





VOTE 6: ANNUAL REPORT 2013/2014





TABLE OF CONTENTS

PART A: GENERAL INFORMATION

1.1	DEPARTMENT 5 GENERAL INFORMATION	ь
1.2	LIST OF ABBREVIATIONS/ACRONYMS	7
1.3	FOREWORD BY THE MEC	11
1.4	OVERVIEW/ REPORT OF THE ACCOUNTING OFFICER	15
1.5	STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF	
	ACCURACY FOR THE ANNUAL REPORT	17
1.6	STRATEGIC OVERVIEW	18
1.7	LEGISLATIVE AND OTHER MANDATES	19
1.8	ORGANISATIONAL STRUCTURE	24
1.9	ENTITIES REPORTING TO THE MEC	25
PART	B: PERFORMANCE INFORMATION	
2.1	AUDITOR GENERAL'S REPORT: PRE-DETERMINED OBJECTIVES	28
2.2	OVERVIEW OF DEPARTMENTAL PERFORMANCE	29
2.2.1	Service Delivery Environment	29
2.2.2	Service Delivery Improvement Plan	29
2.2.3	Organisational environment	30
2.2.4	Key policy developments and legislative changes	30
2.3	STRATEGIC OUTCOME-ORIENTED GOALS	31
2.4	PERFORMANCE INFORMATION PER PROGRAMME	32
2.5	TRANSFER PAYMENTS	81
2.6	CONDITIONAL GRANTS	83
2.7	DONOR FUNDS	83
2.8	CAPITAL INVESTMENT	83



PART C: GOVERNANCE

3.1	INTRODUCTION	86
3.2	RISK MANAGEMENT	86
3.3	FRAUD AND CORRUPTION	87
3.4	MINIMISING CONFLICT OF INTEREST	87
3.5	CODE OF CONDUCT	87
3.6	HEALTH SAFETY AND ENVIRONMENTAL ISSUES	87
3.7	PORTFOLIO COMMITTEES	88
3.8	SCOPA RESOLUTIONS	89
3.9	PRIOR MODIFICATIONS TO AUDIT REPORTS	89
3.10	INTERNAL CONTROL UNIT	89
3.11	INTERNAL AUDIT AND AUDIT COMMITTEES	89
3.12	AUDIT COMMITTEE REPORT	90
PART	D: HUMAN RESOURCE MANAGEMENT	
4.1	INTRODUCTION	94
4.2	HUMAN RESOURCES OVERSIGHT STATISTICS	96
PART	E: FINANCIAL INFORMATION	
1.	REPORT OF THE AUDITOR GENERAL	145
2.	ANNUAL FINANCIAL STATEMENTS	149





Part A:
General
Information



1.1 DEPARTMENT'S GENERAL INFORMATION

DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM: VOTE 6

PHYSICAL ADDRESS: Building No 4

No 7 Government Boulevard

Riverside Park Extension 2

Mbombela (Nelspruit)

1201

POSTAL ADDRESS: Private Bag X11215

Nelspruit

1200

TELEPHONE NUMBER/S: (013) 766 4004

FAX NUMBER: (013) 766 4613

WEBSITE ADDRESS: www.mpumalanga.gov.za/dedet



1.2 LIST OF ABBREVIATIONS/ACRONYMS

AFS Annual Financial Statements

AMTS Advanced Manufacturing Strategy

APP Annual Performance Plan

AQMP Air Quality Management Plan

BAS Basic Accounting System

BBBEE Broad Based Black Economic Empowerment

CC's Close Corporations

CCTV Closed Circuit Television
CEO Chief Executive Officer
CFO Chief Financial Officer

CIPC Companies and Intellectual Property Commission

COP Congress of Parties

CPA Consumer Protection Act

CRDP Comprehensive Rural Development Programme

CSI Corporate Social Investment

DBSA Development Bank of Southern Africa

DEDET Department of Economic Development, Environment and Tourism

DESD Decade of Education for Sustainable Development

Dola Department of Labour

Dora Division of Revenue Act

DPSA Department of Public Service and Administration

EA Environmental Authorisation
EE Environmental Education
EEP Employment Equity Plan

EHWP Employee Health and Wellness Programme

EIC Environment Impact Assessment
EIC Enterprise Information Centre

EMC Environmental Implementation Plan

EMC Executive Management Committee

EMF Environmental Management Framework
EMI Environmental Management Inspector

EMP Environmental Management Plan

FTC Food Technology Centre

GDP Growth Domestic Product

GIAMA Government Immovable Asset Management Act

Geographical Information System



HDI Historically Disadvantaged Individuals

HOD Head of Department

HR PLAN Human Resource Plan

HRPIPR Human Resource Plan Implementation Progress Report

ICC International Convention Centre

ICT Information Communication and Technology

IDC Industrial Development Corporation

IDP Integrated Development Plan
IGR Intergovernmental Relations

IWMP Integrated Waste Management Plan

KMIA Kruger Mpumalanga International Airport

LOGIS
LOGIS
LOGIS
LOGIS
LOGIS
LOGIS
LOGIS
LOGISTICAL Information System
LOCAL Regulatory Framework
LTO
LOCAL TOURISM Organisation

MADC Mpumalanga Agricultural Development Corporation

MBCP Mpumalanga Bio-diversity Plan

MDG Millennium Development Goals

MEC Member of the Executive Council

MEGDP Mpumalanga Economic Growth and Development Path

MEGA Mpumalanga Economic Growth Agency

MGB Mpumalanga Gambling Board

MHFCO Mpumalanga Housing Finance Company

MINMEC Ministers and Members of Executive Council

MINTECH Ministers and Technical Team

MISS Minimum Information Security Standards

MLA Mpumalanga Liquor Authority

MTGS Mpumalanga Tourism Growth Strategy

MTPA Mpumalanga Tourism and Parks Agency

MUNMEC Municipalities and Member of the Executive Council

NDA National Development Agency
NCC National Consumer Commission

NIPF National Industrial Policy Framework

NSDP National Spatial Development Perspective

NTSS National Tourism Sector Strategy

OTP Office of the Premier

PAA Public Audit Act

PERSAL Personnel and Salary Administration



PFMA Public Finance Management Act

PGDS Provincial Growth and Development Strategy

POA Programme of Action

PPPFA Preferential Procurement Policy Framework Act

PRIME Programme for Industrial Manufacturing Excellence

PSC Public Service Commission

RTO Regional Tourism Organisations
RTP Responsible Tourism Planning

SABS South African Bureau of Standards

SAHC/OOAK South African Handmade Collection / One of a kind exhibition

SDF Spatial Development Framework

SDIP Service Delivery Improvement Plan

SEED Schools Environment Education Development Projects

SEDA Small Enterprise Development Agency
SERO Socio-Economic Review and Outlook

SEZ Special Economic Zone

SMME Small, Medium and Micro Enterprise

SONA Senior Management Service
SONA State of the Nation Address
SOPA State of the Province Address

TOR Terms of reference

WEW World Environmental Week

ZRCC Zithabiseni Resort and Conference Centre





1.3 FOREWORD BY THE MEC

The year 2014 marked 20 years of a democratic South Africa, and it is evident that a lot of work has been done in our quest to transform the structure, ownership patterns and means of production of our economy.

Echoing the wisdom of the late first President of the democratic South Africa, Dr Nelson Mandela from his book, *Long Walk to Freedom*, who said "After climbing a great hill, one only finds that there are many more hills to climb".

Very true indeed, given that as the people we are commanded to share a common economic vision firmly expressed in the National Development Plan (NDP), underpinned by the New Growth Path (NGP) and the Industrial Policy Action Plan (IPAP) to radically transform the National Economy which is characterised by **poverty, stubborn unemployment and extreme inequalities**. To this end, the Provincial customisation of the economic blue print is the Mpumalanga Economic Growth and Development Path (MEGDP) which has identified key economic sectors with the potential to grow the economy and create the much needed jobs in the Province.

These sectors are the Agriculture and Forestry Value Chain, Mining and Beneficiation Value Chain, Manufacturing, Tourism and Cultural Industries with two (2) emerging sectors, namely, the Green Economy and Information Communication Technology (ICT).

For the year under review, we have and will continue to focus on these sectors by facilitating and coordinating development of appropriate sector strategies and support plans which include, but are not limited to: (a) the Provincial Infrastructure Master Plan; (b) the Provincial Implementation Strategy of the Broad Based Black Economic Empowerment (BBBEE); (c) the Cooperatives Strategy; (d) the Mpumalanga Tourism Growth and Development Strategy; and (e) the ICT Strategy, to mention but a few.

We acknowledge that Government cannot do it alone, therefore at the centre of our implementation approach is the formation of partnerships with Development Finance Institutions (DFI's) and the Private Sector focusing on the following key areas of cooperation:

- Human Capital Development;
- · Enterprise Development;
- Urban and Rural Development in respect of Social and Economic Infrastructure;
- Environment and Sustainable Development;
- Research and Development of New Economic Opportunities in the identified economic sectors.

With regards to Business Regulation and Governance, we are continuing with our mandate to protect consumers from unfair business practises in line with the applicable legislation, and in this regard, we have established two (2) Consumer Courts to service all the three (3) District Municipalities.

To properly regulate the liquor industry, the operationalisation of the Mpumalanga Liquor Act remains work in progress.

During the financial year (2013/2014), we continued to strengthen the strategic environmental support to municipalities to promote environmental planning and management. In this regard, we have commissioned an additional Ambient Air Quality Monitoring Station; finalised the Provincial Integrated Waste Management Plan and continued to implement the Mpumalanga Bio-diversity Conservation Plan.

Informed by the ruling party's 2014 National Elections Commitments, a Delivery Agreement aligned to the National Development Plan and the MEGDP has been finalised.

Our work over the next five (5) years, working together with Public Entities, will focus on exploiting the sectors as identified in the MEGDP.

The Department's role of coordinating and planning of Provincial economic activities across all sectors, is underpinned by the following amongst other imperatives:

- The need to ensure participation of SMME's and cooperatives in the mainstream economic activities in each of the economic sectors;
- Implementation of the Provincial BBBEE Strategy;
- Commitments of the Youth Employment Accord and the Local Procurement Accord must find expression in our Medium Term Expenditure Framework.

As part of the future plans, we will strengthen support and oversight to ensure that our public entities are responsive to the public policy objective at the centre of our mandate, that is, job creation and sustainable livelihoods.

I therefore invite all stakeholders to peruse this Annual Report and note the milestones set, but more importantly, join hands with the Department in resolving the challenges ahead of us.

I am optimistic that through unity of purpose defined by the National Development Plan, and marching side by side with you, we can only move from strength to strength to take this Department to greater heights.

Lastly, I wish to take this opportunity to express, on behalf of the Department, our profound appreciation for the guidance and constructive engagements we have received from the Portfolio Committee and all Chapter 9 Institutions, social partners including the role played by the private sector in giving further impetus to the radical economic transformation agenda; the Board Members of our Public Entities for their selflessness in the execution of their fiduciary duties; all government officials who constitute a new cadreship of the public service well equipped with the right mix of ethos to sustain the image and practise of a caring government.

Together we move Mpumalanga Forward!

MR SE KHOLWANE, MPL

MEC for Economic Development, Environment and Tourism







1.4 OVERVIEW/ REPORT OF THE ACCOUNTING OFFICER

We are pleased to present the 2013/14 Annual Report of the Department of Economic Development, Environment and Tourism which seeks to satisfy transparency and accountability requirements, and therefore provides the basis for public scrutiny and constructive engagements along the continuum of performance improvement.

For the year under review the Department's Annual Performance Plan sought to respond to, and facilitate, the strengthening and deepening of the developmental task of Government to lead the Provincial Economy in the face of the sluggish growth of 2%, with the unemployment rate of 29% in the first quarter of 2013 compared to 29,5% of the first quarter of 2014. The youth who constitute 69,4% of the provincial population swells the ranks of the unemployed. Key economic sectors such as mining and agriculture continue to underperform. The poverty rate in the Province is as high as 36,9%, with the ginicoefficient of 0,60%.

In response to these challenges, our five year Strategic Plan which ended in 2013/14 with a periodic annual review to synchronise it with the imperatives of the National Development Plan (NDP) and Mpumalanga Economic Growth and Development Path (MEGDP), has been at the centre of our annual planning processes.

Our strategy execution therefore, is underpinned by the Job Creation agenda, and in our endeavour to ensure participation of SMME's and Youth Co-operatives in the mainstream economic activity of each sector, we have provided training in collaboration with the South African Bureau of Standards to 32 cooperatives on technical skills.

To further support SMME's and cooperatives, we have completed the construction of a water bottling plant in Mkhondo Local Municipality which will create not less than 23 permanent jobs once fully operational, with an envisaged value addition of stimulating the local economy.

We have also already concluded preliminary studies in partnership with the Department of Trade and Industry (the dti) to establish a Special Economic Zone (SEZ) in Nkomazi Local Municipality which is aimed at industrialising the provincial economy.

Since Tourism is a priority industry in the provincial economic blue print, we had to increase the MTPA appropriation in order to fast-track the infrastructure upgrade of provincial tourism attractions and strengthen marketing campaigns which are aimed at promoting Mpumalanga as the preferred destination of choice within the Framework of the Provincial Tourism Growth Strategy. In this regard, we wish to acknowledge and express our deepest appreciation to the National Department of Environmental Affairs for the Environmental Protection and Infrastructure Programme (EPIP) Grant.

On Business Regulation and Governance, we must underline that for the period under review, we have resolved 2043 reported consumer cases which resulted in just above R5 million being returned to the pockets of the consumers. To consolidate this area of our work, it must also be reported that we have established two consumer courts to service three (3) District Municipalities in the Province.

We have finally managed to allocate R5 million to operationalise the Mpumalanga Liquor Authority as an important vehicle to properly regulate this industry which is besieged with many challenges.

It should be further reported that the Department was able to collect just above R84 million from all its revenue streams for the year under review. The details of all the financials attached to the milestones are part of the various aspects of this report.

One of the weakest links has been our capacity to gather reliable and credible economic intelligence in order to improve planning in the Province; in this regard plans have been developed to mitigate this weakness in the 2014/15 financial year which includes among other key measures, organisational design and business re-engineering to bolster our response and economic planning capacity.



Departing from the Mpumalanga Economic Growth and Development Path (MEGDP), it is evident that Government cannot do it alone, hence the implementation approach underlines partnerships with the private sector, development finance institutions, and sister departments across all three spheres of government in the context of Inter-Governmental Relations principles.

For the year under review, five Memoranda of Understanding (MOU) have been signed with BHP Billiton, South African Breweries, Sasol and Eskom focusing on Human Capital Development, Enterprise Development, Urban and Rural Development, Environmental Management and Sustainable Development, Research and Development in the sectors identified by the MEGDP.

In achieving the set targets, unity of purpose is an over-arching dimension and a critical game changer of our collective undertakings to create jobs and an environment for sustainable livelihoods.

I take this opportunity to thank, Senior Management and all employees of the Department and those of Public Entities, for their commitment to serve and make a difference. To all our social partners, a very big thank you for your value added contribution in the implementation of the MEGDP.

I thank you.

MR T MDAKANE

ACCOUNTING OFFICER (ACTING)

Department of Economic Development, Environment and Tourism

31 August 2014



1.5 STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

- All information and amounts disclosed throughout the annual report is consistent.
- The annual report is complete, accurate and is free from any omissions.
- The annual report has been prepared in accordance with the guidelines of the annual report as issued by National Treasury.
- The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.
- The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.
- The Accounting Officer is responsible for establishing, and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.
- The external auditors are engaged to express an independent opinion on the annual financial statements.
- In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2014.

Yours faithfully

ACCOUNTING OFFICER (ACTING)

Department of Economic Development, Environment and Tourism

31 August 2014



1.6 STRATEGIC OVERVIEW

Vision

An Inclusive, Global Competitive Economy

Mission

Drive economic growth that creates decent employment and promote sustainable development through partnerships.

Values

Value	Value statement
Integrity	Officials must be dedicated to the adherence of a strict moral and ethical code of conduct in the execution of their duties and responsibilities.
Fairness	Officials must conform to the rules and standards set out by the Department. All decisions should be made free of bias and must always be considerate and just.
Accountability	Officials are, at all times, responsible for the performance and results of their agreed upon duties and responsibilities. This refers to the pyramid responsibility that begins with the individuals and builds up to the top management.
Transparency	Officials will recognise the right to access of information excluding information that is specifically protected by law.
Professionalism	Officials will behave and execute their duties in a manner that enhances the reputation of the Department while adhering to the highest ethical standards.



1.7 LEGISLATIVE AND OTHER MANDATES

Constitutional Mandates

Constitutional mandates	Purpose	
The Constitution of the Republic of South Africa, Act 108 of 1996; To protect citizens and afford them	The Department's mandate includes regulatory functions that are meant to promote fair trade, protection of the consumer rights and sustainable environmental management as envisaged in Sections 22 and 24 of the Bill of Rights.	
rights.	Department is also directly responsible for regulating the Liquor and Gambling Industries whose activities can have adverse outcomes to the well-being and dignity of individuals/communities.	
	The DEDET is responsible for implementing Section 24 of the Bill of Rights which relates to the environmental rights in the Province. The Department, as an organ of state, is responsible, in terms of section 24(a), for ensuring that people have (a right to) "an environment that is not harmful to human health and well-being; and to have the environment protected for the benefit of present and future generations"; and is therefore expected to use reasonable legislative and other measures that:	
	Prevent pollution and ecological degradation (e.g. Sub-Programme: Pollution and Waste Management);	
	Promote conservation (e.g. Sub-Directorate: Biodiversity Management and the MTPA);	
	Secure ecologically sustainable development (e.g. Sub-Programme: Environmental Impact Management); and	
	Secure use of natural resources while promoting justifiable economic and social development.	

Environment and conservation related mandates

Environment and conservation related mandates	DEDET's direct responsibility for ensuring compliance mandates
National Environment Management Act, Act 107 of 1998 (as amended) provides the overarching framework to give effect to the Constitutional rights to a healthy and safe environment and to have the environment protected.	This is the enabling Act which gives effect to the specific environmental management acts, i.e. Biodiversity Act; Air Quality Act; Waste Act and Protected Areas Act. The Act also takes precedence over other environmentally related legislation such as the Water Act; Municipal Systems Act; Municipal Structures Act, to the extent to which such legislation refers to environmental regulation.
The Environmental Impact Assessment Regulation 543,	Chapter 2 of Regulation 543 sets out the specific provincial competencies with regard to the evaluation of environmental impact assessments.
544, 545, 546, and 547 in term of the National Environmental Management Act, 1998, as	Chapter 3 of Regulation 543 sets out the specific requirements applicable to the submission and evaluation of environmental applications
amended.	Regulations 544, 545, 546 indicate the listed activities that that require environmental authorizations.
	Regulation 547 sets out the procedure for the preparation of environmental management frameworks.
	The Regulations are mandatory to the Department and to all development proponents and provide controls over spatial development planning to ensure sustainable development.



Environment and conservation related mandates	DEDET's direct responsibility for ensuring compliance mandates
National Environment Management: Protected Areas Act 57 of 2003. The Act enables the	As part of the implementation of the environmental right under section 24 of the Constitution, the Department has a duty to prevent ecological degradation and promote conservation to enable sustainable development.
identification, proclamation and management of protected areas	The Act's main objectives include:
for biodiversity conservation	the establishment of a national register of all national, provincial and local protected areas; and
	the management of protected areas in accordance with national norms and standards; and
	Intergovernmental co-operation and public consultation regarding such protected areas.
	Most of the mandates are implemented by the MTPA, while the Department retains policy and legislative oversight (e.g. public and executive accountability).

Environment and conservation related mandates

Environment and conservation related mandates	DEDET's direct responsibility for ensuring compliance mandates
National Environment Management: Biodiversity Act 10 of 2004. The Act provides for biodiversity planning and	The main aim of the Act is to make regulatory provisions for the management and conservation of national biodiversity within the framework of the NEMA and in accordance with section 24 of the Constitution.
regulation.	Among the main mandates of the Department are:
	Protection of species and ecosystems;
	Sustainable use of indigenous biological resources;
	Fair and equitable sharing of the benefits arising from bio-prospecting involving indigenous biological resources.
	Most of the mandates are implemented by the MTPA, while the Department retains policy and legislative oversight (e.g. public and executive accountability).
National Environment Management: Air Quality Act, 39	The Act provides regulatory mechanisms to control the release of harmful; offensive and climate warming substances to the atmosphere and troposphere.
of 2004. The Act provides the overarching framework for air quality planning, management and regulation	The Department must ensure that emissions released by anthropogenic practices are not harmful to human health (e.g. carcinogens and substances that cause or exacerbate respiratory infections) and the environment (e.g. gases that alter soil chemistry; corrosive substances; etc.).
regulation	The Department has a number of mandatory functions to perform, including:
	Designation of a Provincial Air Quality Officer to coordinate all provincial air quality matters and enable effective public consultation and participation on air quality management;
	Compilation; implementation; maintenance and continual review and improvement of a Provincial Air Quality Management Plan. The AQMP must provide for:
	Ambient air quality management;
	The regulation and licensing of activities that result in atmospheric emissions;
	Setting of provincial norms and standards; and
	Declaration of provincial air pollution priority areas.
	Providing support to municipalities in the Province in addressing their air quality management problems and in general air quality management (e.g. administrative support on Atmospheric Emission Licensing; Ambient Air Quality Monitoring; etc.);
	Participation in intergovernmental air quality governance programmes; and
	Supporting initiatives to address local; provincial; national and global environmental problems (e.g. climate change response initiatives).



Environment and conservation related mandates

Environment and conservation related mandates	DEDET's direct responsibility for ensuring compliance mandates		
National Environment Management: Waste Act, 59	The Act provides for the protection of the environment against the harmful and environmentally degrading impacts of waste substance release.		
of 2008. The Act provides the	Among the key mandates of the Department are to provide for:		
overarching framework for integrated waste planning,	Institutional arrangements and planning matters;		
management and regulation.	National and provincial norms and standards of integrated waste management;		
	Licensing and control of waste management activities;		
	Remediation of contaminated land; and		
	Setting up and maintaining a national waste information system		
	The Act provides a distinction in terms of the functions assigned to the three spheres of government.		
	The Department has the following key mandates:		
	The designation of a Provincial Waste Management Officer to coordinate all provincial integrated waste management matters and enable effective public consultation and participation thereon;		
	Compilation; implementation; maintenance and continual review and improvement of a Provincial Integrated Waste Management Plan. The IWMP must provide for		
	The effective implementation of the Province's responsibilities as outlined in the National Waste Management Strategy;		
	The regulation and licensing of activities that result in environmental pollution (e.g. ground; water and air pollutants);		
	Setting of provincial norms and standards;		
	The sharing of scarce resources and infrastructure on integrated waste management; and		
	Designation of spatially appropriate areas for waste management.		
	Providing support to municipalities in the Province in addressing their integrated waste management mandates and problems;		
	Participation in intergovernmental waste management and governance programmes; and		
	Supporting initiatives to address local; provincial; national and global environmental problems (e.g. climate change response initiatives).		
Provincial Gazette No.1723 of 30 September 2009, in accordance with Chapter 3 (Sections 11 – 16) of National Environment Management Act, Act 107 of 1998 (as amended), provides for mechanisms and procedures for the co-operative environmental governance in terms of Environmental Implementation Plans (EIPs)	DEDET as the relevant provincial environmental authority has been delegated the mandate to regulate environmental issues, including issues relating to the coordination of cooperative environmental governance, as set out in Chapter 3 of NEMA (Act 107 of 1998 (As Amended).		

