoned and not recoverable		-	-
Closing balance		-	-
Analysis of awaiting condonation per age classification			
Current year		-	-
Prior years		-	-
Total		-	-

23. Fruitless and wasteful expenditure

23.1 Reconciliation of fruitless and wasteful expenditure

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		-	-
Prior period error		-	-
As restated		-	-
Fruitless and wasteful expenditure – relating to prior year		-	-
Fruitless and wasteful expenditure – relating to current year		17	-
Less: Amounts resolved		(14)	-
Less: Amounts transferred to receivables for recovery	15.6	(3)	-
Closing balance		-	-

23.2 Analysis of current year's (relating to current and prior years) fruitless and wasteful expenditure

Incident	Disciplinary steps taken/ criminal proceedings	2017/18
Administration fee for traffic fines	Recovered from officials	1
No shows	Recovered from officials	2
No shows	None required as per Theft and Losses Committee resolution	13
Cancellation fee Shosholoza	None required as per Theft and Losses Committee resolution	1
Total		17

23.3 Prior Period error

Note	2016/17
	R'000
Nature of prior period error	
Relating to 2016/17	-
Fruitless and wasteful expenditure	26
Less: Amounts resolved	(16)
Less: Amounts transferred to receivables for recovery	(10)

24. Related party transactions

The following entities are listed as related parties:

1. SABC;
2. Media Development and Diversity Agency (MDDA);
3. Brand South Africa;
4. Government Communications and Information System (GCIS);
5. ICASA; and
6. Film and Publication Board (FPB).

With regard to ICASA, the DoC has received revenue in respect of licence fees and other revenue from ICASA that was surrendered to NRF and SARS respectively. This is not regarded as departmental revenue.

A Memorandum of Understanding (MoU) was signed by both the Acting Directors-General of the DoC and GCIS for the rendering of corporate-related functions in the 2017/18 financial year, which related to Petty Cash support, Supply Chain Management (SCM) services, Facility Management services, Human Resource Management (HRM), Information Technology and Internal Audit. In certain aspects, the arrangements will continue in the 2018/19 financial year until such time the DoC can function independently from the GCIS. The GCIS has loaned assets to the DoC to the value of R1.636 million. Apart from the corporate service related support, the GCIS also supports the DoC in respect of accommodation, municipal services, cleaning services, security and IT infrastructure.

Claims amounting to R540, 795.59 were paid to the GCIS during the 2017/18 financial year.

An amount of R2,863 million in respect of media-buying campaigns reflected as an opening balance for the 2017/18 financial year (refer to Note 9.2 – Advances expensed). R205 000.00 was recorded as expenditure against the mentioned amount in the 2017/18 financial year as well as accruals and commitments of R1,897 million, which leave an amount of R761 000 unspent and uncommitted at 31 March 2018.

Media-buying transactions made through the GCIS are considered to be market related. In addition to the above, the GCIS rendered 263 non-monetary services such as radio production, photography and video services during the 2017/18 financial year. Although the Department of Telecommunications and Postal Services (DTPS) is not regarded as a related party to the department, it is partly responsible for the DTT project.

25. Key management personnel

	No. of Individuals	2017/18 R'000	2016/17 R'000
Political office bearers (provide detail below)	3	4,391	4,211
Officials:			
Level 15 to 16	4	5,525	7,501
Level 14 (incl. CFO if at a lower level)	11	10,236	11,157
Total		20,152	22,869

The department did not have an established Internal Audit component by 31 March 2018. This function was rendered by the GCIS Internal Audit headed by the Chief Audit Executive at Level 14, which is not included in the amount of R10,236 million. The total number of individuals disclosed under Level 15 to 16 includes advisors to the Ministry of Communications. The number of individuals is as at 31 March 2018.



26. Movable Tangible Capital Assets

Movement in movable tangible capital assets per asset register for the year ended 31 march 2018

Programmes	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals	Closing Balance R'000
MACHINERY AND EQUIPMENT	9,470	-	3,056	1,974	10,552
Transport assets	5,307		2,453	1,927	5,833
Computer equipment	3,129		466	47	3,548
Furniture and office equipment	713		5	-	718
Other machinery and equipment	321	-	132	-	453
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	9,470	-	3,056	1,974	10,552

The department did not account for assets to the value of R1,636 million which are assets loaned from the GCIS.