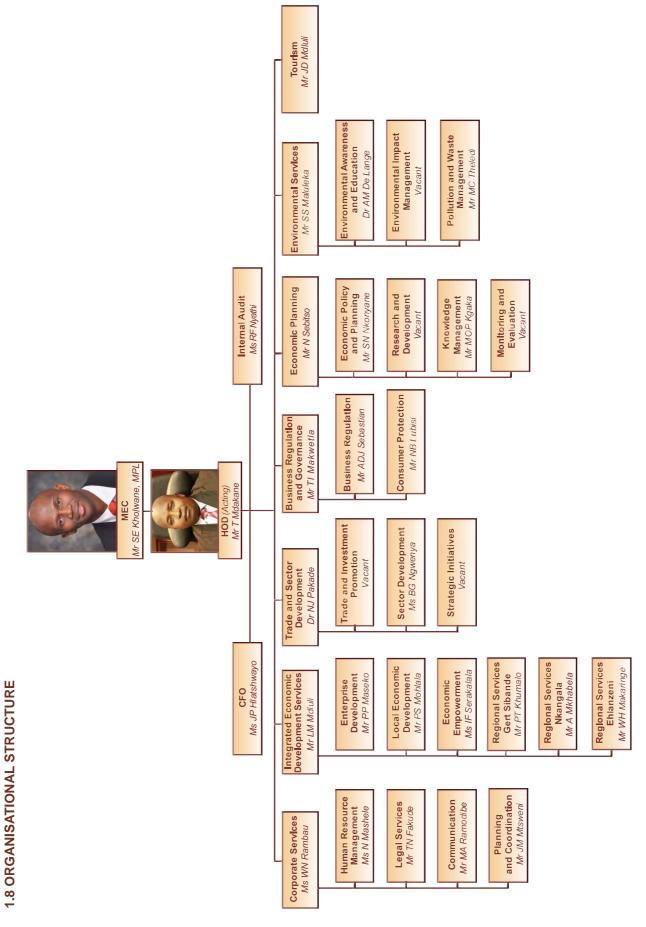
Legislative Mandates

Dublic Financial Massacrat Ast N. 4 (1000	
Public Financial Management Act No.1 of 1999.	To promote sound financial management in the public sector. Every employee of the Department is enjoined to ensure that no fruitless/irregular expenditure occurs within their area of responsibility
Mpumalanga Gambling Act No.5 of 1999.	To provide for control over gaming; and to provide for matters connected therewith.
	The Department is, by virtue of being the shareholder representative, responsible for ensuring that the MGB effectively and efficiently executes its mandate which includes regulating gambling and sensitising the public against the dangers of excessive gambling.
	Overseeing Quarterly Reports, Annual Reports and Strategic Objectives.
Liquor Act No. 27 of 1989.	To provide for control over the sale of liquor and for matters connected within. By ensuring that the Liquor Board regulates the issuing of liquor licences and conduct inspections to minimise the ill effects of unregulated consumption.
	Implementation and overseeing activities of Liquor Board.
National Gambling Act 59 on 2003.	To provide for the co-ordination of concurrent national and provincial legislative competence over matters relating to casinos, racing, gambling and wagering and to provide for the continued regulation of those matter
	The Department is to ensure that the Mpumalanga Gambling Act is aligned to national norms and standards established in terms of the National Gambling Act.
Mpumalanga Consumer Act No. 6 of 1998.	To promote a fair accessible and sustainable marketplace for consumer product and for that purpose to establish national norms and standards relating to consumer protection.
	DEDET is responsible for establishing and managing the Office of Investigation of Unfair Business Practices, whose function is to receive, investigate and resolve complaints of unfair business practices.
	To establish the Consumer Court which adjudicates on matters of alleged unfair business practices.
Mpumalanga Liquor Licensing Act 5 of 2007.	To provide for the regulation of the liquor industry in the province; and for matter connected within.
	Directly responsible through the establishment of the Public Entity not yet implemented through the Directorate of Business Regulations.
Mpumalanga Business Act No.2 of 1996.	To consolidate and amend certain laws in force in the province regarding the licensing and carrying on of business.
National Small Business Enabling Act.	To provide for Small Business to enter the economic frame. The department is responsible for the creation of a conducive environment for
	the promotion, support and development of small businesses in the province.
	Municipalities to comply to prescripts of the Acts.
Broad-based Black Empowerment Act.	To provide for the empowerment of the black owned companies to enter the main stream of the economy.
	The department is responsible for ensuring that black owned companies access opportunities in the mainstream of the economy in an effort to transform the economy and reduce inequality.
	it is further responsible for ensuring that the necessary support is provided to black enterprises plus targeted groups(women, youth and people living with disabilities) to enable them to successfully compete for opportunities in the economy.
Public Service Act.	To regulate the public service in the country
National Credit Act No.34 of 2005.	To promote a fair and non-discriminatory marketplace for access to consumer credit
Basic Condition of Employment Act.	Create an employer-employee relations
	To protect the rights of the workers



Policy Mandates

Name of policy	Key responsibility that the policy places on dedet	
White Paper on Environmental Policy for South Africa, 1996	To regulate and manage all environmental activities in the Province, including the development of provincial policy instruments to further the objectives of national policy on integrated environmental management. The policy led to the promulgation of the NEMA and the SEMA's.	
White Paper on Integrated Pollution and Waste Management in South Africa	The policy provides for a national policy framework for integrated pollution control across all three environmental media (i.e. land; air and water). It sets the direction that South Africa will take with regard to the management of harmful releases to air; water and land, in particular from industrial and domestic practices. The policy called for and led to the promulgation of the Waste Act and the Air Quality Act.	
White Paper on the National Climate Change Response Strategy	The policy document provides a national direction through which South Africa aims to respond to the adverse impacts of global warming. It collates and integrates the various strategies and action plans developed by various organs of state and community organisations and align these to global climate change response instruments and mechanisms, e.g. the United Nations Framework Convention on Climate Change. The Department is the custodian of all provincial initiatives in response to climate change. The policy therefore mandates the Department with the responsibility to coordinate all climate change response actions and mechanisms in the Province.	





1.9 ENTITIES REPORTING TO THE MEC

Name of entity	Legislative mandate	Financial relationship	Nature of operations
Mpumalanga Economic Growth Agency	To promote trade and investment in Mpumalanga; to provide funding in respect of approved enterprise development focusing primarily on the previously disadvantaged individuals in Mpumalanga; to develop property including the granting of housing loans in Mpumalanga; to deliver massive infrastructure in Mpumalanga	Transfer payments in line with the shareholders compact	To promote and facilitate Trade and Investment in the Province To provide financial and non-financial support to SMME's in the Province To provide financial support to emerging farmers in the Province To grant housing loans to the needy and previously advantaged
Mpumalanga Tourism and Parks Agency	To provide for the sustainable development and improvement of the tourism industry in Mpumalanga	Transfer payments in line with the shareholders compact	Provide for effective management and conservation of biodiversity and ecosystems within the Province Develop and ensure effective management of protected areas Promote and create socio-economic growth and transformation within the tourism and conservation industry, thereby creating economic and employment opportunities for previously disadvantaged individuals and local communities in the Province
Mpumalanga Gambling Board	Continue to regulate the Gambling Industry as per the Act; promote responsible gambling within the Province Within the next 5 years, the Agency will try to implement the 4th Casino	Transfer payments in line with the shareholders compact	To ensure that industry is regulated and function within the parameter of Law To promote responsible gambling within the province





Part B: Performance Information



2.1 AUDITOR GENERAL'S REPORT: PRE-DETERMINED OBJECTIVES

- 1. The Auditor-General identified material misstatements in the annual performance report submitted for auditing on the reported performance information for the Integrated Economic Development, Environmental Services and Tourism Programmes. Management has subsequently corrected the misstatements.
- Auditor-General did not raise any material findings on the usefulness and reliability of the reported performance information.

The details of the AG's report can be found on page 143, Part E of the Annual Report.



2.2 OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.2.1 Service Delivery Environment

During the period under review, the Department provided services to the public as per the approved Annual Performance Plan. To this end, support was provided to co-operatives and Small Medium Micro Enterprises in order to ensure their participation in the mainstream of the economy. In protecting consumers against unscrupulous business practices, the Department continued to investigate and resolved reported consumer cases. With regards to applications for environmental impact assessment, the Department has managed to consider and approve them in order to stimulate economic growth activities in the Province. In addition, a number of liquor license applications were considered and approved.

Despite these achievements, there were challenges experienced by the Department such as the slow delivery of the services required by clients due to the following reasons:

- Services for co-operatives and SMMEs were offered at Head Office in the Riverside Government Complex which is out of easy reach for clients who did not have fares to travel to the Government Complex;
- Secondly, it was a cumbersome process for clients to enter the government complex due to its security measures
 as it has been declared a national key point. This impacted on the accessibility of certain services offered by
 the Department. However, that has since been resolved as most of these services have been relocated to the
 Mbombela (formerly Nelspruit) central business district.

The delays in providing guidance at the National Consumer Commission have also impacted negatively on our target given that the Department was unable to align the Mpumalanga Consumer Act with the National Consumer Act. This mis-alignment still creates loopholes which enable the creditors not to fully comply with the Act, and thus reduces the effectiveness of the Department's efforts to enforce consumer laws.

We further continued in our quest to provide the necessary information on our services to clients through media statements, radio talk-shows and interviews, and this has led to more people being interested in registering cooperatives hence the target was exceeded. In the process, the Department was able to receive free positive media coverage worth just over R2, 7 million.

2.2.2 Service Delivery Improvement Plan

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Provision of Enterprise Development Services	Small Enterprises and Cooperatives	returns and other	Assist 130 new SMMEs with registration, annual returns and other business development services	506 existing SMMEs supported on annual returns and referrals and 262 new SMMEs registered with the CIPC.



Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
· Walk-ins	During regular interaction with prospective	The needs and expectations of prospective
Telephonic	entrepreneurs, through walk-ins, telephonic, written consultations etc, we will	existing entrepreneurs were profiled and correct feedback provided to them during
	endeavour to understand their needs and expectations	regular interactions

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
 Pamphlets and information brochures 	 Pamphlets and information brochures 	Conducted radio talk-shows,12 awareness workshops and distributed information
· Radio Slots	· Radio Slots	brochures
· Summits and Seminars	 Media alerts/advisory and statements 	
	· Summits and Seminars	

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Acknowledge receipt of complaints, in a		Handled 6 complaints which were
professional manner, within 5 working days,	professional manner, within 5 working days,	eventually reported to the Presidential
and a full written response provided within	and a full written response provided within	Hotline within stated timelines.
10 working days of receiving the complaint.	10 working days of receiving the complaint.	

2.2.3 Organisational environment

The Department has made strides in ensuring that the Organisational Structure is attended to. As such, the Organisational Structure was considered by the Minister for Public Service and Administration. Some components of the structure are implemented to address the inadequacy in providing services to the people.

The Department's vacancy rate is still a concern across all Programmes. In Programme 1, particularly Human Resources Management (HRM), the Department has grown double in size since the inclusion of Environmental Services, but the size of HRM has not increased. The same can be said about the Office of the Chief Financial Officer as the assets have increased drastically, but personnel remained the same. In Programme 2, the fact that certain positions have remained vacant had a negative effect on current employees who had to work unpaid overtime which resulted in fatigue taking its course. In Programme 3, the fact that the Programme Manager was discharged from service has resulted in the instability within the Programme which has been worsened by the vacant positions of two (2) Directors. The vacancy rate cuts across Programme 4 up to Programme 7. However, the Department has adopted the Recruitment Plan to deal with the high vacancy rate.

2.2.4 Key policy developments and legislative changes

None



2.3 STRATEGIC OUTCOME-ORIENTED GOALS

In determining the strategic outcome oriented goals of the Department, consiltations were conducted through discussions and dialogue was engaged in. The outcomes are defined by the mandate of the Department, the National development plan, the MEGDP, Government's priorities as well as two of the twelve outcomes adopted by the national government.

On the basis of the consideration of the fact that the anatomy of the Department is defined by the tripod of economic development, environment and tourism, three strategic outcome oriented goals have been adopted by the Department as shown in the following tables:

Strategic outcome oriented goal 1	Sustained economic development
Goal statement	Sustained economic development that increases employment, alleviates poverty and addresses inequality among the citizenry

Strategic outcome oriented goal 2	A well-managed environment
Goal statement	A well-managed, sustainable and consistently enhanced natural environment

Strategic outcome oriented goal 3	Increased tourism in the Province
Goal statement	Flourishing domestic and foreign tourism and increased inclusivity of all stakeholders in the sector



2.4 PERFORMANCE INFORMATION PER PROGRAMME

PROGRAMME 1: ADMINISTRATION

Purpose of the Programme: To provide administrative support for the implementation of the Departmental mandate

The Programme consists of the following sub-programmes:

- Office of the MEC
- Office of the HOD
- Internal Audit
- Financial Management
- Risk Management

Corporate Services:

- Strategic Planning Services
- Human Resource Management
- Communication
- Legal Services
- · Security Services
- Transversal Services
- Provide integrated Corporate Services to support Departmental goals

Strategic Objectives of the Programme are as follows:

- Set policy and political directives in order to achieve provincial objectives;
- Translate policies and priorities into strategies for effective service delivery;
- To provide independent objective assurance on governance, internal control systems and risk management
 processes of the Department in order to add value to its operations and support it to achieve its service delivery
 imperatives;
- Provide effective and efficient financial management;
- Implement risk management processes in order to build an ethical organisational culture with a zero tolerance to fraud, corruption and maladministration.

OFFICE OF THE MEC

		Strategic Objectives : Sub-Pl	Strategic Objectives : Sub-Programme: Office Of The MEC		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Set policy and political directives in order to achieve provincial objectives	Priorities and strategic directives provided	Provide 5 priorities and strategic directives to the department.	Priorities and strategic directives to None the Department provided	None	None

Performance indicators

		Performance Indicators: Sub-Programme: Office Of The MEC	rogramme: Office Of The MEC		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of Policy and Budget Speech Conducted	1	1 Policy and budget speech presented at Legislature	Policy and budget speech presented at Legislature	None	None
Number of MinMEC meetings attended	None	16 MinMEC meetings attended	09 MinMEC meetings attended	Target not achieved by 7	No MINMEC meetings were coordinated by National departments
Number of outreach programmes and stakeholder consultations held (incl. OTP) including IGR meetings	None	32 outreach programmes and stakeholder consultation attended	46 outreach programmes and stakeholder consultation attended	Target was exceeded by 14	More stakeholder engagement / outreach was done due to MEC Policy and Budget Speech
Number of Executive Committee (Economic Cluster) Meetings attended	None	22 Economic cluster committee meetings attended	16 Economic cluster committee meetings attended	Target was not achieved by 6	The other 6 cluster meetings were not coordinated by the Office of the Premier
Number of partnerships forged and None serviced	None	12 Partnership meetings attended	22 Partnership meetings attended	Target exceeded by 10	More Partnership meetings were arranged with partners due to operational requirements

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Linking Performance with budgets

Sub-programme		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	4 860	4 796	64	4 870	4 959	(68)



		Strategic Objectives : Sub-Pr	Strategic Objectives : Sub-Programme: Office Of The HOD		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Translate policies and priorities Priorities and into strategies for effective service implemented delivery	Priorities and strategic directives implemented	Implement priorities and strategic directives	Implement priorities and strategic Priorities and strategic directives directives	None	None

Performance indicators

		Performance Indicators: Sub-P	Performance Indicators: Sub-Programme: Office Of The HOD		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of performance reports submitted	Submitted 5 Performance Reports Submit 4 performance reports	Submit 4 performance reports	4 performance reports submitted	None	None
Number of annual reports submitted	Submit 1 annual report	Submit 1 annual report	1 Annual Report submitted	None	None
Number of Annual Performance plans submitted	Submit 1 Annual Performance plan	Submit 1 Annual Performance plan Submit 1 Annual Performance plan 1 Annual Performance plan submitted	1 Annual Performance plan submitted	None	None
Number of MinTech Meetings attended	None	16 MinTech Meetings attended	12 Min Tech Meetings attended	Target not achieved by 4	4 Min Techs meeting were not convened by National Department

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Linking Performance with budgets

Sub-programme		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the HOD	4 132	3 512	620	4 285	3 742	543

INTERNAL AUDIT

		Strategic Objectives: Sub-	Strategic Objectives: Sub-Programme: Internal Audit		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To provide independent objective assurance on governance, internal control systems and risk management processes of the Department in order to add value to its operations and support it to achieve its service delivery imperatives	15 Internal Audit reports	Implement 1 approved audit plan 1 Audit Plan implemented	1 Audit Plan implemented	None	None

Performance indicators

		Performance Indicators: Sul	Performance Indicators: Sub-Programme: Internal Audit		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of quarterly progress reports submitted on implementation of the audit plan	15 Internal Audit reports.	4 quarterly progress reports on a quarterly implementation of the annual audit submitted plan	4 quarterly progress reports submitted	None	None
Number of Audit Committee meetings held		4 Audit Committee meetings	4 Audit Committee meetings held None	None	None
Number of annual Audit operational plans developed		1 Annual operational plan	1 Annual Internal Audit operational None plan developed	None	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Sub-programme		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Internal Audit	1 560	1 249	311	2 233	2 262	(29)



		Strategic Objectives: Sub-Programme: Financial Management	ramme: Financial Management		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Provide effective and efficient financial management	Financial and supply chain management policies implemented	Financial and supply chain Financial and supply chain management policies implemented management policies implemented	Financial and supply chain management policies implemented	None	None

		Performance Indicators: Sub-Pro	formance Indicators: Sub-Programme: Financial Management		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of financial statements submitted to Auditor-General.	None	1 set of annual financial statements	1 set financial statement submitted to Provincial treasury	None	None
Number of Budgets prepared and aligned to Provincial priorities and Treasury Guidelines	None	Final properly costed budget aligned to Provincial priorities and Treasury guidelines	Final budget for 2014/15 produced	None	None
Percentage of Increased revenue collection	None	Increase revenue collection by 30%	Increased Revenue collection by 6%.	Target was not achieved	Revenue was not increased as anticipated due to the delay in establishing the Liquor Authority.
Number of monthly expenditure reports submitted to Treasury	12 In-Year-Monitoring reports submitted	Submit 12 monthly monitoring expenditure report by 15" of every month to Treasury	12 monthly monitoring expenditure reports produced and submitted to Treasury	None	None
Number of assets verification conducted	None	3 Assets verification conducted	3 Assets verifications conducted in Gert Sibande, Nkangala and Ehlanzeni region	None	None
Number policies updated and implemented	None	2 policies updated and implemented	2 Policies updated and implemented (supply chain policy and asset management policy)	None	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Final appropriation Actual Expenditure (Over)/under expenditure Final appropriation Actual Expenditure Final appropriation R'000 R'000 R'000 Final appropriation Actual Expenditure R'000	Sub-programme		2012/13			2013/14	
R'000 R'000 R'000 R'000 R'000 61 512 65 399 (3 887) 43 772		Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
61 512 65 399 (3 887) 43 772		R'000		R'000	R'000	R'000	R'000
	Financial Management	61 512	62 338	(3 887)	43 772	39 795	3 977

RISK MANAGEMENT

Comment on deviations None Deviation from planned target to actual achievement for 2013/14 None Actual achievement 2013/14 Risk and fraud strategies implemented Strategic Objectives : Sub-Programme: Risk Management Planned target 2013/14 Risk and fraud strategies implemented Actual achievement 2012/13 Risk and fraud strategies implemented Implement risk management processes in order to build an ethical organisational culture with a zero tolerance to fraud, corruption and maladministration Strategic objectives

Performance indicators

	Pe	Performance Indicators: Sub-Programme: Risk Management	amme: Risk Management		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of strategic risk assessment reports produced	2 Strategic Risk Assessment Report produced	1 Strategic Risk Assessment Report	1 Strategic Risk Assessment Report	None	None
	1 Fraud Risk Assessment Report produced	1 Fraud Risk Assessment Report	1 Fraud Risk Assessment Report	None	None
	1 ICT Risk Assessment Report produced	1 Project Risk Assessment Report	2 Risk Assessment reports produced: MLA Risk Assessment Report Zithabiseni Risk Assessment Report	Target exceeded by 1	A risk assessment for Zithabiseni resort was performed to assist the resort to improve internal controls
	3 Risk and control assessment reports produced	4 control self assessment reports	4 control self assessment reports produced	None	None
Number of awareness reports on risk, fraud, and ethics produced		4 awareness reports on Risk, Fraud and ethics produced	4 awareness reports on risk, fraud and ethics produced	None	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Sub-programme		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Risk Management	066	734	256	1 166	1 090	92



	Strat	Strategic Objectives: Sub-Programme: Strategic Planning Services	e: Strategic Planning Services		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To Provide business management, Departments coordination and planning services to the coordinated Department	al programmes	Coordinate Departmental programmes	Departmental programmes coordinated	None	None

	Performs	Performance Indicators: Sub-Programme: Strategic Planning Services	e: Strategic Planning Services		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of Annual Performance Plans and Reports produced	2 draft Performance Plans and 1 final performance plan produced	2 draft and 1 final annual performance plans produced	2 draft and 1 final annual performance plans produced	None	None
	18 reports produced: 14 reports Departmental reports and 4 quarterly reports produced	16 Reports produced	16 Reports produced	None	None
	SDIP implemented and 4 quarterly SDIP reports produced	Implementation of SDIP and 4 reports produced	SDIP implemented and 4 reports None produced	None	None
Number of Quarterly Review Sessions coordinated	None	4 Quarterly review session	4 Quarterly review sessions conducted	None	None

Strategy to overcome areas of under performance

Changes to planned targets

Sub-programme		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Strategic Planning Services	2 250	2 239	11	2 480	2 379	101

HUMAN RESOURCE MANAGEMENT

	Strategic Obj	ectives : Sub-Programme:	Strategic Objectives : Sub-Programme: Human Resource Management	t e	
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Planned target 2013/14 Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To provide integrated Human Resources	HR Plan reviewed and implemented	Review and implement HR Plan	HR Plan reviewed and implemented	None	None

Performance indicators

	Comment on deviations	None	None	The dependencies and the unavailability of suitable candidates led to the target not achieved	None
ant	Deviation from planned target to actual achievement for 2013/14	None	None	22 posts were filled but not within four months	None
nme: Human Resource Manageme	Actual achievement 2013/14	One (1) HR Plan Reviewed and implemented	A Workplace Skills Plan implemented and Annual Training report developed	Recruitment Plan implemented: 12 % (3) of the 25 posts were filled within four months of being vacant.	Employment Equity Plan implemented and monitored.
Performance Indicators: Sub-Programme: Human Resource Management	Planned target 2013/14	Review and implement one (1) HR Plan	A Workplace Skills Plan implemented and Annual Training report developed	Recruitment Plan implemented: 90% of posts filled within four months of being vacant	Monitor the implementation of EE Plan
Pe	Actual achievement 2012/13	HR Plan implemented and rewiewed: Policies: Nine (9) HR Policies approved and eleven (11) policies under review were circulated to stakeholders for inputs. PMDS: Coordinated PMDS for Level 2-12 (307 employees concluded PMDS processes; and SMS Members (27 SMS concluded PMDS processes)	WSP Plan developed and Annual Training Report submitted to OTP and PSETA HRD Plan and Report submitted to OTP and DPSA	Recruitment and terminations: out of 27 posts filled, three (3) SMS were appointed . Seven (7) posts shortlisted . Five (5) interviews conducted. Twenty (20) terminations processed (viz. 3: deaths, 10: transfers out, 7: resignations and 4 retirements)	None
	Performance indicator	Number of HR Plan reviewed and implemented	Number of Workplace Skills Plan implemented and Annual Training Report developed	Number of recruitment plans implemented	Number of Diversity Programmes implemented



HUMAN RESOURCE MANAGEMENT

	Per	Performance Indicators: Sub-Programme: Human Resource Management	mme: Human Resource Manageme	ent	
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of disciplinary cases and grievances managed finalised finalised Seven (7) grieva	Employee Relations: Eight (8) disciplinary cases finalised Seven (7) grievances finalised One (1) appeal finalised	Management of disciplinary cases and and grievances sand six (6) grievances managed six (6) grievances managed	Three (3) Disciplinary cases and six (6) grievances managed	None	None

Strategy to overcome areas of under performance

Use different methods of recruitment.

Changes to planned targets

Linking Performance with budgets

None

Sub-programme		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Human Resource Management	006 2	7 320	580	8 843	8 946	(103)

COMMUNICATION

		Strategic Objectives : Sub-F	Strategic Objectives : Sub-Programme: Communication		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To provide integrated communication services	Communication strategy implemented	Implement communication plan	Communication plan implemented None	None	None

Performance indicators

		Performance Indicators: Sub-Programme: Communication	rogramme: Communication		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of media advisories and statements issued	Prepared and distributed 32 media alerts/advisories/ statements per event.	36 media advisories and statements issued	44 media advisories and statements issued	Target exceeded by 8	Extra media statements and advisories are as a result of MEC's events and the media liaison section initiatives.
Number of news clippings and media analysis reports produced and distributed	None	240 news clippings produced and distributed	242 news clippings produced and distributed	Target exceeded by 02	Two extra news clipping were done to cover the public holiday of 9 August and 24 September 2013
	None	240 electronic news briefs produced and distributed	266 electronic news briefs produced and distributed	Target exceeded by 26	The Department introduced the afternoon media monitoring.
	Produced 12 monthly media analysis reports which indicated coverage of 202 articles – 126 of which was positive coverage.	12 media analysis reports produced	12 media analysis reports produced	None	None
Number of media enquiries responded to (within 48 hours)	None	24 media enquiries responded to (within 48 hours)	30 media enquiries responded to (within 48 hours)	Target exceeded by 6	The Department received more media enquiries than anticipated and have an obligation to respond to all of them
Number of mass media information and awareness campaigns facilitated	None	98 radio talk-shows and interviews facilitated	95 radio talk-shows and interviews Target not achieved by 3 facilitated	Target not achieved by 3	Suspension of talk-shows by the service provider, SABC to cater for CHAN soccer tournament
	None	4 media briefings held	4 media briefings held	None	None
		2 media networking sessions held	2 Media networking session held	None	None



COMMUNICATION

		Performance Indicators: Sub-Programme: Communication	Programme: Communication		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of information products and publications produced and distributed	Produced and distributed 12 monthly staff bulletin and managed the corporate brand	12 monthly staff bulletins produced and distributed	12 monthly staff bulletins produced and distributed	None	None
	Produced and distributed 4 quarterly external newsletters and one (1) annual special newsletter	4 quarterly external newsletters produced and distributed	4 quarterly external newsletters produced and distributed	None	None
	None	22 various information products produced and distributed	96 various information products produced and distributed	Target exceeded by 74	Received more request for information products from line functions than anticipated
Number of times online information channels updated	Updated the website 47 times and intranet 209 times	Online information channels updated 257 times	Online information channels updated 258 times	Target exceeded by 1	Updates exceeded because there was a day when the updates were done twice
Number of queries reported to the Presidential Hotline processed	None	8 queries reported to the Presidential Hotline processed	6 queries reported to the Presidential Hotline processed	Target not achieved by 2	Only 6 queries were reported to the Presidential Hotline than anticipated
Number of Departmental activities and public participation programmes supported	None	50 Departmental activities and public participation programmes supported	47 Departmental activities and public participation programmes supported	Target not achieved by 3	These were the only events which took place during the period under review

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Sub-programme		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Communication	7 450	6 553	268	8 323	7 826	497

LEGAL SERVICES

	Strategic Objectives :	Strategic Objectives : Sub-Programme: Legal Services		
Actual achievement 2012/13	3 Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Legal support service provided	Provide legal support service	Legal support service provided	None	None

Performance indicators

		Performance Indicators: Sub-Programme: Legal Services	Programme: Legal Services		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of Acts/Bills reviewed	None	MEGA and MTPA Amendment Bills Not achieved operationalised	Not achieved	Target not achieved due to delay in reaching agreement about the realignment of functions and powers between Agencies and the Department. Attended 5 stakeholder consultations Attended 11 public hearings on amendment Bills	The processes of re-aligning the powers and functions between the Department and Entities not yet finalised. Processes took longer than anticipated.
Number of litigation cases co- ordinated and written opinions prepared	None	Co-ordinate 5 litigation cases and 2 written opinion	Co-ordinated 15 litigation cases and prepared 25 written opinions	Target exceeded by 10 on litigation cases and 23 on written opinions	Target exceeded due to more litigation cases and written opinions received
Number of agreements drafted/ perused	Drafted and reviewed 12 agreements	Draft and/or peruse two agreements as and when requested	Drafted/perused 34 Agreements as None requested	None	More agreements were drafted and/or perused than anticipated.

Strategy to overcome areas of under performance

To set up a meeting which will be attended by HOD, CEO's of the affected Parastatals to finalise agreements.

Changes to planned targets

None

2012/13	Final appropriation Actual Expenditure	R'000 R'000	4 850 3 846
	(Over)/under expenditure	R'000	1 004
	Final appropriation	R'000	5 410
2013/14	Actual Expenditure	R'000	5 965
	(Over)/under expenditure	R'000	(555)



SECURITY MANAGEMENT

		Strategic Objectives: Sub-Programme: Security Management	ramme: Security Management		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
ensure compliance with MISS (Minimum Information Security Standards)	MISS Implemented	Implementation of MISS	MISS Implemented	None	None

Performance indicators

		Performance Indicators: Sub-Pro	ormance Indicators: Sub-Programme: Security Management		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of security awareness workshops conducted	5 security awareness workshops conducted	4 security awareness workshops conducted	4 security awareness workshops	None	None
Number of security audit reports produced	6 strategic offices were swept and 4 security audit reports were produced	2 strategic offices swept and 2 audit reports produced	6 Strategic offices were swept 2 security audit reports were produced	Target exceeded by 4	Target exceeded due to the appointment to strategic personnel
Number of inspections conducted	94 site inspections were conducted	56 site inspections conducted	69 site Inspections conducted	Target exceeded by 13	Target exceeded due to newly acquired Departmental offices

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Sub-programme		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Security Management	1 150	1 295	(145)	1 500	1 497	3

TRANSVERSAL SERVICES

		Strategic Objectives : Sub-Pro	Strategic Objectives : Sub-Programme: Transversal Services		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Implementation of Integrated Employee Health and Wellness and Mainstreaming of special programmes	Integrated Employee Health and Wellness strategy implemented	Implementation of the Integrated Integrated Employee Health Employee Health Wellness and Special Special Programmes implemented	Integrated Employee Health Wellness and Special Programmes implemented	None	None

Performance indicators

		Performance Indicators: Sub-Programme: Transversal Services	ogramme: Transversal Services		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of Employee Health and Wellness Programmes implemented and Wellness Programmes implemented, 124 employe and four (4) bereaved familiassisted.	16 integrated Employee Health and Wellness Programmes implemented, 124 employees and four (4) bereaved families assisted.	8 Employee Health Wellness Preventative interventions implemented and 40 employees assisted through Employee Assistance Services	12 Employee Health Wellness Preventative interventions implemented and 88 employees and 3 bereaved families assisted through Employee Assistance Services	Target exceeded by 4	Target exceeded as other programmes were not planned but the Department was required to implement them in partnership with the Office of the Premier, GEMS and Department of Health.
Number of reports compiled and programmes implemented	Four (4) monitoring reports on special programmes compiled and 10 special programmes implemented.	Monitor the participation of women, youth, persons with disability and children in the mainstreaming economy	Four (4) Monitoring reports submitted; 12 special programme implemented	Target exceeded by 2 on special Programmes	Exceeded planned target due to other programmes that were not planned but the Department was required to implement them in partnership with the Office of the Premier

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Sub-programme		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Transversal Services	2 201	1 969	232	2 480	2 229	251



PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT

The Purpose of the Programme: To facilitate the emergence of economic empowerment opportunities. The Programme also focuses on promoting local economic development by providing support principally to SMMEs and cooperatives.

The Programme consists of the following Sub-Programmes:

- Enterprise Development
- Economic Empowerment
- Regional and Local Economic Development
- Ehlanzeni Regional Services
- Gert Sibande Regional Services
- Nkangala Regional Services

Strategic Objectives of the Programme are as follows:

- To facilitate support and development of business enterprises
- To promote economic transformation
- To provide support to municipalities for the purpose of local economic development
- To provide sustainable and accessible economic opportunities in Regions

ENTERPRISE DEVELOPMENT

		Strategic Objectives : Sub-Progra	tegic Objectives : Sub-Programme: Enterprise Development		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To facilitate support and development SMME and Cooperative strategies Implement SMME and of business enterprises implemented in line with the Growth Path the Growth Path	SMME and Cooperative strategies in line with the Growth Path implemented	Implement SMME and Cooperative strat Cooperative strategies in line with in line with the Growth Path implemented	SMME and Cooperative strategies None in line with the Growth Path implemented	None	None

Performance indicators

		Performance Indicators: Sub-Programme: Enterprise Development	ramme: Enterprise Development		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of existing SMME's supported	854 SMME and 95 Cooperatives supported through business	80 existing SMME's supported on annual returns and referrals	506 existing SMME's supported on annual returns and referrals	Target exceeded by 426	More SMME's requested services from the Department
Number of new SMME's registered	development services.	50 New SMME's registered with CIPC	262 New SMME's registered with CIPC	Target exceeded by 212	Target exceeded due to high number of entrepreneurs wanting to register both SMMEs and Cooperatives
Number of new cooperatives registered in the manufacturing sector		40 new cooperatives registered in the manufacturing sector	45 new cooperative registered in the manufacturing sector	Target exceeded by 5	Target exceeded due to high number of entrepreneurs wanting to register both SMMEs and Cooperatives
Number of existing cooperatives in the manufacturing sector trained on Business management and Technical skills	210 (30 per CRDP Site) Cooperatives Enterprises in priority trained	100 cooperatives in the manufacturing sector trained on Business management (Brick, Window frame, Paint making and Detergent) and link them with markets.	100 cooperatives in the manufacturing sector trained on Business management (Brick, Window frame, Paint making and Detergent) and link them with markets.	None	None
		32 Cooperatives in the manufacturing sector trained on Technical skills in partnership with SABS (Brick, Window frame, Paint making and Detergent) and link them with markets.	34 Cooperatives in the manufacturing sector trained on Technical skills in partnership with SABS (Brick, Window frame, Paint making and Detergent)	Target exceeded by 2	More cooperatives attended the gap analysis training.
Number of Cooperatives Awareness programme conducted	None	12 Cooperatives Awareness Workshops	12 Cooperatives Awareness Workshops conducted	None	None
Number of Cooperatives strategies reviewed	None	Provincial Cooperatives Strategy reviewed	Provincial Cooperatives Strategy reviewed	None	None



Strategy to overcome areas of under performance

None

Changes to planned targets

None

Linking Performance with budgets

Sub-programme: enterprise		2012/13			2013/14	
development	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
Enterprise Development	608 6	6 0 0 3	216	11 483	11 371	112
Transfers and subsidies- MEGA	207 040	207 040	1	169 410	169 410	

ECONOMIC EMPOWERMENT

		Strategic Objectives : Sub-Programme: Economic Empowerment	ımme: Economic Empowerment		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To promote economic transformation	The BBBEE Act and PPPF Act implemented	Implement both BBBEE Act and The BBBEE Act and PPPF Act implemented	The BBBEE Act and PPPF Act implemented	None	None

Performance indicators

		Performance Indicators: Sub-Programme: Economic Empowerment	ramme: Economic Empowerment		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of compliance monitoring report on BBBEE and PPPFA legislation produced	Compliance monitoring report on the implementation of BBBEE and PPPFA legislation produced.	Compliance monitoring report on the implementation of BBBEE and the implementation of BBBEE and PPPFA legislation produced.	A compliance monitoring report on the implementation of BBBEE and PPPFA legislation produced PPPFA legislation produced	None	None
Number of economic opportunities greated for black owned enterprises through Kusile Project	Kusile initiative were implemented as follows: A total of 368 Mpumalanga companies accessed opportunities from Kusile since the project inception. 232 contracts were awarded in 2011/12 and additional 136 new contracts were awarded in 2012/13	20 Economic opportunities created for local black owned enterprises.	Kusile initiative were implemented as follows: A total of 368 Mpumalanga companies accessed opportunities created as follows: A total of 368 Mpumalanga companies accessed opportunities from Kusile since the project inception. 232 contracts were awarded in 2011/12 and additional awarded in 2012/13.	Target exceeded by 7	More opportunities were afforded to local black owned enterprises

ECONOMIC EMPOWERMENT (CONTINUE)

		Performance Indicators: Sub-Progr	ormance Indicators: Sub-Programme: Economic Empowerment		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of Social Labour Plans for Mining companies monitored	Fostered the implementation and monitored the local procurement accord in both public and private sectors. As such reviews of progress were conducted on the implementation of the Local Procurement Accord with provincial departments, municipalities and the following Private companies: BHP Billiton BHR Billiton Belta, and Evraz Highveld Steel	8 Social Labour Plans for Mining Companies monitored	Engaged 8 mines to obtain their SLP but only 3 mines provided the Department with SLP projects which resulted in 8 SLP projects in 3 mines being monitored namely. (Barberton Mine, Samrec, and Total Mine).	Target not achieved by 5	Mines are reluctant to provide Social Labour Plans and the Department of Mineral Resources has not cooperated despite numerous letters being written to them
Number of Provincial BBBEE database developed and maintained	The Provincial BBBEE database was developed and maintained.	Provincial BBBEE database maintained and updated.	Provincial BBBEE database maintained and updated.	None	None
Number of economic empowerment strategies reviewed	None	Provincial BBBEE Strategy reviewed	Provincial BBBEE Strategy reviewed None	None	None

Strategy to overcome areas of under performance

To engage the Department of Mineral Resources to avail Social Labour Plans for monitoring purposes.

Changes to planned targets

None

Sub-programme:		2012/13			2013/14	
economic empowerment	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
Economic Empowerment	5 655	5 209	446	4 585	4 565	20



	Strategi	c Objectives : Sub-Programme: Re	Strategic Objectives ; Sub-Programme: Regional And Local Economic Development	pment	
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To provide support to municipalities for the purpose of local economic development	Local Economic Development Policies in line with the Growth Path implemented	Implement Local Economic Local Economic Development Development Policies in line with Policies in line with the Growth the Growth Path	Local Economic Development Policies in line with the Growth Path implemented	None	None

	Performar	Performance Indicators: Sub-Programme: Regional And Local Economic Development	egional And Local Economic Devel	lopment	
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of LED strategies aligned to MEGDP and other spatial development plans	2 draft economic strategies developed for Mkhondo and Mbombela.	Support the development and review of 7 municipal LED turnaround strategies in line with the MEGDP	Supported the development and review of 4 municipal LED tumaround strategies in line with the MEGDP (Albert Luthuli, Victor Khanye, Nkangala District and Bushbuckridge.)	Target not achieved by 3	Development of LED turnaround strategies for 3 municipalities delayed as service providers were contracted late by the Municipalities concerned. The strategies will be completed in the next financial year.
	3 municipalities accessing corporate social investment (CSI) funding from private stakeholders were supported. As such 3 project proposals were received but only 1 municipality accessed corporate project was funded in Lekwa (Hydroponic farm project).	Support 3 projects within Municipalities to access Corporate social investment (CSI) funding from private sector	Supported 3 projects within Municipalities to access Corporate Social investment (CSI) funding from the private sector as follows: Integrated Energy Centre project in Nkomazi funded to the value of R14 million by SASOL ICT Business Incubation project proposal developed for Thaba Chweu, Business proposal for Disposable Nappies developed in Thembisile Hani LM	None	None
Number of Municipal IDP aligned with departmental plans	21 municipal IDP and Departmental plans aligned.	21 municipal IDPs aligned with Departmental plans.	21 municipal IDPs aligned with Departmental plans.	None	None



Strategy to overcome areas of under performance

- The outstanding municipalities will be prioritised in the next financial year and encouraged to commit the allocated budget
- Follow-up to be made with the potential funders where the projects were submitted.

Changes to planned targets

None

Linking Performance with budgets

Sub-programme:		2012/13			2013/14	
economic development	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
Regional and Local Economic Development	4 357	4 491	(134)	4 697	4 543	154

EHLANZENI REGIONAL SERVICES

		Strategic Objectives : Sub-Programme: Ehlanzeni Regional Services	nme: Ehlanzeni Regional Services		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To provide sustainable and accessible economic opportunities at the Ehlanzeni Region	Economic and environmental policies in Ehlanzeni Region implemented.	Implementation of all economic and environmental policies in Ehlanzeni Region	Economic and environmental policies in various in Ehlanzeni Region implemented.	None	None

Performance indicators

	Pe	rformance Indicators: Sub-Progra	Performance Indicators: Sub-Programme: Ehlanzeni Regional Services	S	
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of Provincial CRDP Stakeholder Forum coordinated	4 Business Forums held at Nkomazi, Umjindi, Bushbuckridge and Thaba Chweu Local Municipality	Coordinate DEDET Provincial CRDP Stakeholder Forum	Provincial CRDP Stakeholders forum was coordinated in collaboration with DARDLA	None	None
Number of municipalities supported on the implementation of CRDP Projects	Coordinated the implementation of CRDP in Bushbuckridge and Nkomazi Municipalities	2 Municipalities supported on the implementation of CRDP projects in Bushbuckridge and Nkomazi	2 Municipalities supported on the implementation of CRDP projects in Bushbuckridge and Nkomazi	None	None



EHLANZENI REGIONAL SERVICES (CONTINUE)

	Pe	Performance Indicators: Sub-Programme: Ehlanzeni Regional Services	mme: Ehlanzeni Regional Services	S	
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of cooperatives forums supported	5 cooperatives forums were supported in all five municipalities (Umjindi, Mbombela, Thaba Chweu, Bushbuckridge and Nkomazi local Municipalities)	Support the functioning of 5 cooperatives forums in the Ehlanzeni District Municipality	Supported the functioning of 5 cooperatives forums in the Ehlanzeni District Municipality	None	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

GERT SIBANDE REGIONAL SERVICES

	St	Strategic Objectives : Sub-Programme: Gert Sibande Regional Services	ne: Gert Sibande Regional Service	S	
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To provide sustainable and accessible economic opportunities at the Gert Sibande Region	Economic and environmental policies in Gert Sibande Region implemented.	Implementation of all economic Economic and environmental policies in Gert policies in Gert Sibande Region Sibande Region implemented.	Economic and environmental policies in Gert Sibande Region implemented.	None	None

Performance indicators

	Per	Performance Indicators: Sub-Programme: Gert Sibande Regional Services	me: Gert Sibande Regional Servic	sə	
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of municipalities supported 1 CRDP Project per CRDP on the implementation of CRDP coordinated, monitored and Projects evaluated in Mkhondo , Chi Albert Luthuli and Pixley Ka	1 CRDP Project per CRDP site totalling 3 implemented, coordinated, monitored and evaluated in Mkhondo, Chief Albert Luthuli, Mkhondo, Chief Pixley Ka Isaka Seme and Albert Luthuli and Pixley Ka Seme. Dipaleseng Local Municipalities	4 Municipalities supported on the implementation of CRDP projects in Chief Albert Luthuli, Mkhondo, Pixley Ka Isaka Seme and Dipaleseng Local Municipalities	4 Municipalities supported on the implementation of CRDP projects in Chief Albert Luthuli, Mkhondo, Pixley Ka Isaka Seme and Dipaleseng Local Municipalities Municipalities supported on the implementation of CRDP projects in Chief Albert Luthuli, Mkhondo, Pixley Ka Isaka Seme and Pixley Ka Isaka Seme and Dipaleseng Local Municipalities	None	None
Number of cooperatives forums supported	4 Departmental Stakeholder consultation Forums were held at Mkhondo, Chief Albert Luthuli, Pixley ka Isaka Seme Municipalities and Gert Sibande District Municipality.	Support the functioning of 5 cooperatives forums at Gert Sibande District	Supported the functioning of 4 cooperatives forums at Gert Sibande District	Target was not achieved by 1	The regional office was not allocated funding for coordinating these forums.

Strategy to overcome areas of under performance

To strengthen functioning of Regional Services by providing resources.

Changes to planned targets

None



	}	Strategic Objectives : Sub-Prograr	strategic Objectives : Sub-Programme: Nkangala Regional Services		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To provide sustainable and accessible economic opportunities at the Nkangala District	Economic and environmental policies in various Nkangala District implemented.	Implementation of all economic and environmental policies in Nkangala District	Economic and environmental policies in various Nkangala District implemented.	None	None

	Pe	Performance Indicators; Sub-Programme: Nkangala Regional Services	mme: Nkangala Regional Services		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of municipalities supported on the implementation of CRDP Projects	6 CRDP Project were implemented, coordinated, monitored and evaluated	2 Municipalities supported on the implementation of CRDP projects in Dr JS Moroka and Thembisile Hani Local Municipalities	2 Municipalities supported on the implementation of CRDP projects in Dr JS Moroka and Thembisile Hani Local Municipalities 2 Municipalities supported on the implementation of CRDP projects in Dr JS Moroka and Thembisile Hani Local Municipalities	None	None
Number of cooperatives forums supported	4 Departmental stakeholder consultation forum held	Support the functioning of 5 cooperatives forums at Nkangala District	Supported the functioning of 5 cooperatives forums at Nkangala District	None	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Sub-programme:		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Regional Services	3 586	2 7 1 7	698	6 353	5 669	684



PROGRAMME 3 TRADE AND SECTOR DEVELOPMENT

The Purpose of the Programme: To support the development of industry within the key economic sectors of the Province, and create a conducive environment for trade and investment.

The Programme consists of the following sub-programmes:

- Trade and Investment Promotion
- Strategic Initiatives
- Sector Development

Strategic Objectives of the Programme are as follows:

- To ensure growth in exports and direct investment in the Province
- To facilitate the implementation of economic infrastructure projects in the Province
- To ensure the development of competitive growth sectors



	Str	Strategic Objectives: Sub-Programm	c Objectives : Sub-Programme: Trade And Investment Promotion	no	
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To ensure growth in exports and direct investment in the Province	The development of investment strategies facilitated	Develop policies, strategies and monitor the facilitation of trade promotion, export development and attraction of investment in the Province	The development of Provincial Export Strategy facilitated	None	None

	Perf	Performance Indicators: Sub-Programme: Trade And Investment Promotion	ne: Trade And Investment Promoti	on	
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of strategies developed and Provincial Export Strategy and implemented.	Provincial Export Strategy and Investment Strategy drafts have been developed	Develop a provincial export strategy.	Provincial Export Strategy developed	None	None
Number of export development programmes facilitated.	30 entrepreneurs were identified and selected for product development	Ensure 3 export development programmes are facilitated.	Three (3) export development programmes facilitated	None	None
Number of emerging exporters registered on Trade point facilitated	None	5 emerging exporter registered on Not achieved Trade Point Mbombela facilitated	Not achieved	Target was not achieved	10 Emerging exporters were identified but could not be registered to the Trade Point Mbombela as they did not meet the required registration standards

Strategy to overcome areas of under performance

The Department, in collaboration with SEDA, is reviewing the Emerging Exporter Programme to address the challenges of meeting the registration criteria

Changes to planned targets

None

Sub-programme: trade		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Trade and Investment Promotion	2 835	2 668	167	3 202	3251	(49)

STRATEGIC INITIATIVES

		Strategic Objectives : Sub-Pro	trategic Objectives : Sub-Programme: Strategic Initiatives		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To facilitate the implementation of economic infrastructure projects in the Province	Industrial Development Strategies implemented	Support industrial and infrastructure development initiatives.	Industrial and Infrastructure Development initiatives supported	None	None

Performance indicators

		Performance Indicators: Sub-Programme: Strategic Initiatives	ogramme: Strategic Initiatives		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of infrastructure interventions facilitated and supported in the Province.	Spring Water Bottling Plant in Mkhondo Municipality was facilitated	Operations for the Bottling Water Plant in Mkhondo Municipality facilitated	Facilitated the operations for the Bottling Water plant in Mkhondo Municipality	None	None
	One (1) SEZ in Nkomazi Local municipality was facilitated:	Pre-feasibility study for the Special Economic Zone facilitated in Nkomazi Local municipality and a report produced	Pre-feasibility study for the Special Economic Zone facilitated in Nkomazi Local municipality and a report produced report produced.	None	None
	(One)1 FTC in Mbombela Local municipality facilitated	2 Industrial Parks in Govan Mbeki and Emalahleni Local Municipality supported and a report produced.	2 Industrial Parks in Govan Mbeki and Emalahleni Local Municipality supported and reports produced.	None	None
Number of beneficiaries trained in manufacturing sector (Spring Water bottling)	None	50 beneficiaries trained in the manufacturing sector. (Spring Water bottling)	23 beneficiaries trained in the manufacturing sector for the water bottling plant	Target not achieved by 27	There was a delay in the operationalisation of the plant due to late delivery of production machinery and equipment which affected the training programme.

Strategy to overcome areas of under performance

Training for the remaining beneficiaries has already commenced and will be finalised in 2014/15 financial year.

Changes to planned targets

None

Sub-programme: strategic initiatives		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Strategic Initiatives	7 135	7 253	(118)	1 381	1381	
Transfers-Lekwa Local			,	20 000	20 000	
Municipality						



SECTOR DEVELOPMENT

		Strategic Objectives : Sub-Programme: Sector Development	gramme: Sector Development		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To ensure the development of competitive growth sectors	7 sector strategies implemented	3 sectors strategies implemented	sectors strategies implemented 3 sectors strategies implemented None	None	None

Performance indicators

|--|

SECTOR DEVELOPMENT (CONTINUE)

		Performance Indicators : Sub-Programme: Sector Development	ogramme: Sector Development		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of (businesses) economic clusters assisted with proactive interventions on beneficiation	The Stainless Steel Cluster was supported; A Service Level Agreement developed and signed with the duster, A business plan was developed and key activities were funded by the Department to facilitate the creation of jobs and SMME development within the Sector.	Manufacturing	A business case for the stainless steel production hub developed and facilitated at Steve Tshwete Local Municipality and accessed funding for the implementation of the project.	None	None
Number of capacity building programmes conducted in the prioritised growth sectors	None	Capacity building programmes in 2 prioritised growth sectors: Manufacturing and Agroprocessing	Capacity building programmes in the furniture manufacturing programme conducted 3 capacity building programmes were conducted to support the Bushbuckridge Agroprocessing Hub	None	None

Strategy to overcome areas of under performance

Expedite the engagement with chemical industry sector in 2014/15 financial year.

Changes to planned targets

None

inh-programme: sector		2012/42			V 1/2 1/0C	
		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Sector Development	8 447	8 793	(346)	8 397	8 417	(20)



PROGRAMME 4: BUSINESS REGULATIONS AND GOVERNANCE

The Purpose of the Programme: Is to ensure an equitable, socially responsible business environment that allows fair and the protection of consumer rights

The Programme consists of the following sub-programmes:

- Consumer Protection
- Business Regulation

Strategic Objectives of the programme are as follows:

- To implement Consumer protection and awareness programmes that creates an environment conducive to fair trade
- To promote and maintain an effective and efficient regulatory system for the liquor, gambling and betting industry

CONSUMER PROTECTION

		Strategic Objectives : Sub-Programme: Consumer Protection	gramme: Consumer Protection		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To implement Consumer protection The Mpumalanga Consumer and awareness programmes that Protection Act implemented creates an environment conducive to fair trade	The Mpumalanga Consumer Protection Act implemented	Implement the Mpumalanga Consumer Protection Act	The Mpumalanga Consumer Protection Act implemented	None	None

Performance indicators

		Performance Indicators: Sub-Programme: Consumer Protection	gramme: Consumer Protection		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of cases received, investigated and resolved	1861 cases received, investigated and 1810 resolved.	1600 cases received, investigated and 1400 resolved.	2027 cases received and investigated and 2093 resolved.	Target exceeded by 427 cases received and 693 cases resolved	Target was exceeded due to the high number of new cases received and the pending cases resolved.
Number of Acts finalised and regulations developed	None	Alignment of the Mpumalanga consumer Affairs Act with the CPA	Not achieved	Target was not achieved	Delay by the National Consumer Commission to implement legislative reforms in terms of Section 94 of the Consumer Protection Act No. 68 of 2008.
Number of education awareness campaigns conducted	82 workshops, 118 radio slots and 30 road shows conducted.	160 consumer education and awareness programmes conducted	195 consumer education and awareness programmes conducted.	Target exceeded by 35	Target exceeded due to more requests made by clients on awareness
Number of Consumer Court hearings adjudicated.	17 court hearings adjudicated by the consumer Court.	14 court hearings adjudicated by the Consumer Court.	14 court hearings adjudicated by the Consumer Court.	None	None

Strategy to overcome areas of under performance

The NCC been capacitated and is now participating in the Consumer Protection Forum to assist all provinces to align their legislation.