26.1 Additions

	Cash*	Non-cash	Received current, not paid (Paid current year, received prior year)	Total
MACHINERY AND EQUIPMENT	2,088	968	-	3,056
Transport assets	1,505	948	-	2,453
Computer equipment	446	20	-	466
Furniture and office equipment	5	-	-	5
Other machinery and equipment	132	-	-	132
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	2,088	968	-	3,056

Included in the total amount of the Transport assets of R2,453 million is a vehicle to the value of R948 000 that was transferred from the Department of Public Service and Administration (DPSA) to the DoC for Ministerial usage. It has been recorded on the Assets Register during April 2018 upon receipt of the completed documentation.

26.2 Disposals

	Non-cash	Total disposals
	R'000	R'000
Machinery and Equipment	1,974	1,974
Transport assets	1,927	1,927
Computer equipment	47	47
Total disposal of movable tangible capital assets	1,974	1,974

The above amount of disposals does not include the amount of R17, 624.14 which was for the laptop that was disclosed on the 2016/17 financial year but only removed in the assets register of the 2017/18 financial year.

26.3 Movement for 2016/17

Movement in movable tangible capital assets per asset register for the year ended 31 March 2017

	Opening balance	Current Year Adjust-ments to prior year balances	Additions	Disposals	Closing Balance
Programmes	R'000	R'000	R'000		R'000
Machinery and Equipment	6,132	-	4,413	1,075	9,470
Transport assets	3,523	-	2,710	926	5,307
Computer equipment	2,081	-	1,178	130	3,129
Furniture and Office equipment	313	-	419	19	713
Other machinery and equipment	215	-	106	-	321
Total Movable Tangible Capital Assets	6,132	-	4,413	1,075	9,470

26.4 Minor assets

	Machinery and equipment	Total
	R'000	R'000
Opening balance	753	753
Additions	44	44
Disposals	8	8
TOTAL MINOR ASSETS	789	789

	Machinery and equipment	Total
	R'000	R'000
Number of R1 minor assets	11	11
Number of minor assets at cost	330	330
TOTAL NUMBER OF MINOR ASSETS	341	341

The department has received TVs as a donation as disclosed under Annexure 1D. These assets are not included in the Assets Register as it will be donated to the public during DTT outreach programmes.

Movement in minor assets per asset register for the year ended 31 March 2017

	Intangible assets	Machinery and equipment	Total
		R'000	R'000
Opening balance	-	317	317
Additions	-	444	444
Disposals		8	8
TOTAL MINOR ASSETS	-	753	753

	Intangible assets	Machinery and equipment	Total
		R'000	R'000
Number of R1 minor assets	-	11	11
Number of minor assets at cost	-	319	319
TOTAL MINOR ASSETS	-	330	330

27. Transfer of functions

During the establishment phase of the DoC, a MoU was entered into between the GCIS and the DoC for the rendering of corporate service related functions such as Petty Cash support, SCM services, Facility Management services, HRM, IT and Internal Audit. In certain aspects, the arrangements will continue in the 2018/19 financial year until such time the DoC can function independently from the GCIS.

Included in the balance of the Transport assets is a vehicle that was transferred from DPISA to DoC for Ministerial usage to the value of R948 000. It has been recorded on the Assets Register during April 2018 upon receipt of the completed documentation.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

ANNEXURE 1A

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2016/17
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Brand South Africa	194,300	-	-	194,300	194,300	100%	181,186
FPB	91,684	-	-	91,684	91,684	100%	86,472
GCIS	401,450	-	-	401,450	401,450	100%	385,256
ICASA	430,383	-	-	430,383	430,383	100%	373,071
MDDA	30,005	-	-	30,005	30,005	100%	23,814
TOTAL	1,147,822	-	-	1,147,822	1,147,822	100%	1,049,799

ANNEXURE 1B

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER				2016/17
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%			R'000
Transfers	173,766	-	-	173,766	173,766	100%	-	-	182,093
SABC	173,766	-	-	173,766	173,766	100%	-	-	182,093
TOTAL	173,766	-	-	173,766	173,766	100%	-	-	182,093

ANNEXURE 1C

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				TRANSFER		2016/17
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Households: Employee Social Benefit	733	-	531	1,264	1,263	100%	201
TOTAL	733	-	531	1,264	1,263	100%	201

ANNEXURE 1D

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2017/18	2016/17
		R'000	R'000
Received in kind			
MultiChoice	2 bottles of whisky	-	1
Orlando Pirates FC	2 Suite tickets: Orlando Pirates vs Kaizer Chiefs game	-	1
MTN	Jeana Clifford necklace and crystal stones	1	-
CZ Electronics	32-inch TV	3	-
CZ Electronics	5 LED TV sets	13	
SENTECH	1 LCD TV sets (DTT open space)	2	
AFRICA SMARTWORX	1 SANSUI 32-inch LCD TV set	2	
TOTAL		21	2

The amounts of the donations are reflected at fair value cost.

ANNEXURE 2A

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2018

Nature of Liability	Opening Balance 1 April 2017 R'000	Liabilities incurred during the year R'000	Liabilities paid/ cancelled/reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2018 R'000
Claims against the department					
Ongoing court cases	1,093	2,831	804	-	3,120
TOTAL	1,093	2,831	804	-	3,120

The following court cases are still pending and the outcomes were unknown by 31 March 2018:

1. Mashangu Ronny Lubisi vs SABC.
2. Support Public Broadcasting Coalition vs SABC and Others
3. Minister of Communications v Speaker of the National Assembly and Others
4. Madzhe vs Minister of Communications
5. DoC vs Senior Official
6. USAASA vs CZ Electronics/Minister
7. Amabhungane vs Minister of Justice/Communications
8. Nicodimus Molefe vs Minister
9. GEPF vs SABC/Minister *
10. KH Mohale vs DoC **
11. Support Public Broadcasting Coalition vs SABC and Others (This case was consolidated with case listed as No 2 above. No further claims will be received on this specific matter).

* - GEPF represented by PIC instituted action against SABC for an amount of R144 883 845.80 and R232 120 136.38, totaling to R377 003 982.18. SABC alleged that North West Government, Minister of Finance, Minister of Communications and Minister of Arts, Culture, Science and Technology should indemnify SABC for the amount claimed. This claim is based on a lease agreement allegedly concluded during 1991 between SEBO and BopBC whereby BopBC leased certain premises from SEBO for a period of 20 years. The mentioned figure is not included in the table above as the final liability for the DoC is still to be determined. As at 31 March 2018, the liability could not be determined.

** - The case was dismissed. However, the Commissioner ordered the DoC to pay for the cost of postponement. At this stage, the plaintiff attorneys did not submit the bill of costs to GPSSBC and as such the amount of liability could not be determined. However, the Legal Services after considering the merits of the case and Taxation of Bill of Costs (see attached) is of the view that the total cost may not exceed a total amount of R10 000.00.

ANNEXURE 3
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENT						
Department of Telecommunication and Postal Services	-	-	23	-	23	-
Department of Home Affairs	-	-	37	-	37	-
TOTAL	-	-	60	-	60	-

ANNEXURE 4
INTERGOVERNMENT PAYABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENT						
South African Police Service	581	-	-	132	581	132
GCIS	-	-	-	71	-	71
Department of Justice and Constitutional Development	-	-	-	409	-	409
TOTAL	581	-	-	612	581	612

ANNEXURE 5

INTER-ENTITY ADVANCES PAID

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2017/18 *	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		

DEPARTMENTS

Current

GCIS	2,658	2,879	-	-	2,658	2,879		
Department of International Relations and Cooperation	-	-	79	372	79	372		
Total	2,658	2,879	79	372	2,737	3,251		



PART F:

APPENDIX

WHERE TO FIND NATIONAL OFFICES:

Department of Communications

Tshedimosetso House

1035 cnr Frances Baard and Festival streets

Hatfield, Pretoria

Tel: +27 (12) 473 0086

WHERE TO FIND OUR ENTITIES

SABC

Physical Address:

Cnr Henley and Artillery Road

Auckland Park, 2006

Contact details

Tel: 011 714 9111

Fax: 011 714 4869

MDDA

Physical Address

31 Princess of Wales Terrace,

Parktown, 2193,

Johannesburg, South Africa

Contact details

Tel: 011 643 1100

Fax: 011 643 1126

Email: info@mdda.org.za

ICASA

Physical Address:

Pinmill Farm, Block A, B, C and D

164 Katherine Street,

Sandton, Johannesburg

Contact details

Tel: 011 566 3000 /1 / 021 561 6800

Fax: 011 566 4000 / 4001

FPB

Physical address

ECO Glade 2

420 Witch Hazel Street

ECO Park

Centurion

0169

Contact details

Tel: 012 003 1400

Client support: 0800 000 555

Email: clientsupport@fpb.org.za

Brand South Africa

Physical Address

103 Central Street

Houghton

Johannesburg

Contact details

Tel: 011 483-0122

Fax: 011 483-0124

Notes

A large area for writing notes, consisting of two columns of horizontal dotted lines.



RP383/2018

ISBN: 978-0-621-46795-6