Changes to planned targets

None

Sub-programme: consumer protection		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Consumer Protection	11 647	629 6	1 968	10 045	9 591	454



		Strategic Objectives : Sub-Pro	Strategic Objectives : Sub-Programme: Business Regulation		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To promote and maintain an effective and efficient regulatory system for the liquor, gambling and betting industry	The Mpumalanga Licensing Act implemented	Implement the Mpumalanga Licensing Act	The Mpumalanga Licensing Act implemented	None	None

		Performance Indicators: Sub-Programme: Business Regulation	gramme: Business Regulation		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of liquor authority established in line with the liquor act.	None	Mpumalanga Liquor Authority Licensing Act implemented.	Mpumalanga Liquor Authority Licensing Act implemented in terms of section 1-33 and 68 as follows: Acting CEO appointed Branding and awareness campaigns done Transitional arrangement has been complied with.	Listing of the MLA not finalised Transfer of staff not concluded. MLA Board members not appointed	Business case for the Listing of the Public Entity has been concluded and submitted to National Treasury, however awaiting National Treasury's final listing of the Entity. The Executive Council did not approve the appointment of Board members by 31 March 2014. The Transfer of staff was not concluded by 31 March 2014.
Number of reports produced	4 Monitoring and Evaluation report evaluated and were found to be in line with their Strategic Plans.	4 Monitoring and Evaluation reports of MGB in line with their Strategic Plans	4 Monitoring and Evaluation reports of MGB in line with their Strategic Plans produced	None	Progress.
Number of awareness and education programmes conducted on applicable legislation.	16 awareness and education programmes on applicable legislation conducted	Implement 12 awareness and education programme on applicable legislation	12 Awareness and education programme on applicable legislation implemented	None	None
Number of liquor inspections conducted	1051 applications considered and 615 approved and 266 licensed.	400 Liquor inspections conducted	493 Liquor inspections conducted	Target exceeded by 93	Target exceeded due to special inspection blitz been coordinated through the Province during festive season

BUSINESS REGULATION (CONTINUE)

		Performance Indicators: Sub-Programme: Business Regulation	ogramme: Business Regulation		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of municipalities capacitated to implement business regulatory legislation	9 municipalities capacitated to implement applicable business regulatory legislation	6 municipalities capacitated to implement applicable business regulatory legislation	13 municipalities capacitated to implement applicable business regulatory legislation namely, Nkomazi, JS Moroka, Thembisile Hani, Victor Khanye, Govan Mbeki, Emakhazeni, Emalahleni, Mbombela, Dipaleseng, Msukaligwa, Thaba Chweu, Urnjindi, and Bushbuckridge. (By-laws for Bushbuckridge, JS Moroka, Thaba Chweu, Mkhondo and Msukaligwa ready for public comments.	Target exceeded by 7	Municipalities that were capacitated in the previous financial year have submitted their By-laws.

Strategy to overcome areas of under performance

- Continuous follow up with National Treasury for the Listing of the Entity.
- The Executive Council approved the appointment of the Board on the 2nd of April and the MEC subsequently appointed the Board on 7 April 2014.
- The transfer/secondment of staff will be concluded by the end of May 2014.

Changes to planned targets

None

Sub-programme: business regulation Final appropriation R'000 Rusiness Regulation Fransfers and Subsidies 41 908	2012/13 ation Actual Expenditure R'000 7 946 41 908	(Over)/under expenditure R'000 (1 708)	Final appropriation R'000 12 174 57 908	2013/14 Actual Expenditure R'000 12 043 57 908	(Over)/under expenditure R'000
--	---	--	---	--	--------------------------------



PROGRAMME 5: ECONOMIC PLANNING

The Purpose of the Programme: Is to provide economic policy direction and strategies in addition to conducting research on the provincial economy to inform strategy development

The Programme consists of the following sub-programmes:

- Policy and Planning
- · Research and Development
- Knowledge Management
- Monitoring and Evaluation

Strategic Objectives of the programme are as follows:

- To provide economic policy direction, strategies and plans
- To conduct/commission research on the provincial economy to inform economic policy analysis process and strategy development
- · To provide data, information and intelligence on the economy required for effective decision making
- To determine the effectiveness and impact of provincial policy, programmes, objectives and strategies

POLICY AND PLANNING

		Strategic Objectives: Sub-Pro	Strategic Objectives : Sub-Programme: Policy And Planning		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To provide economic policy direction, strategies and plans	3 reports generated on economic policies analysed and reports on policy directives developed and strategies	Coordinate and integrate economic development policies and strategies	Economic Development policies and strategies coordinated and integrated	None	None

Performance indicators

		Performance Indicators: Sub-Programme: Policy And Planning	ogramme: Policy And Planning		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of reports containing Policy directives and policies developed	3 analysis reports developed: 1 report on ICT round table produced and submitted 1 report on the analysis of the national policy environment impacting on the economic development	4 reports generated on economic policies analysed and reports on policy directives developed	4 reports generated on economic policies analysed and reports on policy directives developed	None	None
	9 deficiency 1 analysis report on priorities for the Province based on SONA, SOPA, and National Budget Speech generated.	Delivery agreements on outcomes coordinated	4 delivery agreement meetings on outcomes coordinated	None	None
Number of economic strategies developed	1 ICT Strategy reviewed 1 Cooperatives procurement policy developed. A Draft Industrial Development Plan developed.	2 provincial integrated sector strategies and plans developed/ reviewed	2 provincial integrated sector strategies and plans developed/reviewed	None	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Sub-programme: policy	and planning Fina		Policy and Planning
	Final appropriation	R'000	2 292
2012/13	Actual Expenditure	R'000	2 098
	(Over)/under expenditure	R'000	194
	Final appropriation	R'000	2 609
2013/14	Actual Expenditure	R'000	2 129
	(Over)/under expenditure	R'000	480



		Strategic Objectives:Sub-Prograr	strategic Objectives : Sub-Programme: Research And Development		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To conduct/commission research on the provincial economy to inform economic policy analysis process and strategy development	3 research projects conducted	Develop Economic Research agenda for the Province	Economic Research agenda for the Province developed	None	None

	д.	Performance Indicators: Sub-Programme Research And Development	ımme Research And Development	t	
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of research reports	3 research projects conducted	3 research reports and Provincial economic research agenda for 2014/15 produced	3 research reports and Provincial economic research agenda for 2014/15 produced	None	None
			(Economic scoping for Chief Albert Luthuli local municipality		
			Provincial Economic Research agenda for 2014/2015 produced		
			Report on Economic scoping for Mkhondo local Municipality		

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Sub-programme: research		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Research and Development	1 743	1 478	265	439	1 126	(687)

KNOWLEDGE MANAGEMENT

		Strategic Objectives : Sub-Programme: Knowledge Management	amme: Knowledge Management		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To provide data, information and intelligence on the economy required for effective decision making	A reliable system for economic information through the GIS and processing of 100% of queries developed and maintained	Develop and maintain a reliable system for economic system for economic information information through the GIS and processing of processing of queries 100% of queries	A reliable system for economic information through the GIS and processing of 100% of queries Developed and maintained	None	None

Performance indicators

		Performance Indicators: Sub-Programme Knowledge Management	ramme Knowledge Management		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of sectors and economic development initiatives covered on GIS and maps produced	Shared GIS database on economic information, indicators and maps produced	Updated (covered) GIS and maps produced on 3 sectors	Jpdated (covered) GIS and maps Updated (covered) GIS and maps Target not achieved by produced on 3 sectors Agri-Value Chain)	Target not achieved by 1	Manufacturing not updated due unavailability of data
Number of shared database on economic information and indicators produced on provincial projects	Shared database on jobs and economic information and cooperatives (indicators) produced	Shared database on jobs and Updated database on economic economic information and development projects by the cooperatives (indicators) produced Department and the Public Entities Department and the Public Entities	Updated database on economic development projects by the Department and the Public Entities	None	None
Number of information queries processed	200 information requests processed	70 information queries processed	70 information queries processed 82 Information queries processed Target exceeded by 12	Target exceeded by 12	More queries received
Number of Provincial economic intelligence reports produced	3 provincial reports produced on the economy	Three (3) Economic sector profile produced	1 Economic sector Profile produced (Mining)	Target not achieved by 2	Shortage of Human resources

Strategy to overcome areas of under performance

Recruitment and appointment of staff.

Changes to planned targets

None

	(Over)/under expenditure	R'000	99
2013/14	Actual Expenditure	R'000	2715
	Final appropriation	R'000	2 781
	(Over)/under expenditure	R'000	32
2012/13	Actual Expenditure	R'000	2 369
	Final appropriation	R'000	2 401
Sub-programme:			Knowledge Management



		Strategic Objectives : Sub-Progra	egic Objectives: Sub-Programme: Monitoring And Evaluation		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To determine the effectiveness and impact of provincial policy, programmes, objectives and strategies	Performance on implementation of the MEGDP monitored and evaluated	Performance monitoring and evaluation on implementation of the MEGDP	Performance on implementation of the MEGDP monitored and evaluated	None	None
Number of monitoring reports produced	3 monitoring reports produced	Two (2) sector performance monitoring reports based on the objectives and principles of the MEGDP produced	Two (2) sector performance monitoring reports based on the objectives and principles of the MEGDP produced	None	None
Number of evaluation reports produced	4 evaluation reports produced	Four (4) evaluation reports on tracking of jobs produced	Four (4) evaluation reports on tracking of jobs produced	None	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Sub-programme:		2012/13			2013/14	
monitoring and evaluation	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
Monitoring and Evaluation	924	911	13	1577	1 226	351



PROGRAMME 6: ENVIRONMENTAL SERVICES

The Purpose of the Programme: Is to promote a well-managed, sustainable environment.

The Programme consists of the following sub-Programmes:

- Environmental Policy, Planning and Coordination
- Environmental Compliance Monitoring and Enforcement
- Environmental Impact Management
- Pollution and Waste Management
- Environmental Empowerment Services

Strategic Objectives of the Programme are as follows:

- To provide environmental policy, planning and co-ordination services
- To ensure compliance to and enforcement of environmental legislation
- To promote and maintain environmental quality management
- To promote environmental sustainability
- To promote and encourage environmental empowerment

•



	Strategic 0	bjectives : Sub-Programme: Envir	Strategic Objectives: Sub-Programme: Environmental Policy, Planning and Coordination	ordination	
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To provide environmental policy, planning and co-ordination services	Strategic Environmental Management services implemented	Implement Environmental Policy, Planning and Coordination services	lement Environmental Policy, and Coordination and Coordination implemented	None	None

	Performance Ind		icators: Sub-Programme: Environmental Policy, Planning and Coordination	oordination	
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of Legislative Tools Developed	EIP Annual Report developed	Environmental Implementation Plan (3 rd Edition) Developed	Not achieved	Target not achieved, awaiting finalisation of National EIP guidelines	Development of Provincial EIP dependent upon finalization of National EIP guidelines.
Number of Intergovernmental Sector Tools Reviewed	21 IDPs/SDFs Reviewed	21 IDPs/SDFs Reviewed	20 IDPs/SDFs Reviewed	Target not achieved by 1	Steve Tshwete Local Municipality Integrated Development Plan (IDP) / SDF (Spatial Development Framework) obtained too late to Framework) obtained too late to Report.
		4 IDP / SDF Representative Forums attended	5 IDP Representative Forum attended	Target exceeded by 1	Additional meeting convened
		4 SDF Working Groups attended	4 SDF Working Group attended	None	None
		Support Municipalities to promote integration of EMFs and MBCP into IDPs/ SDFs.	1 Municipality supported to promote integration of EMFs and MBCP into IDPs/SDFs (Engagement on MBCP in Ehlanzeni District)	Target partially achieved	Roll-out of MBCP products to municipalities not possible due to delays in development of MBCP products
Number of Climate Change Response Tools Developed	None	Coordination of 1 Provincial Climate Coordinated 1 Provincial Climate Change Response Tool	Coordinated 1 Provincial Climate Change Response Tool	None	None

Strategy to overcome areas of under performance

- Engage with national Department of Environment Affairs (DEA) to expedite the development of the national EIP guidelines.
- Conscientise the Department of Cooperative Governance and Traditional Affairs (COGTA) to request all municipalities to submit their IDPs / SDFs for annual review.
- Engage and roll-out of products in terms of MBCP (Version 2), with municipalities.

Changes to planned targets

None

Sub-programme:		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Environmental Policy, Planning and Coordination	1 350	1 209	141	1 410	1 547	(137)

ENVIRONMENTAL COMPLIANCE MONITORING AND ENFORCEMENT

	Strategic Obje	Strategic Objectives : Sub-Programme: Environmental Compliance Monitoring And Enforcement	nental Compliance Monitoring And	l Enforcement	
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To ensure compliance to and enforcement of environmental legislation	Environmental management Acts implemented	Implement all environmental management legislation	Environmental management Legislation implemented	None	None

Performance indicators

	Performance Indicat	licators: Sub-Programme: Environ	ors: Sub-Programme: Environmental Compliance Monitoring And Enforcement	d Enforcement	
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of appeals received and finalised	17 appeals received, 7 finalized and 10 outstanding	20 appeals received and 16 finalised	16 appeals received and 12 finalised	Target not achieved by 4 (4 less appeals received and not finalised)	Lengthy appeal processes and procedures in terms of Chapter 7 of the EIA Regulations.
Number of criminal enforcement actions taken against non-compliance	4 criminal cases received and 4 finalised	10 criminal enforcement actions taken and finalised	6 criminal enforcement actions taken and finalised	Target not achieved by 4	Lengthy investigation procedures and cooperation from other departments
Number of administrative actions taken against non-compliance	44 directives/ Notices issued	40 administrative enforcement actions taken	60 administrative enforcement action taken	Target exceeded by 20.	More contravention detected than anticipated and administrative enforcement action taken.
Number of environmental inspections conducted	67 environmental complaints received and 18 finalised	50 Environmental inspections conducted and 40 finalized	105 Environmental inspections conducted and finalised.	Target exceeded by 55	National amended the indicator to include monitoring, complaints and emergency incidents
Number of section 24G applications evaluated and authorised authorised authorisation granted	19 section 24G applications received, 11 finalised and authorisation granted	20 Section 24G applications evaluated and 15 authorised	24 Section 24G applications evaluated and authorised	Target exceeded. by 4	Target exceeded due to the previous financial year outstanding applications.
Number of municipal EMI'S trained and designated	None	3 municipal EMI'S trained and designated	6 municipal EMI's trained and designated	Target exceeded by 3	More EMI's trained than anticipated by DEA

Strategy to overcome areas of under performance

Filling of funded vacant post

Changes to planned targets

None

Linking Performance with budgets

. (
Sub-programme:		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Environmental Compliance Monitoring and Enforcement	1 600	1745	(145)	1 750	1815	(65)



Strategic objectives Actual achievement 2012/13 Planned target 2013/14 Actual achievement 2013/14 Deviation from planned target to actual achievement for 2013/14 To promote and maintain environmental management Act Implemented management Act Implemented management Act Implemented management Act None None No		Stra	trategic Objectives : Sub-Programme	Objectives: Sub-Programme: Environmental Impact Management	lent	
Environmental management Act Implement the environmental Environmental management Act None None Implemented Implem	Strategic objectives	Actual achievement 2012/13	Planned target 2013/14		Deviation from planned target to actual achievement for 2013/14	Comment on deviations
		Environmental management Act Implemented	Implement the environmental management Act	al management Act	None	None

Performance indicators

	Perfor	mance Indicators: Sub-Programm	Performance Indicators: Sub-Programme: Environmental Impact Management	lent	
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of EIA applications received 237 EIA applications received	237 EIA applications received	200 EIA applications received	230 EIA applications received	Target exceeded by 30	More EIA applications were received than anticipated.
Number of EIAs finalised within legislated timeframes	203 EIAs finalised and within legislated timeframes (This includes 165 Environmental Authorisations, 34 Amendments, 2 exemptions).	150 EIAs finalised within legislated timeframes	150 EIAs finalised within legislated timeframes timeframes	Target exceeded by 116.	More EIAs were finalised because more application were received within legislated timeframes than anticipated.
Number of Environmental Authorisations issued	165 Environmental Authorizations issued	125 Environmental Authorizations issued	149 Environmental Authorisations issued	Target exceeded by 24.	More Environmental Authorisations were issued because more applications were received than anticipated
Number of Mine applications received and commented on	81 Mine applications were received and evaluated and 81 commented on	60 mine applications received and 60 commented on	218 Mine applications received and commented on	Target exceeded by 158.	More Mine applications were received and commented on than anticipated.
Number of change of land and water use use applications commented on commented on commented on	116 change of land and water use applications evaluated and 116 commented on	50 change of land and water use applications received and 50 commented on	111 change of land and water use applications received and 50 commented on	Target exceeded by 61 (applications received)	More change of land and water use applications were received than anticipated.
Number of templates and guidelines developed	7 Environmental Management Agreements, templates and guidelines developed.	5 templates and guidelines developed	Five (5) templates and guidelines developed	None	None

Strategy to overcome areas of under performance

• None

Changes to planned targets

None

Linking Performance with budgets

Sub-programme: environmental impact management	Final appropriation	2012/13 Actual Expenditure	(Over)/under expenditure	Final appropriation	2013/14 Actual Expenditure	(Over)/under expenditure
Environmental Impact	R'000	R'000	R'000	R'000	R'000	(190)
Management	9 593	8 803	790	8 475	8 665	

POLLUTION AND WASTE MANAGEMENT

	Stra	Strategic Objectives : Sub-Programme	Objectives: Sub-Programme: Pollution And Waste Management	int	
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To promote environmental	Pollution and waste management	Implement the pollution and waste	ment the pollution and waste Pollution and waste management None	None	None
sustainability	Act implemented	management registation	registation implemented		

Performance indicators

	Perfo	Performance Indicators: Sub-Programme: Pollution And Waste Management	e: Pollution And Waste Manageme	tue.	
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Provincial Integrated Waste Management Plan (IWMP's) compiled and implemented	None	1 Provincial IWMP implemented	Not achieved	Draft IWMP was developed	Delays in accessing information from other stakeholders
Number of Municipal Integrated Waste Management Plans (IWMP's) evaluated and approved	8 Municipal IWMP's evaluated (Thaba Chweu; Victor Khanye, Emakhazeni, Dr JS Moroka, Umjindi Mbombela, Bushbuckridge and Steve Tshwete Local Municipalities	6 Municipal IWMP's (Ehlanzeni District, Gert Sibande District, Nkangala, Thembisile,, Albert Luthuli and Msukaligwa) evaluated and approved	6 Municipal IWMP's evaluated and approved (Ehlanzeni, Gert Sibande Nkangala Districts Thembisile Albert Luthuli and Msukaligwa)	None	None
Number of feasibility studies on technical designs for centralised waste sites conducted	1 Waste License Application process commenced for Gert Sibande Centralised Waste Site	Gert Sibande regional waste site feasibility study concluded	Draft Feasibility Study developed for public comment	Target not achieved	The process to conclude the feasibility study is dependent on the finalisation of the specialised studies, e.g. Geo-Hydrological studies
Number of atmospheric emission licences applications finalised within legislated time-frames	3 AEL's were issued to Ferrobank Asphalt, Elkem Ferroveld and Calsiment	15 Environmental Authorisations (EA) issued for Atmospheric Emission Licensing	39 Environmental Authorisations (EA) issued for Atmospheric Emission Licensing	Target exceeded by 24	The deadline for APPA RC to AEL conversion, 31 March 2014, has prompted the directorate to finalise backlog of applications received from 2010 to date thus, the deviation from 15 to 40.
Number of Waste License applications finalised within legislated time-frames	9 Waste Licences were issued to Insimu Yami Co-Op Youth project, Intaba Sawmill, Sappi Lomati Storage Facility – Barberton: Sappi Ngodwana Storage Facility, Harmony Organic Fertilizer, Ntusi Dairy Farm, Heidelberg Chicken Feedlot, Sun Rays Chicken Feedlot, Greens Hazyview Recycling.	24 Waste Licenses issued	17 waste licences issued	Target not achieved by 7	Incomplete applications received
Number of designated organs of state with approved and implemented AQMP's	Ambient Air Quality Monitoring Network operated and maintained	1 Provincial AQMP maintained	Draft AQMP Document developed.	Target not achieved	Required information from various sectors was not received on time
Number of Municipal Air Quality Management Plans evaluated and approved	None	Five (5) (municipal) Air Quality Management Plans evaluated and approved	Not achieved	Target not achieved	Municipalities are in a process of developing their AQMP.
Number of Provincial climate change mitigation and response strategy developed	None	Provincial Climate Change Response Strategy compiled	Draft Climate Change Response Strategy Document developed.	Target not achieved	Required information from various sectors was not received in time



Strategy to overcome areas of under performance

- Ensuring that the EIA process timeframes are adhered 40
- Hold Stakeholder workshops in Gert Sibande, Nkangala and Ehlanzeni District Municipalities respectively to get inputs on the AQMP Draft Document
- Engage and support municipalities to follow example of the Province in developing their AQMPs inhouse

Changes to planned targets

None

Linking Performance with budgets

Sub-programme: pollution		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Pollution and Waste Management	9 416	8 817	669	10 140	7 307	2 833

ENVIRONMENTAL EMPOWERMENT SERVICES

	Strategic Ol	gic Objectives : Sub-Programme:	bjectives : Sub-Programme: Environmental Empowerment Services	vices	
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To promote and	Environmental awareness	Implement and conduct	Environmental Empowerment	None	None
encourage environmental	education implemented and	environmental empowerment	Implemented and conducted		
empowerment	conducted				

Performance indicators

	Performan		ce Indicators: Sub-Programme: Environmental Empowerment Services	vices	
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of job opportunities created through environmental programmes	10242 Environmental awareness activities conducted: 10113 trees planted 129 presentations made 1 event facilitated	12 job opportunities created through environmental programmes (3 district programmes with minimum 4 beneficiaries)	18 job opportunities created through environmental programmes (3 district programmes with minimum 18 beneficiaries)	Target exceeded by 6	Partnership with SANBI (South African Biodiversity Institute) and SAPPI resulted in exceeding of the targets due an increase in resources available
Number of Environmental Awareness Activities conducted	58 EA resources developed	60 environmental resources developed	102 environmental resources developed	Target exceeded by 42	Additional environmental resources were developed due to funds received from environmental violation court order.
	None	18 clean up campaigns conducted	84 clean up campaigns conducted	Target exceeded by 66	Partnerships with Local municipalities and local businesses resulted in exceeding of targets due increase in resources available
Number of Environmental Awareness Activities conducted	10242 Environmental awareness activities conducted: 10113 trees planted 129 presentations made	27 Awareness workshops conducted	237 Awareness workshops conducted	Target exceeded by 210	Additional awareness workshops were conducted due to funds received from environmental violation court order.
	1 event facilitated	1 event World Environment Week celebrated	6 events celebrated: WEW, grasslands, wetlands, water week, Arbor week, Ozone day	Target exceeded by 5	Partnerships with Local municipalities and local businesses resulted in exceeding of the targets due increase in available resources
		10 exhibitions conducted	xhibitions conducted	Target exceeded by 12	The Department was requested to exhibit during the Executive Council Outreach Programme which resulted in the target been exceeded
		Media campaigns: 36 newspaper articles	Media campaigns: 26 newspaper articles/ media briefs	Target not achieved by 10	Less media coverage on environment issues was experienced during the year under review
		10 000 visits by learners to environmental centres	13 407 visits by learners to environmental centres	Target exceeded by 3 407	Improved infrastructure resulted in more learner visits to environmental centres than anticipated



ENVIRONMENTAL EMPOWERMENT SERVICES

	Perfor	Performance Indicators: Sub-Programme: Environmental Empowerment Services	Environmental Empowerment Ser	vices	
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
	16 schools registered for participation in an environmental programme (with BMW SEED programme)	88 schools registered for participation in an environmental programme. • 16 schools registered for the BMW SEED programme, 54 schools registered for water programme. • 18 schools registered for 18 schools registered for Climate Change programme	157 schools registered for participation in the environmental programme. G schools registered for the BMW SEED programme, 10 schools registered for water programme en water programme et 1 schools registered for the Climate Change programme	Target exceeded by 69	Additional Schools registered for participation in the environmental programme and funds received from environmental violation court order were utilised
	None	18 municipalities registered for GMC (Greenest municipality Competition) programme	18 municipalities registered for GMC(Greenest municipality Competition) programme	None	None
Number of environmental capacity building activities conducted	None	18 capacity building workshops: Environmental regulatory framework	20 capacity building workshops on Environmental regulatory framework conducted	Target exceeded by 2	Partnership with SANBI (South African Biodiversity Institute) and SAPPI resulted in exceeding of targets due increase in resources available – more beneficiaries benefited which resulted in more capacity building workshops
Number of environmental centres upgraded	4 environmental Education centre upgraded (Delmas, Mdala, Amsterdam and Pilgrim's Rest).	4 environmental education centres upgraded. (Elukwatini, Amsterdam, Mdala and Pilgrim's Rest)	7 environmental education centres upgraded Mdala-100% completed. Amsterdam-100% completed. Elukwatini-100% completed. Pilgrims Rest- 100% completed. Graskop-100% completed. Barberton (emergency)- Delmas-100% completed.	Target exceeded by 3	Emergency work at Barberton, Delmas and Graskop EC resulted in exceeding of target

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Linking Performance with budgets

Sub-programme:		2012/13			2013/14	
	Final appropriation	Actual Expenditure	Actual Expenditure (Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Environmental	48 126	48 077	49	71 714	73 840	(2 126)
Empowerment Services						



PROGRAMME 7: TOURISM

The Purpose of the Programme is to ensure development, promotion and regulation of tourism in the Province that will contribute to a sustainable tourism sector.

The Programme consists of the following sub-programmes:

- Sub-Programme: Tourism Planning
- Sub-Programme: Tourism Regulations and Compliance
- Sub-Programme: Tourism Sector Transformation

Strategic Objectives of the Programme are as follows:

- To create an enabling tourism environment through policy and strategy development
- To regulate tourist guides
- To facilitate tourism sector transformation



TOURISM PLANNING

		Strategic Objectives : Sub-Programme: Tourism Planning	ogramme: Tourism Planning		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To create an enabling tourism environment through policy and strategy development.	The implementation of the Mpumalanga Tourism Growth Strategy (MTGS) monitored and evaluated: • Tourism SMME Development and Awareness, Tourism Products Development • Tourism Destination Market	Tourism strategy developed	Tourism strategy developed	None	None

Performance indicators

		Performance Indicators: Sub-Programme: Tourism Planning	rogramme: Tourism Planning		
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of tourism strategies developed.	The implementation of the Mpumalanga Tourism Growth Strategy (MTGS) monitored by focussing mainly on the following: Tourism SMME Development, Tourism Skills Development and Awareness, Tourism Products Development and Tourism Destination Marketing	1 tourism strategy developed (Cultural and Heritage Tourism Strategy)	1 Tourism Strategy was developed (Culture and Heritage Tourism Strategy)	None	None
Number of analysis reports compiled to assess the performance of MTPA and ZRCC	None	4 analysis reports of the MTPA and ZRCC compiled in line with their strategic plans	4 analysis reports of MTPA and ZRCC was compiled in line with their strategic plans	None	None
Number of local municipalities supported on tourism	None	Provide tourism intergovernmental relation and support to 4 local Municipalities Municipalities	Tourism intergovernmental relation and support provided to 8 Municipalities	Target exceeded by 4	Target exceeded due to demand for assistance by municipalities

Strategy to overcome areas of under performance

None

Changes to planned targets

None



TOURISM REGULATIONS AND COMPLIANCE

	Strate	Strategic Objectives : Sub-Programme: Tourism Regulations And Compliance	Tourism Regulations And Complia	ance	
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To regulate tourist guides	None	To regulate tourist guides	Tourist guides regulated	None	None

Performance indicators

	to Comment on deviations	None
liance	Deviation from planned target to actual achievement for 2013/14	None
ance Indicators: Sub-Programme: Tourism Regulations And Compliance	Actual achievement 2013/14	4 inspection conducted
Performance Indicators: Sub-Programme	Planned target 2013/14	4 Inspections conducted
	Actual achievement 2012/13	None
	Performance indicator	Number of tourist guides inspections None conducted

Strategy to overcome areas of under performance

None

Changes to planned targets

None



	St	Strategic Objectives : Sub-Program	Objectives: Sub-Programme: Tourism Sector Transformation		
Strategic objectives	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
To facilitate tourism sector transformation	None	Tourism projects supported to ensure community beneficiation	Tourism projects supported to ensure community beneficiation	None	None

Performance indicators

	Per	Performance Indicators: Sub-Program	nance Indicators: Sub-Programme: Tourism Sector Transformation	no	
Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement for 2013/14	Comment on deviations
Number of tourism projects supported to ensure community beneficiation.	None	3 projects supported to ensure community beneficiation	3 projects supported to ensure community beneficiation	None	None
Number of campaigns conducted to None implement Tourism Safety Plan	None	4 campaigns conducted to implement Tourism Safety Plan	4 campaigns conducted to implement Tourism Safety Plan	None	None
Tourism Awards implemented	None	Facilitated the implementation of Tourism Awards.	Facilitated the implementation of Pacilitated the implementation of None Tourism Awards.	None	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Linking Performance with budgets

Sub-programme:		2012/13			2013/14	
	Final appropriation	Actual Expenditure	(Over)/under expenditure	Final appropriation	Actual Expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Tourism	2 558	2 394	164	2 638	2 441	197
Transfers and Subsidies- MTPA	278 275	278 275	•	323 422	323 422	1



2.5 TRANSFER PAYMENT

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
		R'000	R'000	
Mpumalanga Economic Growth Agency (MEGA)	Promote trade and investment in Mpumalanga; Provide funding in respect of approved enterprise development focusing primarily on the previously disadvantaged individuals in Mpumalanga; Develop property including the granting of housing loans in Mpumalanga; to deliver massive infrastructure in Mpumalanga	169 410	169 410	 During the year under review, 51% of the total planned targets were achieved and out of which 10% was partially achieved. The completion of the merger process in the year under review has ensured that MEGA positions itself to first and foremost, conduct its business in an efficient and effective manner which in turn positions it as a strategic entity to drive economic development, deliver high impact infrastructure programmes and serve as a catalyst for the facilitation of trade and foreign direct investment. During the year under review, eleven [11] bulk water infrastructure projects were planned to be implemented, however, a total of twenty two [22] were implemented, with ten [10] at construction stage and the balance still at design stage. This means that exceeding the targets set for bulk water projects gets our communities a step closer towards accessing clean water and thus address the basic services requirement as guaranteed by the Constitution of the Republic of South Africa.
Mpumalanga Tourism and Parks Agency (MTPA)	Provide for the sustainable development and improvement of the tourism industry in Mpumalanga	304 422	297 581	 The MTPA redeemed itself in the year under review and ensured that its going concern status is restored. Various marketing initiatives were undertaken to promote Mpumalanga as a world class tourist destination and to increase tourist numbers to the Province. Some of these marketing initiatives were e.g. profiling and promoting the Province at the Tourism Indaba; initiating of a joint marketing campaign with other tourism stakeholders; consumer campaigns and leveraging on events and the business tourism programmes. A Mpumalanga Travel Guide Application for the Panorama route for smart phones, tablets and a website was developed to enhance the experience of tourists and the Mpumalanga Twitter account www.twitter. com/Mtpatourism was activated. The Recapitalisation Programme within MTPA's Nature Reserves gained momentum during the year under review. The infrastructure upgrade programme was resumed in earnest and satisfactory progress was made within the four premier Nature Reserves, i.e. Manyeleti, Songimvelo, Loskop Dam and Blyde River Canyon.

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
		R'000	R'000	
Mpumalanga Tourism and Parks Agency (MTPA)	To provide for the sustainable development and improvement of the tourism industry in Mpumalanga	304 422	297 581	 The MTPA managed to increase land under conservation by including privately owned land through the Stewardship Programme. The following privately owned farms in the Gert Sibande District Municipality were declared as Protected Areas during the year under review: Mabola Protected Environment Kwamadlangampisi Protected Environment Chrissiesmeer Protected Environment Mndawe Trust Tafelkop Nature Reserve This proclamation has increased Mpumalanga's Biodiversity Conservation area by 72 087 hectares. The actual number of hectares added to the protected area system during this period amounts to 103 937 hectares, representing 66% of the actual five year target. The MTPA have completed the development of the Mpumalanga Biodiversity Sector Plan (MBSP), which included developing appropriate land-use guidelines to ensure sustainable development that is not harmful to our environment. Anti-poaching activities were strengthened through the continuation of dehorning of rhinos and prioritising Rhino poaching incidents. The antipoaching strategy was developed and a Bathawk Light Aircraft was ordered to assist in the fight against rhino poaching. The generation and collection of own revenue has experienced a phenomenal improvement and the Agency managed to collect R8 Million above the projected R15 Million own revenue during the year under review. The improvement was a direct response to the recapitalisation of the premier Nature Reserves during the year under review. The commercialisation Strategy is intended to drive tourism diversification by enhancing tourism product development to enhance own revenue generation and collection.
Mpumalanga Gambling Board (MGB)	 Continue to regulate the gambling industry as per the Act; Promote responsible gambling in the Province within the next 5 years; 	57 908	49 858	The MGB continued to effectively regulate the gambling industry in the Province. Furthermore, the entity collected a total of R76,5 million in gambling levies and taxes, (a healthy contribution to Government's own revenue.) In terms of employment, the industry created 100 permanent and 801 temporary employment opportunities during the period under review. The Board further maintained its record of
	Endeavour to implement the 4 th Casino			unqualified and clean audit reports from the Auditor-General. This is indeed an appropriate indication of the MGB's commitment to sound corporate governance and financial discipline. The MGB's responsible gambling awareness
				drives continued to play a key role in preventing and minimising gambling related harm.

Transfer payments to all organisations other than public entities

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s38 (1) (j) of the PFMA	Amount transfered	Amount spent by entity	Reasons for the funds unspent by the entity
				R'000	R'000	
Lekwa Local Municipality	Local Municipality	Increase electricity voltage for the oil seed crush plant	Yes	20 000	20 000	None
Zithabiseni Resort and Conference Centre	Holiday Resort	Payment of salaries	Yes	19 000	19 000	None

2.6 CONDITIONAL GRANTS

Conditional grants and earmarked funds received

Conditional Grant for Expanded Public Works Programme (EPWP)

Department which transferred the grant	National Department of Public Works
Purpose of the grant	To create jobs within the Environmental and Culture Sector
Expected outputs of the grant	Job creation
Actual outputs achieved	Jobs created within the Environmental and Culture Sector
Amount per amended DORA	R1,431
Amount received (R'000)	R1,431
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	R1,431
Reasons for the funds unspent by the entity	None
Reasons for deviations on performance	None
Measures taken to improve performance	None
Monitoring mechanism by the receiving department	Share Holders compact and Monthly expenditure reports

2.7 DONOR FUNDS

None

2.8 CAPITAL INVESTMENT

None





Part C:
Governance



3.1 INTRODUCTION

The Department has functional Audit, Fraud Prevention and Risk Management Committees. To ensure that emerging and existing risks are identified, assessed and monitored. Furthermore, the Department has an effective Internal Audit unit which evaluates the effectiveness of internal controls, risk management and governance processes.

3.2 RISK MANAGEMENT

- The Department has an approved Risk Management policy and strategy in place.
- Risk Assessments are conducted regularly to identify new and emerging risks. A Strategic, Operational, Fraud,
 ICT and Project Risk Assessments were conducted and monitored during the year under review.
- The Department has a functional Risk Management Committee, chaired by an external member as set by the National Treasury Risk Management Framework. The committee convened four (4) meetings and advised management on systems of risk management and internal control improvements during the year under review. The committee has:
 - Reviewed the risk management policy and strategy and recommended for approval by the Accounting Officer;
 - Reviewed the risk appetite and tolerance and recommended for approval by the Accounting Officer;
 - Reviewed the Department's risk identification and assessment methodologies to obtain reasonable assurance of the completeness and accuracy of the risk register;
 - Evaluated the effectiveness of mitigating strategies to address the material risks of the Department;
 - Reported to the Accounting Officer any material changes to the risk profile of the Department;
 - Reviewed any material findings and recommendations by assurance providers on the system of risk management and monitored that appropriate action is instituted to address the identified weaknesses;
 - Developed goals, objectives and key performance indicators for the Committee for approval by the Accounting Officer;
 - Developed goals, objectives and key performance indicators to measure the effectiveness of the risk management activity;
 - Set out the nature, role, responsibility and authority of the risk management function within the Department for approval by the Accounting Officer, and oversaw the performance of the risk management function;
 - Provided proper and timely reports to the Accounting Officer on the state of risk management, together with aspects requiring improvement accompanied by the Committee's recommendations to address such issues.
- The Risk Management unit has provided a quarterly report on risk management processes to the Audit Committee, during the year under review.

In discharging its oversight responsibilities relating to risk management, the audit committee has:

- Added value to the risk management process by making recommendations to improve the process;
- Reviewed and critiqued the risk appetite and risk tolerance;
- Reviewed the completeness of the risk assessment process implemented by management and ensured that all possible categories of risks, both internal and external to the Department, have been identified during the risk assessment process;



- Reviewed the risk profile and management action plans to address the risks quarterly;
- Reviewed the adequacy of adapted risk responses;
- Reviewed the progress made with regards to the implementation of the risk management strategy of the Department;
- Provided regular feedback to the Accounting Authority / Officer on the effectiveness of the risk management process implemented by the Department;
- Reviewed and ensured that the internal audit plans are aligned to the risk profile of the Department.

3.3 FRAUD AND CORRUPTION

- The Department has an approved Fraud Prevention Strategy in place. A corruption/fraud risk assessment was performed and corruption risks identified were monitored during the year under review. A Fraud Prevention Committee was functional.
- The Department has a Whistle Blowing Policy in place. Awareness workshops of the policy were conducted. Employees are urged to report suspected corrupt activities to the Risk Management unit or alternatively to the National Anti-Corruption Hotline (NACH) 0800 701 701.
- Progress on cases reported to the National Anti-Corruption Hotline is requested from the Office of the Premier (Integrity Management Unit) as the investigating arm for Government departments for all NACH cases in the Province. The report is reviewed quarterly by the Fraud Prevention Committee.

3.4 MINIMISING CONFLICT OF INTEREST

The Fraud Prevention Committee reviewed cases of employee conflicts of interest, misconduct or fraud, or any other unethical activity by employees or companies. A gift register was implemented and employees were educated on the register.

3.5 CODE OF CONDUCT

Awareness workshops were conducted on the Code of Conduct and Ethics. An ethics survey was initiated to assess the culture within the Department.

Compliance with the code of conduct is ensured by inducting new employees who join the Department. Continuous workshops are also conducted to keep employees aware of issues around the code of conduct. In cases where the code of conduct has been breached the necessary disciplinary steps have been taken against employees concerned.

3.6 HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department engaged in a comprehensive audit with the Department of Labour at all its offices to check the status of compliance with regards to Occupational Health and Safety. A report was provided by the Department of Labour and a response plan has been developed for implementation in the coming financial year to address areas of non-compliance.



3.7 PORTFOLIO COMMITTEES

Portfolio Committees were held as follows:

21 May 2013 - Report of the Portfolio Committee on Agriculture, Rural Development and Land Administration; Economic Development, Environment and Tourism on the 2013/14 Budget of the Department of Economic Development, Environment and Tourism (Vote 6)

20 August 2013 - 1st Quarterly Review meeting

24 October 2013 - Report on Agriculture, Rural Development and Land Administration; Economic Development, Environment And Tourism on the 2012/13 Annual Report of the Department of Economic Development, Environment and Tourism

Recommendations	Progress
Standardise the systems and procedures whereby all three Parastatals must submit reports and documentation to the Legislature;	The Department has standardised all quarterly reports submitted to the Committee. The reports from the Parastatals are submitted through the Office of the MEC to the Strategic Planning Services section. The section then consolidates all the reports and put them in a single file for submission to the Legislature.
The Department must fast track the approval of the new organisational structure.	The proposed Organisational Structure was submitted to DPSA for approval. A response from the DPSA was that the Department needs to submit costing for the organisational structure before it could be approved. A submission was made to the Provincial Treasury on the costing but was not approved. The organisational structure has since been withdrawn from DPSA in an effort to review it and make a new submission to the DPSA.
The Department must ensure that the Mpumalanga Liquor Authority is adequately resourced to carry out its functions as per the enabling legislation.	An amount of R4 610 million has been budgeted for the Mpumalanga Liquor Authority in the 2013/14 financial year and the Department has planned to establish a fully functional Liquor Authority.
Regarding the irregular transfer of provincial funds to ZRCC, the Committee recommends that the House resolve that the Department and Provincial Treasury explain to the Committee the basis for this abnormal transfer that has been going on for the past financial years. The National Treasury and the Auditor-General should also be part of this hearing.	The Department has written to both the AG and National Treasury regarding the ZRCC. We are now awaiting responses from the two institutions on the advice they will provide to the Department. However, the Department is consulting stakeholders with a view to transfer the ZRCC to MTPA.



3.8 SCOPA RESOLUTIONS

None

3.9 PRIOR MODIFICATIONS TO AUDIT REPORTS

Detailed Report of the above can be obtained on page 139 to 140 (AFS-Report of the Accounting Officer, Paragraph 21).

3.10 INTERNAL CONTROL UNIT

The Department does not have an Internal Control unit. Management succeeded in implementing internal control systems encompassing all the policies and procedures adopted by management to assist the Department to achieve its objectives.

3.11 INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of the internal audit unit

Internal audit is an independent appraisal function established by the management of an organisation for the review of the internal control system, as a service to the organisation. It objectively examines, evaluates and reports on the adequacy of internal control as a contribution to the proper, economic and effective use of resources.

Summary of internal audit work done

The following audit assignments relating to the Department were performed by the Internal Audit function during the 2013/14 financial year:

- Performance information and financial statements reviews;
- Corporate Services:
- Control environment;
- Follow-up audits on previous audits;
- Follow-up on implementation of AGSA audit recommendations;
- Information technology;
- · Financial and supply chain management; and
- Fleet and Asset management

The role of the Audit Committee is to assist the Accounting Officer and Management of the Department in discharging their duties regarding risk management; financial information; internal controls and governance processes.

The key activities and objectives of the audit committee are to review the following:

- Effectiveness of internal control systems;
- Effectiveness of Internal Audit function;
- The risk areas of the institution's operations to be covered in the scope of Internal and External audits;
- The adequacy, reliability and accuracy of the financial information provided to management and other users of such information;
- Any accounting and auditing concerns identified as a result of internal and external audits;
- The institution's compliance with laws, rules and regulations;
- The activities of the Internal audit function including its annual work programme, coordination with external auditors, the reports of significant investigations and the responses of management to specific recommendations.



Attendance of Audit Committee meetings by Audit Committee members

During the current financial year, six (6) Audit Committee meetings were held. Meetings between the Chairperson, the external auditors and the Internal Audit function were held as and when the need aroused, independent of management.

All the members of the Audit Committee are independent and have been appointed from outside the public service. Details of the members and their attendance of scheduled audit committee meetings during the 2012/13 financial year are as follows:

Name of member	Qualifications	Internal or external	Date appointed	Term ended	No of meetings attended
Ms. M.O Morata	B.Proc	External	11.01.2011	31.05.2014	4
	Cert in Commercial law				
	LLM in IT law				
Ms. Z Mathenjwa	MSC (International Business)	External	11.01.2011	31.05.2014	5
	Post Grad. in Corp.Governance				
	Dipl.in Project Management				
	Cert. In Financial Management				
Mr. D Lekoto	BCom plus Articles	External	11.01.2011	31.05.2014	5
	Certificate in Fraud Examination				
Mr. I.P Du Plessis	BComm (Accounting)	External	01.05.2013	N/A	5
	BComm (Honours)				

3.12 AUDIT COMMITTEE REPORT

The Audit Committee of the Department of Economic Development, Environment and Tourism are pleased to present their report for the financial year ended 31 March 2014.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities as prescribed by section 38(1)(a) of the Public Finance Management Act 1999, (Act No. 1 of 1999) (PFMA) and Treasury Regulation (TR) 3.1. The Audit Committee has during the period under review, adopted the formal terms of reference by way of the Audit Committee Charter, has regulated its affairs in compliance with the charter and has discharged all of its responsibilities as contained therein.

The Effectiveness of Internal Control

We are confident that the system of internal control applied by the Department over financial risk and risk management is effective, efficient and transparent.

In line with the PFMA and King III Report on Corporate Governance requirements, Internal Audit provided the Audit Committee and management with assurance on whether internal controls are adequate and effective. This was achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the control processes.

The following internal audit work was completed during the year under review:

- Performance information and financial statements reviews;
- Corporate Services;
- Control environment;
- Follow-up audits on previous audits;
- Follow-up on implementation of AGSA audit recommendations;
- Information technology;
- · Financial and supply chain management; and
- · Fleet and Asset management



The following were areas of concern:

- Slow implementation of Internal Audit and Auditor General recommendations;
- Lack of strategic and coordinated oversight over Public Entities;
- Lack of a tracking system that ensures compliance with applicable legislation and regulations;
- Delays in receiving information and management comments which result in late finalisation of audits;
- Unsatisfactory compilation of the portfolio of evidence to support reported Performance Information;
- The capacity in the Office of the Chief Financial Officer has improved, but more capacity is needed to deal with the preparation of financial statements without misstatements;
- Reconciling of assets and movement of assets without following proper procedures and updating of the asset register.

In-Year Management and Monthly and Quarterly Reports

The Audit Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Department as required by the PFMA.

Evaluation of Financial Statements

The Audit Committee has:

Reviewed and discussed the audited Annual Financial Statements to be included in the Annual Report with the Auditor-General and the Accounting Officer;

Reviewed that there are no changes to the accounting policies and practices;

Reviewed the Department's compliance with legal and regulatory provisions;

Reviewed the information on pre-determined objectives to be included in the Annual Report.

Reviewed the internal audit report on the mid-term interim financial statement and is satisfied that management has addressed issues raised.

Independence of the Audit Committee

The Audit Committee is independent of management in the execution of its duties.

Internal audit

The Audit Committee is satisfied that the internal audit function is operating effectively, and that it has addressed the risks pertinent to the Department in its audits.

Auditor-General's Report

We have reviewed the Department's implementation plan for audit issues for the year 2013/14, and we are satisfied that the Department has developed a combined plan to address matters raised both by internal and external auditors. During the course of our follow up reviews on the implementation plan for audit issues, we discovered that out of 25 action plans, 17 have been fully implemented, 3 partially implemented, 3 not implemented and 2 not yet due for implementation. We are satisfied that the matters have been adequately resolved.

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



Appreciation

The Audit Committee appreciates the assistance and cooperation of management in assisting it in the discharge of its responsibility.

MS 7B MATHENJWA

CHAIRPERSON OF THE AUDIT COMMITTEE

Department of Economic Development, Environment and Tourism
31 July 2014



Part D: Human Resource Management



4.1 INTRODUCTION

The HR Management is governed by the following Acts:

- Public Service Act, 1994, as amended.
- · Public Service Regulations, 2001, as amended
- The constitution of the Republic of South Africa

The responsibility of managing human resources lies not only in the Directorate Human Resource Management in the Department. It is the responsibility of each manager to ensure that the employees reporting to them are managed in a way that positions the Department as the employer of choice. The directorate Human Resource Management is entrusted with the responsibility to set up systems that will enable the manager and employees of the Department to function effectively. Setting up these systems and policies cannot be done in isolation, but in consultation with all the stakeholders within the Department. Partnership between Human Resources and every member of staff is key in ensuring that the Department achieves its objectives, and this shall continuously be strived at, bearing in mind the role that the Department plays in economic development in the Province.

Human Resource priorities for the year under review and their impact:

- Recruit and retain the quality and quantity of staff that is required
- Human Resource Development
- Promote Employment Equity
- Develop leadership and create a learning organisation
- Formulate and implement service standards
- Performance management
- Promote employee health and wellness

Workforce planning and key strategies to attract and recruit a skilled and capable workforce.

The Department developed an HR Plan which informs the staffing needs and direction that the Department needed to follow. As part of the implementation of the HR Plan, employees within the Department were developed in different areas hence a total of 141 employees underwent training. Of the 25 appointments made in the financial year 32% consisted of internal promotions. This has positively contributed in increasing the morale of employees for they realise that opportunities of growth are available within the Department. As part of the recruitment of skilled and capable employees, job evaluation results were implemented during the recruitment of candidates within the Internal Audit directorate.

Employee performance management

During the year under review, the Department progress with regards to the management of employee, in that 100% of SMS members signed performance agreements and 98.7% of levels 1-12 signed performance agreements. The introduction of quarterly reviews has ensured that the reviews are moderated continuously to reward performance in line with the Departmental goals.



Employee wellness programmes

The Integrated Employee Health and Wellness Programme continued to provide support to employees. A total of eighty eight (88) employees were assisted through the programme. Twelve (12) preventative programmes were implemented, to create awareness to employees on health related matters.

As part of the specialised programme take a girl/boy child to work, a total of ten (10) school children from previously disadvantaged schools were introduced to the workplace for a day.

Achievements and challenges, as well as future human resource plans/ goals

A challenge faced by the Department is the interdepartmental transfer of employees. Programme 6 has suffered the most in this regard, given that they are skill is scares and dispite them being on OSD we are unable to retain them

The other challenge faced by the Department is to attract suitably qualified females in SMS positions in order to reach the 50/50 target set for all departments. To address this, the Department plans to fill all vacant SMS positions by females. Different recruitment methods will be employed to ensure that this target is achieved. The appointment of the Director for Human Resources Management, which was filled by a female is a example of our quest to recruit more female SMS members.

We have also filled the post of Chief Director Business Regulation and Governance which has been vacant for a long time.

In the next financial year, the Department will ensure that a plan of retention of employees is in place. The retention of employees will not wait for the person to resign but will be the centre of the way management does things in order to ensure that the Department is the employer of choice. This will ensure that employees consider the Department the employer of choice and don't want to leave, the first contact that the Department will have with the candidate will be a professional one that promotes a great work ethic. This will be aimed at ensuring that the candidate looks forward to work for the Department because of the positive attitude transferred. The reduction of the turnaround time in the recruitment process will be prioritised to ensure that positions are filled within 6 months of being vacant, in order to ensure unhindered service delivery.



4.2 HUMAN RESOURCES OVERSIGHT STATISTICS

4.2.1 Personnel related expenditure

The following tables summarises the final audited personnel related expenditure per 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 allowances and medical aid.

Table 4.2.1.1 Personnel expenditure by programme

Programme	Total expenditure	Personnel expenditure	Training expenditure	Professional and special services expenditure	Personnel expenditure as a % of total expenditure	Average personnel cost per employee
	(R'000)	(R'000)	(R'000)	(R'000)	%	(R'000)
Administration	88 434	48 796	0	0	55,1	107
Integrated Econ Develop	196 990	19 067	0	0	9,7	42
Trade and Sector Development	35 461	10 809	0	0	30,4	24
Business Regulation	80 979	16 866	0	0	20,8	38
Economic Planning	8 344	7 048	0	0	84,5	16
Environmental Services	94 969	59 235	0	0	62,3	132
Tourism	325 863	2 075	0	0	0,6	5
Total	831 040	163 896	0	0	19.7	363

Table 4.2.1.2 Personnel costs by salary band

Salary band	Personnel expenditure (R'000)	% Of total personnel cost	No. Of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	5 084	2,9	42	121 048
Skilled (level 3-5)	10 104	5,7	62	162 968
Highly skilled production (levels 6-8)	36 193	20,5	124	291 879
Highly skilled supervision (levels 9-12)	83 574	47,4	170	491 612
Senior and Top management (levels 13-16)	26 619	15,1	27	985 889
Contract (Levels 1-2)	997	0,6	23	43 348
Contract (Levels 3-5)	233	0,1	4	58 250
Contract (Levels 13-16)	3 118	1,8	4	779 500
Periodical Remuneration	358	0,2	12	29 833
Total	166 280	94.2	425	2 053 396



Table 4.2.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme

Programme	Salaries		Overtime		Home owners allowance		Medical aid	
	Amount	Salaries as a % of personnel costs	Amount	Overtime as a % of personnel costs	Amount	Hoa as a % of personnel costs	Amount	Medical aid as a % of personnel costs
	(R'000)	%	(R'000)	%	(R'000)	%	(R'000)	%
Management Services	3 901	76,8	0	0	120	2,4	128	2,5
Administration	37 120	68,7	722	1,3	1 300	2,4	2 274	4,2
Integrated Economic Development Services	14 965	71,3	9	0	346	1,6	828	3,9
Trade and Sector Development	6 415	53,7	0	0	274	2,3	364	3,0
Business Regulation and Governance	12 094	67,8	106	0,6	471	2,6	696	3,9
Economic Planning	4 886	76,8	0	0	56	0,9	215	3,4
Environmental Services	40 887	67,9	0	0	1 737	2,9	2 671	4,4
Tourism	1 429	95	0	0	18	1,2	58	3,9
Total	121 697	69	837	0.5	4 322	2.4	7 234	4.1

Table 4.2.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band

Salary band	Salaries		Overtime		Home owners allowance		Medical aid	
	Amount	Salaries as a % of personnel costs	Amount	Overtime as a % of personnel costs	Amount	Hoa as a % of personnel costs	Amount	Medical aid as a % of personnel costs
	(R'000)	%	(R'000)	%	(R'000)	%	(R'000)	%
Skilled (level 1-2)	3 308	65,1	0	0	432	8,5	532	10,5
Skilled (level 3-5)	6 674	65,8	36	0,4	670	6,6	988	9,7
Highly skilled production (levels 6-8)	24 983	66,8	519	1,4	1 318	3,5	2 218	5,9
Highly skilled supervision (levels 9-12)	61 611	68,6	259	0,3	1 488	1,7	3 051	3,4
Senior management (level 13-16)	21 253	73,4	0	0	299	1	391	1,4
Contract (Levels 1-2)	978	96,6	19	1,9	0	0	0	0
Contract (Levels 3-5)	229	98,3	4	1,7	0	0	0	0
Contract (Levels 13-16)	2 661	78,2	0	0	115	3,4	53	1,6
Periodical Remuneration	0	0	0	0	0	0	0	0
Total	121 697	69	837	0.5	4322	2.4	7233	4.1



4.3 EMPLOYMENT AND VACANCIES

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarises the number of posts on the establishment, the number of employees, the vacancy rate, and 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).

The Department has 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 4.3.1 Employment and vacancies per Programme

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Management services, Permanent	10	8	20	0
Pr 1: Administration*, Permanent	196	156	20,4	0
Pr 2: Integrated Economic Development Services, Permanent	48	44	8,3	0
Pr 3: Trade and Sector Development, Permanent	23	19	17,3	0
Pr 4: Business Regulation and Governance, Permanent	52	44	15,4	0
Pr 5: Economic Planning, Permanent	16	12	25	0
Pr 6: Environmental Services, Permanent	192	170	12,5	0
Pr 7:Tourism	5	5	0	0
Total	542	458	15.4	0

Table 4.3.2 Employment and vacancies by salary band

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	64	42	34,4	0
Skilled (3-5)	72	62	13,9	0
Highly skilled production (6-8)	152	126	18,4	0
Highly skilled supervision (9-12)	191	170	11	0
Senior management (13-16)	32	27	15,6	0
Contract (Levels 1-2), Permanent	23	23	0	0
Contract (Levels 3-5), Permanent	4	4	0	0
Contract (Levels 13-16), Permanent	4	4	0	0
Total	542	458	15.4	0



Table 4.3.3 Employment and vacancies by critical occupations

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, Permanent	51	43	15.6	0
Agriculture animal oceanography forestry and other science, Permanent	0	0	0	0
Agriculture related, Permanent	47	47	0	0
Cleaners in offices workshops hospitals etc., Permanent	51	49	3.9	0
Communication and information related, Permanent	14	14	0	0
Conservation labourers, Permanent	5	5	0	0
Economists, Permanent	72	57	20.8	0
Farm hands and labourers, Permanent	4	4	0	0
Finance and economics related, Permanent	17	17	0	0
Financial and related professionals, Permanent	4	4	0	0
Financial clerks and credit controllers, Permanent	25	14	44	0
Food services aids and waiters, Permanent	13	13	0	0
General legal administration and rel. professionals, Permanent	2	2	0	0
Head of department/chief executive officer, Permanent	1	1	0	0
Human resources related, Permanent	23	21	8.6	0
Information technology related, Permanent	0	0	0	0
Legal related, Permanent	3	2	33,3	0
Library mail and related clerks, Permanent	2	2	0	0
Light vehicle drivers, Permanent	5	5	0	0
Messengers porters and deliverers, Permanent	2	2	0	0
Natural sciences related, Permanent	62	51	17.7	0
Regulatory inspectors, Permanent	23	16	30.4	0
Secretaries and other keyboard operating clerks, Permanent	40	34	15	0
Senior managers, Permanent	37	27	27	0
Trade/industry advisers and other related profession	39	28	28.2	
Total	542	458	15.4	0



4.4 FILLING OF SMS POSTS

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service 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 4.4.1 SMS post information

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	01	01	100	0	0
Salary Level 16	01	01	100	0	0
Salary Level 15	01	01	100	0	0
Salary Level 14	06	04	67	02	33
Salary Level 13	27	23	85	04	15
Total	36	30	83	06	17

Table 4.4.2 SMS post information as on 30 September 2013

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	01	01	100	0	0
Salary Level 16	01	01	100	0	0
Salary Level 15	01	01	100	0	0
Salary Level 14	06	05	83	01	17
Salary Level 13	27	23	85	04	15
Total	36	30	83	06	17

Table 4.4.3 Advertising and filling of SMS posts

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	01	01	100	0	0
Salary Level 13	02	0	0	02	100
Total	03	01	33	02	67



Table 4.4.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant

Reasons for vacancies not advertised within six months

All identified vacant /funded SMS positions were advertised within six months of being vacant

Reasons for vacancies not filled within six months

Suitable candidate could not be found for the position of a Director: Impact Management

There were more male candidates as opposed to female candidates and the Department had targeted a female for this position for equity purposes



4.5 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 4.5.1 Job Evaluation by Salary band

	Number of Number		% of posts	Posts U	pgraded	Posts downgraded		
Salary band	posts on approved establishment	of Jobs Evaluated	evaluated by salary bands	Number	% of posts evaluated	Number	% of posts evaluated	
Lower Skilled (Levels1-2)	85	0	0	0	0	0	0	
Skilled (Levels 3-5)	91	0	0	0	0	0	0	
Highly skilled production (Levels 6-8)	296	0	0	0	0	0	0	
Highly skilled supervision (Levels 9-12)	193	05	2.5%	0	0	0	0	
Senior Management Service Band A 13	27	0	0	0	0	0	0	
Senior Management Service Band B 14	06	0	0	0	0	0	0	
Senior Management Service Band C 15	03	0	0	0	0	0	0	
Senior Management Service Band D 16	00	0	0	0	0	0	0	
Total	701	05	2.5%	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 4.5.2 Profile of employees whose positions were upgraded due to their posts being upgraded

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	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 4.5.3 Employees with salary levels higher than those determined by job evaluation by occupation

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	0	0	0	None
None	0	0	0	None
None	0	0	0	None
None	0	0	0	None
Total number of employees whose salaries excee	0			
Percentage of total employed	0%			

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

Table 4.5.4 Profile of employees who have salary levels higher than those determined by job evaluation

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

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

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



4.6 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 4.6.1 Annual turnover rates by salary band

Salary band	Number of employees at beginning of period-1 April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	43	0	04	9
Skilled (Levels3-5)	63	04	02	3
Highly skilled production (Levels 6-8)	163	04	09	6
Highly skilled supervision (Levels 9-12)	147	12	14	10
Senior Management Service Bands A	23	03	04	17
Senior Management Service Bands B	05	02	02	40
Senior Management Service Bands C	02	0	0	0
Senior Management Service Bands D	01	0	0	0
Total	447	25	35	7.6

NOTE: Total turnover rate calculation: total number of termination divided by the total number of staff complement at the end of the financial year.

Table 4.6.2 Annual turnover rates by critical occupation

Critical occupation	Number of employees at beginning of period-April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	43	0	04	9
Skilled (Levels3-5)	63	04	02	3
Highly skilled production (Levels 6-8)	163	04	09	6
Highly skilled supervision (Levels 9-12)	147	12	14	10
Senior Management Service Bands A	23	03	04	17
Senior Management Service Bands B	05	02	02	40
Senior Management Service Bands C	02	0	0	0
Senior Management Service Bands D	01	0	0	0
TOTAL	447	25	35	7.6



Table 4.6.3 Reasons why staff left the Department

Termination Type	Number	% of Total Resignations
Death	2	6
Resignation	12	34
Expiry of contract	0	0
Dismissal – operational changes	0	0
Dismissal – misconduct	2	6
Dismissal – inefficiency	0	0
Discharged due to ill-health	2	6
Retirement	5	14
Transfer to other Public Service Departments	12	34
Other	0	0
Total	35	100
Total number of employees who left as a % of total employment		7.6

Table 4.6.4 Promotions by critical occupation

Occupation	Employees 1 April 2013	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 related	44	0	0	27	61
Agriculture animal oceanography forestry and other science	07	0	0	07	100
Agriculture related	42	0	0	30	76
Cleaners in offices workshops hospitals etc.	50	0	0	42	92
Communication and information related	13	01	0	10	76.9
Community development workers	0	0	0	0	0
Conservation labourers	5	0	0	02	40
Economists	64	0	0	40	68.7
Farm hands and labourers	4	0	0	03	75
Finance and economics related	16	0	0	12	75
Financial and related professionals	4	02	50	04	100
Financial clerks and credit controllers	15	0	0	11	73.3
Food services aids and waiters	13	0	0	10	76.9
General legal administration and rel. professionals	3	0	0	03	100
Head of department/chief executive officer	1	0	0	0	0
Health sciences related	0	0	0	0	0
Human resources and organisation development and relate prof	21	01	4.7	15	76.1
Information technology related	0	0	0	0	0
Legal related	2	0	0	02	100
Library mail and related clerks	2	0	0	02	100
Light vehicle drivers	4	0	0	04	100
Messengers porters and deliverers	2	0	0	02	100
Natural sciences related	40	04	10	33	77.5

Occupation	Employees 1 April 2013	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
Other administrative and related clerks and organisers	0	0	0	0	0
Other administrative policy and related officers	0	0	0	0	0
Other occupations	0	0	0	0	0
Regulatory inspectors	15	0	0	15	100
Secretaries and other keyboard operating clerks	31	0	0	19	61.2
Senior managers	30	0	0	21	9.6
Statisticians and related professionals	01	0	0	01	100
Trade/industry advisers and other related profession	18	0	0	16	88.8
Total	447	08	0	331	72.2

Table 4.6.5 Promotions by salary band

Salary Band	Employees 1 April 2013	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)	43	0	0	35	83,3
Skilled (Levels3-5)	63	0	0	49	79
Highly skilled production (Levels 6-8)	163	0	0	107	86.3
Highly skilled supervision (Levels 9-12)	147	8	5.4	125	73.5
Senior Management (Level 13-16)	31	0	0	0	0
Total	447	8	5.4	316	73.6



4.7 EMPLOYMENT EQUITY

Table 4.7.1 Total number of employees (including employees with disabilities) in each of the following occupational categories

Occupational actors		Ma	le			Fem	ale		Total
Occupational category	African	Coloured	Indian	White	African	Coloured	Indian	White	iotai
Legislators, senior officials and managers (Level 14-16)	6	0	0	0	1	0	0	0	7
Professionals (Level 13)	14	0	1	0	5	0	0	1	21
Technicians and associate professionals (Level 9-12)	63	1	0	11	57	1	0	6	139
Clerks(Level 6-8)	42	0	0	1	110	0	0	3	156
Plant and machine operators and assemblers (Level 3-5)	19	0	0	0	51	1	0	4	75
Elementary occupations (Level 1-2)	22	0	0	0	31	0	0	0	53
Total	166	1	1	12	355	2	0	14	451
Employees with disabilities	6	0	0	0	1	0	0	0	7

Table 4.7.2 Total number of employees (including employees with disabilities) in each of the following occupational bands

Occurational hand		Male	9			Fema	ale		Total
Occupational band	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Top Management (14-16)	6	0	0	0	1	0	0	0	7
Senior Management (13)	14	0	1	0	5	0	0	1	21
Professionally qualified and experienced specialists and mid-management (9-12)	67	1	0	11	58	0	1	5	143
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents (6-8)	48	1	0	0	103	0	0	3	155
Semi-skilled and discretionary decision making (3-5)	19	0	0	0	42	1	0	4	66
Unskilled and defined decision making (1-2)	28	0	0	0	0	38	0	0	66
Total	182	2	1	11	209	39	1	13	458



Table 4.7.3 Recruitment

O competitional land		Male	е			Fema	le		Tatal
Occupational band	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Top Management 14-15	02	0	0	0	0	0	0	0	02
Senior Management 13	02	0	0	0	01	0	0	0	03
Professionally qualified and experienced specialists and mid-management 11-12	02	0	0	01	01	0	0	0	02
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents 9-10	0	0	0	0	01	0	0	0	01
Semi-skilled and discretionary decision making 4-8	02	0	0	0	04	0	0	0	06
Unskilled and defined decision making 1-3	01	0	0	0	0	0	0	0	01
Total	08	0	0	0	7	0	0	0	15
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 4.7.4 Promotions

0		Mal	е			Fema	ale		Total
Occupational band	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Top Management 14-15	0	0	0	0	0	0	0	0	0
Senior Management 13	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management 11-12	01	0	0	01	0	0	0	0	02
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents 9-10	03	0	0	0	03	0	0	0	06
Semi-skilled and discretionary decision making 4-8	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making 1-3	0	0	0	0	0	0	0	0	0
Total	04	0	0	01	03	0	0	0	08
Employees with disabilities	0	0	0	0	0	0	0	0	0



Table 4.7.5 Terminations

Occupational band		Mal	е			Fema	ale		Total
Occupational band	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Top Management 14-15	0	0	0	0	02	0	0	0	02
Senior Management 13	03	0	0	01	0	0	0	0	04
Professionally qualified and experienced specialists and mid-management 11-12	02	0	0	0	02	0	0	0	04
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents 9-10	02	0	0	0	08	0	0	0	10
Semi-skilled and discretionary decision making 4-8	05	0	0	0	04	0	0	01	10
Unskilled and defined decision making 1-3	02	0	0	0	01	0	0	0	03
Level -intern	0	0	0	0	02	0	0	0	02
Total	14	0	0	01	19	0	0	01	35

Table 4.7.6 Disciplinary action

Disciplinary		Male				Total			
action	African	Coloured	Indian	White	African	Coloured	Indian	White	IOIAI
	2	•	-	-	4	-	-	-	6

Table 4.7.7 Skills development

		Male				Femal	е		Tatal
Occupational category	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Legislators, senior officials and managers	20	0	0	0	5	0	0	2	27
Professionals	20	1	0	4	21	0	0	3	49
Technicians and associate professionals	1	1	0	0	0	0	0	0	2
Clerks	21	0	0	0	38	0	0	0	59
Service and sales workers	2	0	0	0	2	0	0	0	4
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	64	2	0	4	66	0	0	5	141
Employees with disabilities	2	0	0	0	0	0	0	0	2



4.8 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 underneath:

Table 4.8.1 Signing of Performance Agreements by SMS members

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	0	0	0	0
Salary Level 16	0	0	0	0
Salary Level 15	2	2	2	100
Salary Level 14	6	5	5	100
Salary Level 13	25	23	23	100
Total	33	30	30	100

Table 4.8.2 Reasons for not having concluded performance agreements for all SMS members as on 31 March 2014

Reasons		
None		

Table 4.8.3 Disciplinary steps taken against SMS members for not having concluded performance agreements as on 31 March 2014

Reasons	
None	



4.9 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 4.9.1 Performance Rewards by race, gender and disability

	1	Beneficiary Profile		Cost		
Race and Gender	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee	
African						
Male	121	180	1.49	1 173	10	
Female	178	249	1.40	1 260	7	
Asian						
Male	0	1	0	0	0	
Female	0	1	0	0	0	
Coloured						
Male	1	2	2	6	6	
Female	0	1	0	0	0	
White						
Male	10	11	1.10	215	22	
Female	11	13	1.18	233	21	
Total	321	458	1.43	2 629	8	

Table 4.9.2 Performance Rewards by salary band for personnel below Senior Management Service

	Е	Seneficiary Profil	е	Co	ost	Total cost
Salary band	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	as a % of the total personnel expenditure
Lower Skilled (Levels 1-2)	36	42	85.7	990	27 500	0.11
Skilled (level 3-5)	49	62	79	186	3 796	0.02
Highly skilled production (level 6-8)	108	124	87.1	9506	88 019	0.35
Highly skilled supervision (level 9-12)	125	170	73.5	14 384	115 072	0.46
Periodical Remuneration	0	12	0	0	0	0
Total	318	439	72.4	25066	78824	0.31



Table 4.9.3 Performance Rewards by critical occupation

	В	eneficiary Profi	Cost		
Critical occupation	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related	27	42	64.3	219	8 111
Agricul animal oceanography forestry and other science	0	0	0	0	0
Agriculture related	42	47	89.4	377	8 976
Cleaners in offices workshops hospitals etc.	45	49	91.8	119	2 644
Communication and information related	13	14	92.9	123	9 462
Community development workers	0	0	0	0	0
Conservation labourers	5	6	83.3	6	1 200
Economists	34	57	59.6	459	13 500
Farm hands and labourers	3	4	75	7	2 333
Finance and economics related	12	17	70.6	189	15 750
Financial and related professionals	4	4	100	83	20 750
Financial clerks and credit controllers	11	14	78.6	67	6 091
Food services aids and waiters	13	15	86.7	29	2 231
General legal administration and rel. professionals	3	2	150	37	12 333
Head of department/chief executive officer	0	1	0	0	0
Health sciences related	0	0	0	0	0
Human resources and organisat developm and relate prof	0	0	0	0	0
Human resources clerks	0	0	0	0	0
Human resources related	18	19	94.7	96	5 333
Information technology related	0	0	0	0	0
Legal related	2	2	100	18	9 000
Library mail and related clerks	2	2	100	8	4 000
Light vehicle drivers	0	0	0	0	0
Messengers porters and deliverers	0	0	0	0	0
Natural sciences related	25	52	48.1	217	8 680
Other administration and related clerks and organisers	4	8	50	187	46 750
Other administrative policy and related officers	0	0	0	0	0
Other occupations	0	0	0	0	0
Regulatory inspectors	14	14	100	129	9 214
Secretaries and other keyboard operating clerks	25	34	73.5	72	2 880
Senior managers	2	27	7.4	86	43 000
Statisticians and related professionals	0	0	0	18	0
Trade/industry advisers and other related profession	17	28	60.7	83	4 882
Total	322	458	70.1	2629	8190



Table 4.9.4 Performance related rewards (cash bonus), by salary band for Senior Management Service

	Beneficiary Profile			Co	Total cost as a	
Salary band	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	% of the total personnel expenditure
Band A	1	23	4.3	39	39 000	0.2
Band B	1	6	16.7	47	47 000	0.8
Band C	0	2	0	0	0	0
Band D	0	0	0	0	0	0
Total	2	31	6.5	86	43000	0.3



4.10 FOREIGN WORKERS

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

Table 4.10.1 Foreign workers by salary band

Calamy hand	01 April 2013		31 Mar	ch 2014	Change		
Salary band	Number	% of total	Number	% of total	Number	% Change	
Lower skilled	0	0	0	0	0	0	
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0	
Highly skilled supervision (Lev. 9-12)	1	100	1	100	0	0	
Contract (level 9-12)	0	0	0	0	0	0	
Contract (level 13-16)	0	0	0	0	0	0	
Total	1	100	1	100	0	0	

Table 4.10.2 Foreign workers by major occupation

Major accumption	01 April 2013		31 Marc	ch 2014	Change	
Major occupation	Number	% of total	Number	% of total	Number	% Change
Professionals and managers	0	0	01	100	01	01
Total	0	0	01	100	01	01



4.11 LEAVE UTILISATION

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 4.11.1 Sick leave

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	158	96,2	18	7,3	9	46
Skilled (levels 3-5)	286	92,7	34	13,9	8	116
Highly skilled production (levels 6-8)	628,5	85,1	72	29,4	9	438
Highly skilled supervision (levels 9 -12)	656	86,4	95	38,8	7	910
Top and Senior management (levels 13-16)	100	96	18	7,3	6	311
Total	1828.50	456.40	237	96.7	39	1821

Table 4.11.2 Disability leave (temporary and permanent)

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
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 4.11.3 Annual Leave

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	1 170	42	28
Skilled Levels 3-5)	1 555	65	24
Highly skilled production (Levels 6-8)	2 876	127	23
Highly skilled supervision(Levels 9-12)	4 190	186	23
Senior management (Levels 13-16)	598	28	21
Total	10 389	448	119

Table 4.11.4 Capped leave

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 2014
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	2	2	1	63
Highly skilled supervision(Levels 9-12)	3	1	3	56
Senior management (Levels 13-16)	0	0	0	0
Total	5	3	2	58

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

Table 4.11.5 Leave payouts

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2013/14 due to non-utilisation of leave for the previous cycle	151	6	25 167
Capped leave payouts on termination of service for 2013/14	1 271	18	70 611
Current leave pay-out on termination of service for 2013/14	61	7	8 714
Total	1 483	31	47 839



4.12 HIV/AIDS AND HEALTH PROMOTION PROGRAMMES

Table 4.12.1 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
Not applicable	

Table 4.12.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Ms N.I Mashele Director: Human Resource Management
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		The total number of staff members is five (5), and the budget allocated is two million and two hundred thousand (R2,200.000) for compensation and goods and services.
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		Proactive and reactive Employee Health and Wellness Programme Workplace HIV/AIDS Programme Occupational Health and Safety
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		No	
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		Draft HIV/AIDS and TB management and Occupational Health and Safety policies
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-	Yes		Developed an HIV/AIDS and TB management draft policy.
positive from discrimination? If so, list the key elements of these measures.			Education and awareness Programmes addressing stigma and discrimination 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.	Yes		The Department arranged 04 onsite HIV Counselling and testing for the employees and the response was high and referrals were made to medical specialists
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		The Department has a monitoring and evaluation component that monitors the impact of the HIV/AIDS programmes



4.13 LABOUR RELATIONS

Table 4.13.1 Collective agreements

Subject matter	Date
Establishment of Mpumalanga Liquor Authority	30 August 2013

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 4.13.2 Misconduct and disciplinary hearings finalised

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	1	17
Verbal warning	0	0
Written warning	3	50
Final written warning	0	0
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	2	33
Not guilty	0	0
Case withdrawn	0	0
Total	6	100

Total number of disciplinary hearings finalised

Table 4.13.3 Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	% of total	
Negligence	2	33	
Gross insubordination	1	17	
Misrepresentation	1	17	
Unlawful carrying of passengers in state vehicle	1	17	
Desertion	1	17	
Total	6	100	



Table 4.13.4 Grievances logged

Grievances	Number	% of Total
Number of grievances resolved	4	66.3
Number of grievances not resolved	2	33.3
Total number of grievances lodged	6	100

Table 4.13.5 Disputes logged with Councils

Disputes	Number	% of Total
Number of disputes upheld	4	80
Number of disputes dismissed	1	20
Total number of disputes lodged	5	100

Table 4.13.6 Strike actions

Strike Actions	Number
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 4.13.7 Precautionary suspensions

Precautionary suspensions	Number
Number of people suspended	1
Number of people who's suspension exceeded 30 days	1
Average number of days suspended	180
Cost of suspension (R'000)	280 459.80



4.14 SKILLS DEVELOPMENT

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

Table 4.14.1 Training needs identified

	Gender		Training needs identified at start of the reporting period			ng period
Occupational category		Number of employees as at 1 April 20YY	Learnerships	Skills Programmes and other short courses	Other forms of training	Total
Legislators, senior	Female	44	0	44	0	44
officials and managers	Male	37	0	37	0	37
Professionals	Female	24	0	24	0	24
FIGUESSIONALS	Male	30	0	30	0	30
Technicians and associate	Female	20	0	20	0	20
professionals	Male	10	0	10	0	10
Clerks	Female	6	0	6	0	6
Cierks	Male	2	0	2	0	2
Service and sales workers	Female	0	0	0	0	0
Service and sales workers	Male	0	0	0	0	0
Skilled agriculture and	Female	0	0	0	0	0
fishery workers	Male	0	0	0	0	0
Craft and related trades	Female	0	0	0	0	0
workers	Male	0	0	0	0	0
Plant and machine	Female	0	0	0	0	0
operators and assemblers	Male	0	0	0	0	0
	Female	43	0	43	0	43
Elementary occupations	Male	1	0	1	0	1
Sub Total	Female	137	0	137	0	137
Sub lotal	Male	80	0	80	0	80
Total		217	0	217	0	217



4.15 INJURY ON DUTY

The following tables provide basic information on injury on duty.

Table 4.15.1 Injury on duty

None reported in the financial year under review

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	



4.16 UTILISATION OF CONSULTANTS

The following tables relate information on the utilisation of consultants in the Department. In terms of the Public Service Regulations "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 4.16.1 Report on consultant appointments using appropriated funds

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Appointment of professional engineers to assist the Department in planning, designing, implementing, monitoring and evaluating various infrastructure projects in 3 districts for a period of 24 months	FT Consultants cc (Fastrak Consultants)	180	R378 954.00
Establishing, resourcing and operating a PMU in the Department in respect of the Heritage, Greening Mpumalanga and Tourism Flagship	Mukhaha Consulting Engineers	0	R2 712 445.30 (High Court settlement)
Feasibility study for the development of centralised integrated waste management facility for Nkangala District	Worley Parsons	365	R42 191.89

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
3	3	545	R3 133 591.19

Table 4.16.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Appointment of professional engineers to assist the Department in planning, designing, implementing, monitoring and evaluating various infrastructure projects in 3 districts for a period of 24 months	100%	100%	1
Establishing, resourcing and operating a PMU in the Department in respect of the Heritage, Greening Mpumalanga and Tourism Flagship	100%	100%	1
Feasibility study for the development of centralised integrated waste management facility for Nkangala District	0	0	0



Table 4.16.3 Report on consultant appointments using Donor funds

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 4.16.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs)

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



4.17 SEVERANCE PACKAGES

Table 4.17.1 Granting of employee initiated severance packages

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by Department
Lower skilled (Levels 1-2)	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



Part E: Financial Information



TABLE OF CONTENTS

Report of the Accounting Officer	127
Accounting Officer's Statement of Responsibility for Annual Financial Statements	144
Report of the Auditor-General	145
Annual Financial Statements	149
Appropriation Statement	149
Notes to the Appropriation Statement	158
Statement of Financial Performance	161
Statement of Financial Position	162
Statement of Changes in Net Assets	163
Cash Flow Statement	164
Accounting Policies	165
Notes to the Annual Financial Statements	171
Unaudited supplementary annexures	190



For the year ended 31 March 2014

REPORT BY THE ACCOUNTING OFFICER TO THE EXECUTING AUTHORITY AND THE MPUMALANGA PROVINCIAL LEGISLATURE OF THE REPUBLIC OF SOUTH AFRICA.

1. Introduction

The purpose of this report is to highlight specific financial matters and financial activities which took place during the 2013/2014 financial year.

Report of the Accounting Officer for the year ended 31 March 2014

The following is the report by the Accounting Officer to the Executing Authority and the Mpumalanga Provincial Legislature on the financial performance, financial position and activities of the Department of Economic Development, Environment and Tourism.

General review of the state of financial affairs

It is my pleasure to present the Report of the Accounting Officer for the 2013/2014 financial year. The report outlines the performance of the Department; achievements during the year under review; the challenges encountered and the remedial actions taken to correct the situation. The Department received unqualified audit opinion in the 2012/2013 financial year, and this was a remarkable improvement from the 2011/12 financial year, during which the Department was qualified on assets. To this end, serious efforts were put in this area of work to ensure that all assets are verified quarterly and recorded per classification and category. This resulted in the creation of a position of a Deputy Director to be responsible for assets management.

The 2013/2014 financial year continued to be a challenging year on financial matters, given that the Department had accruals from the 2012/2013 financial year amounting to R3 740 000. However the amount was considerably lower than the accruals of 2011/2012 financial year which amounted to R6 103 000.

On budgetary issues, the Department was allocated a total of R821 567 000 at the beginning of the financial year, and during the main budget adjustment the allocation, was reduced to R812 109 000. Before year end, another adjustment in the form of a special adjustment was tabled and passed by the Provincial Legislature to fund Lekwa Local Municipality to enable them to increase electricity voltage for the Oil-seed Crush Plant in Standerton, and this increased the allocation by R20 000 000 thus resulting in the total increase of the allocation to R832 109 000. The total expenditure as at year end (31 March 2014) is R831 040 000 and as a result, the Department surrendered R1 069 000 to the Provincial Treasury.

During the year under review, the Department continued to implement austerity measures to ensure that spending on some line items in the operational budget are reduced in order not to overspend the Budget Vote, especially on the item of compensation of employees. As part of our ongoing commitment to ensure efficiency and value for money, we have further continued to assess compliance to governance issues which have been raised by the Internal Audit and Risk Management Units which in my opinion, are reflected through the good performance of the Department.

I wish to express my gratitude to the senior management and the entire staff of the Department, for their commitment in ensuring that we continue to carryout the mandate of the Department by efficiently utilising the resources provided.



For the year ended 31 March 2014

Important Policy decisions and strategic issues

An amount of R16 000 000 was budgeted by the Department to develop and train co-operatives, whereas a total of R6 610 000 was set aside to fund the establishment of the Mpumalanga Liquor Authority.

Significant events that took place during the financial year under review:

The following events took place during the year under review (2013/2014 financial year):

Outcome 4: Decent employment through inclusive economic Growth

Programme 2

- Thirty-two (32) co-operatives in the manufacturing sector (brick making, window frames, paint and detergent making) were trained on technical skills in partnership with the South African Bureau of Standards (SABS).
 However only seven (7) co-operatives qualified to go through the SABS product certification;
- Two (2) municipalities were supported on the implementation of CRDP projects by holding workshops with brick-making and welding co-operatives, and strategic investors on the operations of the joint venture agreements.
- Facilitated capacity training and equipment for the Tivoneni detergent business;
- Conducted a workshop for the Nkomazi Vegetable Secondary Co-operatives to prepare them to be able to deliver on their business contract to supply the school nutrition programme;
- · Facilitated training of co-operatives at Bushbuckridge, Daantjie in Mbombela and Umjindi Local Municipalities;
- Created 27 economic opportunities for local black-owned enterprises through the Kusile initiative.

Programme 3

• Facilitated the launch and commissioning of the Donkerhoek Water Bottling Plant at the Mkhondo Local Municipality in the Gert Sibande District.

Programme 4

- Conducted 195 consumer education awareness and campaigns to protect the public against unscrupulous business practices.
- Outcome 10: Protected and enhanced environmental assets and nature resources to the citizen of Mpumalanga

Programme 6

- Conducted 81 clean up campaigns in the three (3) districts;
- Conducted 237 environmental awareness workshops on (a) Grasslands; (b) Wetlands; (c) Water week; (e) Arbor week; and (f) Ozone day.

Major projects undertaken or completed during the financial year under review:

- Renovations were done at the Delmas, Amsterdam, Mdala, Graskop and Elukwatini environmental centres (which benefit schools through the educational programmes rendered by the Environmental Empowerment Unit);
- The Donkerhoek Water Bottling Plant at the Mkhondo Local Municipality was completed and handed over to the beneficiaries;
- Training was provided to co-operatives in the eight (8) identified CRDP sites.



For the year ended 31 March 2014

Expenditure Trends – Annual Reports MTEF

PROGRAMME	2011/12	2012/13	2013/14
	R'000	R'000	R'000
Administration	104,706	101,707	88,434
Integrated Economic Development	167,921	230,051	196,990
Trade and Sector Development	296,447	320,457	35,461
Business Regulation	57,899	60,072	80,979
Economic Planning	7,765	6,923	8,343
Environmental Services	67,179	70,005	94,969
Tourism	-	-	325,863
	701,917	789,215	831,040

The table below shows the Department's performance per Programme:

PER PROGRAMME	MAIN BUDGET	ADJUSTED BUDGET	EXPENDITURE	AVAILABLE	% SPEND
	R'000	R'000	R'000	R'000	%
Administration	84,236	88,434	88,434	-	100%
Integrated Economic Development	196,866	197,727	196,990	737	99.6%
Trade and Industry Development	17,720	35,461	35,461	-	100%
Business Regulation	75,817	80,979	80,979	-	100%
Economic Planning	9,833	8,479	8,344	135	98.4%
Environmental Services	110,375	94,969	94,969	-	100%
Tourism	326,720	326,060	325,863	197	99.9%
TOTAL	821,567	832,109	831,040	1,069	99.8%

The table below shows the Department's performance per economic classification:

PER ECONOMIC CLASSIFICATION	MAIN BUDGET	ADJUSTED BUDGET	EXPENDITURE	AVAILABLE	% SPEND
	R'000	R'000	R'000	R'000	%
Compensation of employees	169,201	165,708	163,896	1,812	98.9%
Goods and services	82,526	92,061	92,323	(262)	100.2%
Transfers	550,740	570,740	572,525	(1,785)	100.3%
Payment for Capital Assets	14,100	3,600	2,277	1,323	63.2%
Payment for Financial Assets	5000	-	19	(19)	-
TOTAL	821,567	832,109	831,040	1,069	99.8%



For the year ended 31 March 2014

Reasons for over/under spending

Compensation of employees

The Department has under-spent the allocation of compensation of employees by one (1)% because of the following reason:

· Posts were vacated by employees who have resigned and retired but could not be filled on time.

Goods and services

The overspending on goods and services is because of the following: In Programme 1

- Audit fees
- · Fleet management services
- Legal fees
- · Travelling and subsistence

Programme: 3

The overspending was due to the water bottling project.

Transfers

- Transfers to Public Entities and the Zithabiseni Resort and Conference Centre amounted to R550 740 000, which
 represented 69% of the total Departmental budget allocation. This amount was transferred in tranches on a
 monthly basis in line with the cash-flow projections as tabled by the Provincial Treasury and appropriated by the
 Provincial Legislature:
- · The actual overspending on transfers is because of payment of leave gratuity

Payment for Capital Assets

 The allocation for capital assets was reduced during the budget adjustment process from R14 100 000 to R3 600 000 because the bulk of the infrastructure projects were not implemented during the year under review, and the reduced amount was diverted to fund repairs and maintenance projects in Programme 6.

Virement Shifts

- During the main budget adjustment, the Department's budget was reduced from R821 567 000 to R812 019 000
 and an amount of R9 458 000 was thus surrendered to the Provincial Treasury's revenue fund because of slow
 spending.
- During the special budget adjustment, an amount of R20 000 000 was made available in order to provide financial
 assistance to Lekwa Local Municipality to resolve the supply of electricity to the Oil-seed Crush Plant which is
 anticipated to create 150 direct jobs and 4 000 indirect jobs when it is fully operational, and this increased the
 Department's budget to R832 109 000.

First adjustment

 During the budget adjustment process, the Department's budget was reduced from R821 567 000 to R812 019 000 and an amount of R9 458 000 was thus surrendered to the Provincial Treasury because of slow spending.



For the year ended 31 March 2014

Second adjustment

 An amount of R20 000 000 was made available by Treasury in order to provide financial assistance to Lekwa Local Municipality to resolve the supply of electricity to the Oil-seed Crush Plant which is anticipated to create 150 direct jobs and 4 000 indirect jobs when it is fully operational. This resulted to an increase in the Departmental budget to R832 109 000

Programme 1: Administration

- The budget for Programme 1 was increased by amount of R1 128 000 (fund shift from Programme 5);
- The budget for compensation of employees for Programme 1 was reduced by R2 438 000 to fund goods and services within Programme 1;
- The budget for machinery and equipment was reduced by R100 000 to increase the budget of goods and services within Programme 1.

Outcome 4: Decent employment through inclusive economic Growth

Programme 2: Integrated Economic Development:

- The Programme's budget was increased by R11 423 000 in order to increase the funding for the training and development of co-operatives; (funds shifted from compensation of employees in Programme 6)
- The budget for compensation of employees was increased by R545 000;
- The budget for goods and services was increased by R10 878 000;
- An amount of R6 621 000 was surrendered to the Provincial Treasury (because of the slow spending by this Programme in implementing the training and development for co-operatives and SMMEs).

Programme 3: Trade and Sector Development:

A saving of R4 459 000 was identified in this Programme from goods and services and was subsequently shifted as follows:

- The budget for Compensation of employees was increased by R1 444 000 and shifted within the same Programme;
- The budget for goods and services was decreased by R3 015 000 (to fund goods and services in Programme 4);
- An amount of R20 000 000 was allocated through second adjustment under transfers and subsequently transferred to Lekwa Local Municipality.

Programme 4: Business Regulation and Governance

- The Programme is budget was increased by R8 336 000 as follows:
- The allocation for compensation of employees was increased by R2 546 000 (funds shifted from Programmes 5, 6 and 7)
- The budget for goods and services was increased by R5 220 000 (funds shifted from Programmes 3 and 6);
- An amount of R2 000 000 was surrendered to the Provincial Treasury (owing to slow spending in the procurement process for the establishment of the Mpumalanga Liquor Authority)



For the year ended 31 March 2014

Programme 5: Economic Planning

The budget for the Programme was reduced by R1 354 000 due to the following:

- A savings of R979 000 was shifted to fund the shortfall of good and service in Programme 1;
- A savings of R226 000 was shifted to fund compensation of employees in Programme 4

Programme 7: Tourism

The budget of this Programme has been reduced by R660 000 to fund compensation of employees in Programme 4.

Outcome 10: Protected and enhanced environmental assets and nature resources to the citizen of Mpumalanga

Programme 6: Environmental Services

The budget for the Programme was reduced by R15 888 000 due to the following:

- The budget for compensation of employees was reduced by R2 980 000 (to fund compensation of employees in programme 4: R1 660 000 and to fund goods and services by an amount of R1 320 000);
- The budget for goods and service was reduced by R1 908 000 (to fund goods and services Programmes 4 and 2);
- The budget for Machinery and Equipment was reduced by R11 000 000 (to fund R600 000 for machinery and equipment and Programme 4. An amount of R10 400 000 was shifted to Programme 2)

The following virements were made after the 2013/14 budget adjustment appropriation

TRANSFER FROM	TRANSFER TO	AMOUNT R'000
Intergraded Economic Development	Administration	2,703
	Trade and Sector Development	756
	Environmental Services	482
Total		3,941
Business Regulation	Administration	1,204

Reasons for the virement

The Department had to apply for virement to defray anticipated over expenditure in the following programmes:

- Administration
- Trade and Sector Development
- Environmental Services

The reasons for the virement in Administration are as follows:

- Accruals for audit fees
- Court settlements in legal fees
- Payment of BRICS advert



For the year ended 31 March 2014

The reason for virement in Trade and Sector Development is because of the payment for Water Bottling Project in Donkerhoek Mkhondo Municipality.

The reasons for virement in Environmental Services are because of contractual obligation.

Unauthorised expenditure

A budget of R5 000 000 was set aside for the Departmental expenditure under payment for Financial Assets, and a virement was done to move it to goods and services in Administration.

Who gave the approval for virements to be done

The Accounting Officer give the approval for the virements and the Provincial Treasury was informed accordingly in line with section 43(2) of the Public Finance Management Act, Act 1 of 1999.

Impact on Programmes and service delivery

The Department did not achieve some of the targets that were set to be attained in the year under review due to shortage of personnel especially in Programmes 5 and 6, and also due to slow spending owing to slow supply chain processes. We thus commit that the Department will ensure that all vacant funded posts will be filled within a reasonable time in the next financial year to enhance service delivery.

Irregular, Fruitless and Wasteful Expenditure

The Department incurred the following as irregular expenditure:

INCIDENT	AMOUNT R'000
The Department has traded with suppliers that are prohibited to trade with State institutions, and also with a person in service of the State with no declaration of interest.	2,807
Goods and services of a transaction value of R10 000 to R500 000 were procured without inviting at least three written price quotations from prospective suppliers and the deviation was not approved by the delegated person.	266
Contracts were awarded to bidders whose bids were received after the closing date	2,999
Awards were made to the quotation/bids not scoring the highest points. Objective criteria was NOT used to justify that reasonable grounds existed not to select the quotation with the highest points.	458
Total	6,530

2. Services rendered by the Department

The Department comprises seven (7) Programmes. The objective of Programme 1 (Administration) is to set policy and political directives in order to achieve Provincial Treasury objectives; translate policies and priorities into strategies for effective service delivery; provide independent objective assurance on governance; internal control systems and risk management processes of the Department (in order to add value to its operations and support it to achieve its service delivery imperatives); provide efficient and effective financial management; provide integrated human resource; communication services; legal services and implement risk management process (in order to build an ethical organisational culture with a zero tolerance to fraud), corruption and maladministration. Programmes 2 to 7 are the actual service delivery implementation arms of the Department, which have performed as follows, amongst others:



For the year ended 31 March 2014

2.1 Programme 2: Integrated Economic Development Services

In strengthening and providing Integrated Economic Development Services, a total of 506 SMMEs were supported. The support provided ranges from assisting them to lodge annual tax returns, amendments and registration. The Programme continued in enhancing competitiveness amongst co-operatives and SMMEs by training 134 co-operatives in the manufacturing sector. The Programme also managed to develop and maintain the Provincial BBBEE database which is linked to the national BBBEE IT Portal.

2.2 Programme 3: Trade and Sector Development

In ensuring growth in exports from the Province, the development of Provincial Export Strategy was completed, and three (3) export development programmes were facilitated. In promoting and supporting the manufacturing sector in the Province, a pre-feasibility study for the establishment of the Nkomazi Special Economic Zone (SEZ) was facilitated and completed. In addition, the Donkerhoek Water Bottling Plant was completed, launched and handed over to the beneficiaries. The 22 beneficiaries of the Water Bottling Plant were also trained in water bottling manufacturing and business management. The capacity building programme in small scale furniture manufacturing was conducted in the three (3) districts of the Province in collaboration with the Furniture Technology Centre.

2.3 Programme 4: Business Regulation and Governance

- In relation to consumer protection services, 2 027 cases were received, and 2 093 were investigated and resolved, and this lead to the Department recovering an amount of R5 255 013 on behalf of consumers;
- A total of 195 education and awareness campaigns were carried out;
- In ensuring compliance to applicable liquor laws, 400 inspections were planned but 493 inspections were conducted on liquor premises;

2.4 Programme 6: Environmental Services

In continuing to push for the adoption of low carbon energy resources; mitigate the impact of climate change; and promote the adoption of environmentally sound waste management practices in society, including communities and industry, the Department continued to pursue alternative funding models for the compilation of a strategy document on the Provincial Climate Change Response and in implementing Green Economy Initiatives. A total of 1866 trees were also planted across the Province through the immense support received from partners in the private sector.

In implementing the Environmental Impact Assessment (EIA) Regulations under the National Environmental Management Act 107 of 1998 as amended, a total of 230 applications were received and 266 finalised within the legislated timeframes. A further 165 environmental authorisations on proposed new developments were issued after visiting 266 sites. Regarding the mandate to comment on environmental attributes for land development and mine applications to other organs of the state, a total of 111 land use change applications, and 218 mining applications were received and commented on.

Under pollution and waste management, 39 facilities were issued with Atmospheric Emission Licenses, while 17 waste facilities were granted waste management licenses. The development of the Centralised Waste Management Facility in Gert Sibande is also progressing. The project has now entered waste licensing phase, which includes the environmental impact assessment investigations. The project is expected to be completed by March 2015, largely due to delays experienced in the submission of waste license application forms by the District Municipality. The process to license municipal waste management sites in identified for Presidential is also progressing very well.



For the year ended 31 March 2014

In ensuring compliance and enforcement with environmental legislation, 24 section 24G applications were finalised and issued to developers. Twelve (12) appeals were filed and handled; 105 inspections were conducted which resulted in six (6) criminal enforcement actions being taken; and sixty (60) administrative enforcement actions were issued against noncompliance with environmental legislation.

Eleven (11) Memoranda of Understanding were signed with Municipal Managers in respect of training of environmental management inspectors. Six (6) officials were trained as Environmental Management Inspectors and were also designated as Environmental Management Inspectors by the MEC.

Through the education and awareness programmes which were performed at various environmental centres, a total 13 407 learners managed to visit these centres. The Department also continued to facilitate the Provincial Greenest Municipality Competition, which saw the Nkomazi Local Municipality being the Provincial winner for the first time.

Under environmental policy, planning and co-ordination:

- Twenty (20) Municipal Integrated Development Plans (IDPs) / Spatial Development Frameworks (SDFs) were reviewed;
- Five (5) IDP Representative Forums and 4 SDF Working Groups were attended, as part of reviewing the intergovernmental sector tools;
- Three (3) district stakeholder engagements were undertaken in terms of the development of climate change response tools.

2.4.1. Constraints

The Department has experienced an exodus of personnel, particularly in Programme 6, who are poached by the mining sector because of their scarce expertise and skill. As a Department, we are unable to retain them due to high salaries which the mines offer them.

2.4.2. The Tariff Policy

The Department has an approved Tariff Policy for all the Environmental Centres across the Province. These centres provide environmental education and awareness programmes to visiting learners.

2.4.3. Free Services

None

2.4.4. Inventories

The Department does not keep any inventory as core to its function, but has consumable items it purchases and distribute to Programmes.



For the year ended 31 March 2014

2.4.5. Own revenue

The main revenue source for the Department is gambling levies collected through the Mpumalanga Gambling Board.

The table below indicates a breakdown of sources of revenue as well as actual against target in revenue collection for the current and previous financial year:

REVENUE	2013/14	2013/14	2012/13	2012/13
	Budget	Actual	Budget	Actual
	R'000	R'000	R'000	R'000
Casino Taxes	64,048	68,098	57,034	62,522
Interest: PMG Account	827	832	788	1,017
Horse Racing Taxes	9,947	8,324	5,732	6,707
Liquor Licences	2,112	2,312	1,994	4,708
Fines and Penalties	577	2,202	210	5,154
Other Revenue	1,789	2,279	1,781	2,143
Total	79,300	84,047	67,539	82,251

Total revenue collected on behalf of the Department was R84 047 838 against a target of R79 300 000 which represents an over collection of 6%. Revenue generated from Environmental Centres amounted to R1 547 738 and is accounted for under 'Other Revenue' in the table above. However estimated revenue of R750 975 was not received at year end from South Africa Revenue Service which is a collecting agent on behalf of the Department.

3. Utilisation of donor funds

None

4. Trading Entities and Public Entities

The Department performed oversight functions to three (3) Public Entities and the Zithabiseni Resort and Conference Centre during the financial year under review, namely:

4.1 Mpumalanga Tourism and Parks Agency (MTPA)

The mandate of the MTPA is:

- To ensure sustainable management and promotion of tourism and nature conservation in the Province;
- · To ensure the sustainable utilisation of natural resources; and
- To broaden the participation of historically disadvantaged individuals in the tourism industry.

The entity received an unqualified audit opinion in the 2012/2013 financial year.



For the year ended 31 March 2014

4.2 Mpumalanga Economic Growth Agency (MEGA)

The mandate of MEGA is:

- To promote trade and investment in Mpumalanga;
- To provide funding in respect of approved enterprise and agricultural development focusing primarily on the previously disadvantaged individuals in Mpumalanga;
- To develop property including the granting of housing loans in Mpumalanga; and
- To deliver massive infrastructure in Mpumalanga.

The entity received a qualification audit opinion with matters of emphases in the 2012/2013 financial year.

4.3 Mpumalanga Gambling Board (MGB)

The mandate of the MGB is:

- To perform functions in terms of Mpumalanga Gambling Act, including ensuring the sustainability of all persons
 wishing to participate in the gaming industry within Mpumalanga and ensuring that gaming activities regulated by
 the MGB are conducted fairly;
- To ensure that the regulation of gaming is effective and efficient;
- To render support and advice Member of the Executive Council responsible for gambling matters in the Province on gaming issues and ensure that Government's policy on gaming is implemented.

The entity received unqualified audit opinion without matters of emphasis in the 2012/2013 financial year.

4.4 Zithabiseni Resort and Conference Centre (ZRCC)

The ZRCC is not a listed Public Entity and continues to fall under the jurisdiction of the Department. In overseeing its functions and activities, assistance was provided to it through the compilation of a Risk Register. In addition, a Financial Manager was appointed to assist with the compilation of annual financial statements. However, the Department is in the process of transferring the Resort to the MTPA given that it offers tourism products, and would therefore be better located there.

5. Organisations to where transfer payments were made:

NAME OF PUBLIC ENTITY	2013/14	2012/13
	R'000	R'000
Mpumalanga Economic Growth Agency (MEGA)	169,410	207,040
Mpumalanga Tourism and Parks Agency (MTPA)	304,422	278,275
Mpumalanga Gambling Board (MGB)	57,908	41,908
Zithabiseni Resort and Conference Centre (ZRCC)	19,000	17,500
Total	550,740	544,723

The reasons for the transfers to the entities and ZRCC have been explained above in section 4 (where more details are provided on their purpose). The transfer to the ZRCC is mainly for compensation of employees.



For the year ended 31 March 2014

6. Corporate Governance Arrangements

6.1 Risk Management Approach

Risk management is a central part of the Department's strategic management. The Department, both methodically and intuitively, addresses the risk attached to its activities with the goal of achieving sustained benefit within each activity and across the portfolio of activities. The Risk Management business unit is well supported by management and the Accounting Officer, and well positioned to fulfil its mandate. In line with best practises, the function reports to the Accounting Officer. The business unit conducted its function in line with the approved Risk Management Implementation Plan. The management of risk within the Department is done in terms of Section 38 (a) (i) of the PFMA and Treasury Regulation 3.2. The Departmental wide-approach to risk management was guided by various guidelines, such as the Public Sector Risk Management Framework, Provincial Treasury Risk Management framework, Committee of Sponsoring Organizations (COSO), King III Report and ISO 31000. The Risk Management Strategy was revised and approved to inform the risk management processes within the Department.

The Risk Management Strategy was communicated to all employees of the Department, risk assessments were performed and mitigating strategies were also monitored regularly. The Risk Management Committee was appointed and was functioning during the financial year under review.

The Internal Audit Plan was developed based on the risk assessments. By performing this function, the Department is striving to maintain effective, efficient and transparent system of financial, risk management and internal control as described in section 38(a)(i) of the Public Finance Management Act.

6.2 Fraud Prevention Plan

The Fraud Prevention Strategy and Whistle-blowing Policy emanating from the National and Provincial Anti-corruption Strategies were developed and approved. These documents were communicated to all employees of the Department during awareness workshops. The Fraud Prevention Strategy is aimed at deterring, preventing, detecting and reacting to and reducing the impact of corruption where such dishonest activities subsist. In addition, the strategy also sets out the Department's position towards corruption as well as reinforcing existing systems, policies, procedures, rules and regulations. Furthermore, it confirms that the Department supports and fosters a culture of zero tolerance to fraud. The Fraud Risk Assessment and ethics survey was performed and mitigating strategies monitored during the period under review. A gift register was also implemented and employees were sensitised on the importance of not accepting gifts privately, benefits and items of monetary value during the performance of their duties as these may be construed as bribes.

6.3 Internal Audit and Audit Committee

The Internal Audit unit of the Department was established in 2002 in terms of the Public Finance Management Act (1 of 1999), as an integral part of governance systems. Internal Audit provides objective and independent assurance to management, and to the Audit Committee, on the adequacy and effectiveness of internal control, risk management and governance processes within the Department. In pursuing this activity, the unit is guided by a fully functional Audit Committee which operates in terms of an approved Audit committee charter.



For the year ended 31 March 2014

6.4 Process to manage conflict

The Department of Public Service and Administration (DPSA) requires all senior managers (director level and above) to disclose their financial interest annually, and all other levels are required to apply for permission to do remunerative work over and above their normal work. All senior managers disclosed their financial interest for the 2013/2014 financial year by the 30 April 2014.

In addition, the Department requires the disclosure of interest by bid committee members prior to all evaluation and adjudication processes of bids. All the members of bid committees declare their interest during such meetings. The members of short-listing and interviewing panels for recruitment of employees also declared their interest during the financial year. Similarly, all employees are required to seek permission from the Executing Authority if they intend to perform remunerative work outside government.

6.5. Responsibilities of the Accounting Officer

During the financial year under review, the Accounting Officer was able to oversee the financial transactions of the Department by ensuring that proper monitoring systems were put in place; and that the budget was prepared in terms of Treasury guidelines. The supply chain management unit was functional with three (3) Bid Committee systems. Assets verifications were conducted according to planned targets as per the Department's Annual Performance Plan.

7. Discontinued activities/activities to be discontinued

None

8. New/proposed activities

None

9. Asset Management

The Department received unqualified audit opinion in the previous financial year with matters of emphasis on assets management because of immovable assets which were incorrectly classified. This led to the Department transferring assets to the value R21 563 088 to the Department of Public Works, Roads and Transport. The position of Deputy Director: Assets Management is currently in the process of being filled.

All assets acquired during the period under review were recorded in the assets register, with proper liaison between assets controllers and procurement practitioners regarding assets acquisition and delivery notes before distribution to the relevant end user. To date, the Department has complied with the minimum requirements of *GIAMA*. There are no major challenges on assets management reform issues being experienced by the Department currently. Reconciliations are being done between BAS and the LOGIS in order to update the movements of assets in the Assets Register. Assets verification is performed three times in a year to ensure that the assets register is updated regularly. A new bar-coding system was purchased and has brought about an improvement in the manner in which Departmental assets are verified.

Prior Year Error Adjustments

The Department did not have any prior adjustment.

10. Inventories

None



For the year ended 31 March 2014

11. Information on pre-determined objectives

The Department has approved the Monitoring and Evaluation Framework which will assist to monitor performance information. The Department produces monthly and quarterly reports which are signed-off by Programme Managers to validate the supplied information. These reports are thereafter submitted by the Accounting Officer to the Provincial Treasury and the Provincial Legislature on a quarterly basis.

12. SCOPA Resolutions

REFERENCE TO PREVIOUS AUDIT REPORT AND SCOPA RESOLUTIONS	SUBJECT	FINI	DINGS ON PROGRESS
7 th report and paragraph 3.1.1	Unauthorised Expenditure The committee recommended that the House resolved as follows: The unauthorised expenditure R10 393 000 remains not condoned and should be charged against the Department 2010/11	,	For the 2013/2014 financial year, the Department has budgeted an amount R5 million to pay the accumulated debt of R15 226 000.
10 report of the Select Committee on Public Accounts	Unauthorised Expenditure The committee recommended that the House resolved as follows: 1. The unauthorised expenditure amounting R4 833 000 is not condoned. 2. The Department lay criminal charges of financial misconduct against Mr RS Tshukudu in line with section 86 of the PFMA for non-compliance with section 38 (1) (c) (ii) and Treasury Regulation 9.1.1 and 9.1.2 3. The Department charge the Chief Financial Officer with financial misconduct for: • Contravening section 45 (c) and 45 (d) of the PFMA in that she/he failed to put effective systems to prevent unauthorised expenditure amounting R4 833 000. • Failure to report unauthorised expenditure immediately after discovery as required by section 38 (g) of the PFMA read with treasury regulation	2)	For the 2013/14 financial year the Department has budgeted an amount R5 million to pay the accumulated debt of R15 226 000. A criminal case has been opened against Mr.RS Tshukudu. The Chief Financial Officer was charged.



For the year ended 31 March 2014

13. Prior modifications to audit reports

AUDIT FINDING	ROOT CAUSE OF NON COMPLIANCE	ACTION PLAN	ACTIVITIES TO BE UNDER-TAKEN TO OPERATIONALISE THE ACTION PLANS	MONITORING MECHANISM/ PERSON	PROGRESS MONTHLY
IMMOVABLE ASSET	S – REPAIRS and MA	INTENANCE NOT CO	RRECTLY CLASSIFIE	D	
The following payment transaction of repairs and maintenance were incorrectly classified as capital assets	Management did not ensure that the information provided in the financial statement is consistent and can be easily validated for audit	The Department has already compiled a report which was presented to the Auditor General where all the repairs and maintenance have been separated from infrastructure payments	A list has been compiled and currently the Provincial Treasury is assisting with the facilitation to transfer the infrastructure to Public Works	Chief Financial Officer	Transfer certificates have already been signed by both HODs. The Department of Public Works is in the process of verifying the transferred building
CONTIGENT LIABILI	TIES				
Contingent liabilities overstated. The Department has agreed to settle R2 712, 445 to Mukhaha Consulting Engineers cc as at 19/03/2013. The amount does not qualify to be a contingent liability as at the year end. The contingent liability is overstated by R2 712 445	Reporting-pertaining to the reliability of reporting including internal and external reporting of financial and non-financial information	A reconciliation of all contingent liabilities will be done per quarter and communicated to the Stare Law Attorneys	The office of the CFO and legal service will reconcile all claims processed in order to update the contingent register on a quarterly basis	Accounting Officer	Reconciliations are done quarterly with the state law (attorney).
EXPIRED LEASES R	AISED AS LEASE CO	MMITMENTS			
Upon inspection the lease register were identified lease that have expired but lease commitment was raised	Management did not exercise oversight responsibility regarding financial and performance reporting and compliance with laws and regulations	Termination of expired leases	A contract register is developed to reconcile the lease register monthly and to ensure that the Department is aware of all leases which are about to expire. Letters of termination have already been written to the lessors on the expired contracts.	Chief Financial Officer	A contract register has been developed which is reconciled monthly.
ACCRUALS					
The list of accruals as at year end is misstated by R59129, 68.There were invoices paid subsequent to year end but they are not included in the accrual list submitted to the auditors.	(financial and performance management) The management did not exercise oversight responsibility to ensure compliance of information disclosure in the financial statements.	All invoices received will be stamped and process	Commitment register will be reconciled monthly	Chief Financial Officer	A memo will be issued to stop procurement in order to ensure that the Department does not incur accruals



For the year ended 31 March 2014

13. Prior modifications to audit reports (continued)

AUDIT FINDING	ROOT CAUSE OF NON COMPLIANCE	ACTION PLAN	ACTIVITIES TO BE UNDER-TAKEN TO OPERATIONALISE THE ACTION PLANS	MONITORING MECHANISM/ PERSON	PROGRESS MONTHLY
MOVABLE ASSETS					
When assets are written off it is required that the assets written off are removed from the assets register and disclosed in the Financial statement	Reporting pertaining to the reliability of reporting including internal and external reporting of financial and non-financial information	Assets verification	Once the identification of assets which need to be written off is completed through assets verification, a submission will be submitted to the HOD.	Chief Financial Officer	A submission has been made to the HOD to remove all assets which have been auctioned to be removed on the asset register
RECEIVABLES					
Amount receivable from MGB not disclosed as a receivable whereas it shows a payable	Management did not implement controls over daily and monthly processing and reconciling of transaction	Monthly reconciliation to be performed for all revenue received (MGB)	Monthly meetings arranged between MGB and DEDET and reconciliations done	Chief Financial Officer	Monthly reconciliations are done with MGB. The revenue team reconcile all revenue received.
The Accounting Officer did not avail portfolio of evidence for audit purposes	Financial and performance management - Pertaining to the reliability of reporting including internal and external reporting of financial and non-financial information.	Portfolio of evidence will be assembled at central place for audit purpose	Portfolio of evidence will be assembled at central place for audit purpose	Planner	Portfolio of evidence has been submitted and verified on a quarterly bases.
PERFORMANCE INF	ORMATION: MANAG	EMENT PRE-DETERN	IINED OBJECTIVES		
The Accounting Officer did not avail portfolio of evidence for audit purposes	Financial and performance management - Pertaining to the reliability of reporting including internal and external reporting of financial and non-financial information.	Portfolio of evidence will be assembled at central place for audit purpose	Portfolio of evidence will be assembled at central place for audit purpose	Planner	Portfolio of evidence are collected and verified on a quarterly basis.
The Accounting Officer must set up systems to ensure there are no misstatement of performance information	Misstatements	To verify performance information on quarterly basis against achievements	Programme Managers sign- off declaration of information certificate and portfolio of evidence. Risk management and internal audit quarterly reviews will be conducted	Planner, Risk Management, Internal Audit and Programme Managers	Reports are submitted to Provincial Treasury quartely.
Certain targets are found in the APP but not in the Annual Report	Misstatements on Predetermined objectives	To verify if all targets in the APP are reflected in the Annual Report	Programme managers and MANCO to confirm and adopt the Annual Report	Planner and Programme Managers	Annually



REPORT OF THE ACCOUNTING OFFICER

For the year ended 31 March 2014

14. Exemptions and deviations received from the National Treasury

No exemptions and deviations were received from the National Treasury.

15. Interim Financial Statements

- The interim financial statements were prepared as per the guide from the National Treasury;
- The following information was prepared and submitted to the Provincial Treasury;
 - Trial balance for the relevant quarter, Statement of Changes in the Net Assets;
 - Cash flow statement, Notes to the Interim Financial Statements and Disclosure notes to the Interim Financial Statements.

16. Other

None

17. Approval

The Annual Financial Statements set out on pages 149 to 199 have been approved by the Accounting Officer.

MR T MDAKANE

ACCOUNTING OFFICER (ACTING)

Department of Economic Development, Environment and Tourism

31 August 2014



ACCOUNTING OFFICER'S STATEMENT OF RESPONSIBILITY FOR ANNUAL FINANCIAL STATEMENTS

The Accounting Officer is responsible for the preparation of the Department's Annual Financial Statements (AFS) and for the judgments made in this information.

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

In my opinion, the financial statements fairly reflect the operations of the Department for the financial year ended 31 March 2014.

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

The AFS of the Department of Economic Development, Environment and Tourism for the year ended 31 March 2014 have been examined by the external auditors and their report is presented on page 143

The Annual Financial Statements of the Department set out on page 147 to page 197 have been approved.

MR T MDAKANE

ACCOUNTING OFFICER (ACTING)

Department of Economic Development, Environment and Tourism

31 August 2014



For the year ended 31 March 2014

REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL LEGISLATURE ON VOTE NO. 6: DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Department of Economic Development, Environment and Tourism set out on pages 149 to 199, which comprise the appropriation statement, the statement of financial position as at 31 March 2014, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Modified Cash Standard as prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2013 (Act No. 2 of 2013) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

- 3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
- 5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.



For the year ended 31 March 2014

Opinion

- 6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Economic Development, Environment and Tourism as at 31 March 2014 and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard as prescribed by the National Treasury and the requirements of the PFMA and DoRA.
- 7. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, non-compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

- 8. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2014:
 - Programme 2: integrated economic development, on pages 44 to 52
 - Programme 6: environmental development, on pages 67 to 74
 - Programme 7: tourism, on pages 75 to 78
- 9. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
- 10. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information.
- 11. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
- 12. I did not raise any material findings on the usefulness and reliability of the reported performance information for the selected programmes.

Additional matters

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



For the year ended 31 March 2014

Achievement of planned targets

14. Refer to the annual performance report on pages 27 to 78, for information on the achievement of the planned targets for the year.

Adjustment of material misstatements

15. I identified material misstatements in the annual performance report submitted for auditing on the reported performance information for the integrated economic development programme. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Compliance with legislation

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

Annual financial statements, performance report and annual report

17. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and were not supported by full and proper records, as required by section 40(1)(a) and (b) of the PFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records provided, resulting in the financial statements receiving an unqualified audit opinion.

Procurement and contract management

18. Contracts and quotations were awarded to bidders that did not score the highest points in the evaluation process, as required by section 2(1)(f) of the Preferential Procurement Policy Framework Act of South Africa, 2000 (Act No. 5 of 2000) and the *Preferential procurement regulations*.

Human resource management and compensation

19. Employees were appointed without properly verifying the claims in their applications, in contravention of public service regulation 1/VII/D.8.

Monitoring and oversight

20. There were no documented policies and procedures for the oversight and governance of public entities, as no evidence existed that the department in their oversight and governance role had reviewed and assessed the quarterly reports submitted by public entities.



For the year ended 31 March 2014

Internal control

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

Financial and performance management

22. Management at the appropriate level did not ensure that compliance with applicable laws and regulations was adequately reviewed and monitored.

OTHER REPORTS

INVESTIGATIONS

Two officials employed by the department were reported for corruption on 27 December 2013. It was alleged that the officials awarded tender contracts to themselves to provide stationery and cleaning materials to the department. The status of the investigation is still pending.

Mbombela

31 July 2014



Author General

Auditing to build public confidence



APPROPRIATION STATEMENTT Appropriation Read Read Read Read Read Read Read Read			2013/		per programm	<u></u>			201	2/13
Record R	APPROPRIATION STATEMENTT		Shifting of				Variance	as % of final	Final	Actual Expenditure
Current pyrent		R'000	R'000	R'000	R'000	R′000	R'000		R'000	R'000
Transfers and subsidies										
Pegment for capital assets		75,657	-	8,907	84,564			94.4%	97,805	97,941
Payment for financial assets 5,000 6,000 1 1 1 1 1 1 1 1 1		2,000			2 000		` /	94.0%	2 200	2,012
Substract Subs			-	(5,000)	2,000			84.9%	2,300	2,012
2. Integrated Economic Development 23.258 3.941 2.337 77.571 146 97.68 24.107 77.695 24.107 77.695 24.107 77.695 24.107 77.695 24.107 77.695 24.107	r dyfficht for financial assets				86.564				100.105	99.996
Current payment	2. Integrated Economic Development	02,007		0,007	33,307	0.,000	.,000		100,100	
Payment for Capital assets		32,258	-	(3,941)	28,317	27,571	746	97.4%	24,107	22,821
Payment for financial assets		169,410	-	-	169,410		(9)	100%		207,223
3. Trade and Sector Development Current payment Payment for Capital assets	Payment for capital assets	-	-	-	-	-	-		-	-
3. Trade and Sector Development Current payment	Payment for financial assets	-	-	-	-	-	-		-	7
Current payment		201,668	-	(3,941)	197,727	196,990	737		231,147	230,051
Transfers and Subsidies	<u>.</u>									
Payment for capital assets			-	756						18,211
Payment for financial assets		20,000	-	-	20,000	20,210	(210)	101.1%		295,775
34,705 - 756 35,461 35,461 - 320,588		-	-	-	-	-	-		6,830	6,468
## Business Regulation Current payment 23,675 - (1,204) 22,471 21,874 597 92,4% 18,352 Transfers and subsidies 57,908 - 6000 579 21 96,5% Payment for capital assets 600 - - 600 579 21 96,5% Payment for financial assets - Payment for financial assets - Economic Planning Current payment 8,479 - 8,479 8,344 135 98,4% 7,440 Payment for financial assets - Payment for financial assets - Payment for financial assets - Payment for capital assets - Ecurrent payment 93,487 - 482 93,969 94,167 (198) 100,8% 63,006 Transfers and subsidies - Payment for capital assets 1,000 - Payment for capital assets 1,000 - Payment for financial assets 1,000 -	Payment for financial assets		-	-	-	-	-		-	3
Current payment 23.675 - (1.204) 22.471 21.874 597 92.4% 18.352 Transfers and subsidies 57.908 -	A. Buelinese Bened ()	34,705	-	756	35,461	35,461	-		320,588	320,457
Transfers and subsidies 57,908 - 57,908 58,526 (618) 101.1% 41,908 Payment for capital assets 600 - 600 579 21 9,55% - 60,260 579 21		22.775		/1 20.4	22.474	24.074	F07	00.404	10.050	47.005
Payment for capital assets 600 - 600 579 21 96.5% - Payment for financial assets	,		-	(1,204)						17,995 42,077
Payment for financial assets									41,900	42,077
Secondic Planning	,	800			000	3/9	21	90.376	-	
5. Economic Planning Author of the payment of crapital assets Batter of the payment	r ayment for financial assets	82 183		(1 204)	80 979	80 979			60 260	60,072
Current payment	5. Economic Planning	02,700		(1,204)	00,070	00,070			00,200	00,072
Payment for capital assets - - - - - - - - -		8.479			8.479	8.344	135	98.4%	7.440	6,923
Payment for financial assets - - - - - - - - -		-	-	-	-	-	-			
8,479 - 8,479 8,344 135 7,440 Current payment 93,487 - 482 93,969 94,167 (198) 100.8% 63,006 Transfers and subsidies - - 1,000 - 1,000 8,379 Payment for capital assets 1,000 - 1,000 - 1,000 8,379 Payment for financial assets - - - 11 (11) - Payment for financial assets - - - 11 (11) - - - 71,385 - - 71,385 - - 71,385 - - 71,385 - - - 71,385 - - - 71,385 -			-		-	-			-	
Current payment 93,487 - 482 93,969 94,167 (198) 100.8% 63,006 Transfers and subsidies - - - 1,000 - 1,000 8,379 Payment for financial assets - - - 11 (11) - Payment for financial assets - - - 11 (11) - 7. Tourism - - 482 94,969 94,969 - 71,385 Current payment 2,638 - - 2,638 2,434 204 92.3% - Transfers and subsidies 323,422 - 323,422 323,422 100% - Payment for capital assets -	,	8,479	-	-	8,479	8,344	135		7,440	6,923
Transfers and subsidies - - - 791 (791) - Payment for capital assets 1,000 - 1,000 - 1,000 8,379 Payment for financial assets - - - - 11 (11) - Payment for financial assets - - 482 94,969 94,969 - 71,385 7. Tourism - - 2,638 2,434 204 92.3% - Current payment 2,638 - - 2,638 2,434 204 92.3% - Payment for capital assets - - 323,422 - 100% - Payment for financial assets - - - 7 (7) - Subtotal 830,239 - - 326,060 325,863 197 - - Statutory Appropriation - 1,870 1,735 135 92.8% 1,715 Payment for capital assets <	6. Environmental Services									
Payment for capital assets 1,000 - 1,000 - 1,000 8,379 Payment for financial assets 111 (11) 111 (11)	Current payment	93,487		482	93,969	94,167	(198)	100.8%	63,006	64,334
Payment for financial assets	Transfers and subsidies	-		-	-	791	(791)		-	243
No. Subtotal Statutory Appropriation	Payment for capital assets	1,000	-	-	1,000	-			8,379	5,427
7. Tourism 2,638 - - 2,638 2,434 204 92.3% - Transfers and subsidies 323,422 - 323,422 323,422 100% - Payment for capital assets - - - 7 (7) - Payment for financial assets - - - 7 (7) - Subtotal 326,060 - - 326,060 325,863 197 - - Subtotal 830,239 - - 830,239 824,305 5,934 99.3% 790,925 Statutory Appropriation - 1,870 1,735 135 92.8% 1,715 Payment for capital assets - <td< td=""><td>Payment for financial assets</td><td>-</td><td>-</td><td>-</td><td>-</td><td></td><td>(11)</td><td></td><td></td><td>1</td></td<>	Payment for financial assets	-	-	-	-		(11)			1
Current payment 2,638 - - 2,638 2,434 204 92.3% - Transfers and subsidies 323,422 - - 323,422 - 100% - Payment for capital assets - - - - 7 (7) - Payment for financial assets - - - 326,060 325,863 197 - - Subtotal 830,239 - - 830,239 824,305 5,934 99.3% 790,925 Statutory Appropriation - - - - - 830,239 1,715 1,870 1,735 135 92.8% 1,715 Payment for capital assets - <td></td> <td>94,487</td> <td>-</td> <td>482</td> <td>94,969</td> <td>94,969</td> <td>-</td> <td></td> <td>71,385</td> <td>70,005</td>		94,487	-	482	94,969	94,969	-		71,385	70,005
Transfers and subsidies 323,422 - 323,422 - 100% - Payment for capital assets - - - - - - - - Payment for financial assets - <td></td>										
Payment for capital assets	,		-	-			204		-	-
Payment for financial assets 7 (7)		323,422	-		323,422	323,422		100%	-	-
326,060 - 326,060 325,863 197 -		-		-	-	-	- (7)		-	-
Subtotal 830,239 - - 830,239 5,934 99.3% 790,925 Statutory Appropriation - 1,870 1,870 1,735 135 92.8% 1,715 Payment for capital assets -<	Payment for financial assets	226.060	-		226.060				-	
Statutory Appropriation 1,870 1,870 1,735 135 92.8% 1,715 Payment for capital assets - <	Subtotal		-			-		00.3%	700 025	787,504
Current payment 1,870 1,870 1,735 135 92.8% 1,715 Payment for capital assets - <td></td> <td>030,239</td> <td>-</td> <td></td> <td>030,239</td> <td>024,303</td> <td>3,334</td> <td>33.376</td> <td>190,925</td> <td>707,304</td>		030,239	-		030,239	024,303	3,334	33.376	190,925	707,304
Payment for capital assets - </td <td>, ,, ,</td> <td>1 870</td> <td></td> <td></td> <td>1 870</td> <td>1 735</td> <td>135</td> <td>92.8%</td> <td>1 715</td> <td>1,711</td>	, ,, ,	1 870			1 870	1 735	135	92.8%	1 715	1,711
Payment for financial assets					-	-	-	72.070	-	
TOTAL 832,109 - 832,109 826,040 6,069 99.3% 792,640		-	-	-	-	-	-		-	-
	.,									
TOTAL(brought forward)	TOTAL	832,109	-		832,109	826,040	6,069	99.3%	792,640	789,215
Reconciliation with statement of financial performance	Payment for financial assets Subtotal Statutory Appropriation Current payment Payment for capital assets Payment for financial assets TOTAL TOTAL(brought forward)	830,239 1,870 - - 832,109	-	-	1,870 -	325,863 824,305 1,735		197 i,934 135	197 5,934 99.3% 135 92.8%	197 - 5,934 99.3% 790,925 135 92.8% 1,715
	Aid assistance			İ	İ					
Aid assistance	Actual amounts per statement of financi	al performance (otal revenue)	916,156				874,891	
	ADD									
Actual amounts per statement of financial performance (total revenue) 916,156 874,891					!					
Actual amounts per statement of financial performance (total revenue) ADD 874,891										
Actual amounts per statement of financial performance (total revenue) ADD Ald assistance		A. C. con allian								
Actual amounts per statement of financial performance (total revenue) ADD Aid assistance Direct Exhequer payments	Prior year unauthorised expenditure approved without	ut funding				5,000			ļ	
Actual amounts per statement of financial performance (total revenue) ADD Ald assistance									ļ	
Actual amounts per statement of financial performance (total revenue) ADD Aid assistance Direct Exhequer payments		ai nortormanco (rotal ovnondi	TITO)		831 0/0				789,215



		Appro	priation per	economic class	sification				
		201	13/14					2012	/13
	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									
Compensation of employees	165,199	-	(1,361)	163,838	162,161	1,677	98.9%	158,801	152,669
Goods and services	85,700	-	6,361	92,061	87,323	4,738	94.9%	69,892	75,556
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies									
Provinces and municipalities	20,000	-	-	20,000	20,015	(15)	100.1%	-	28
Departmental agencies and accounts	550,740	-	-	550,740	550,752	(12)	100%	544,723	544,723
Universities and technikons	-	-	-	-	-	-		-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	1,758	(1,758)	-	-	595
Payments for capital assets									
Buildings and other fixed structures	1,000	-	-	1,000	-	1,000	-	15,209	11,895
Machinery and equipment	2,600	-	-	2,600	2,277	323	87.6%	2,300	2,012
Specialised military assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	5,000	-	(5,000)	_	19	(19)	0.4%	-	26
Total	830,239	-	-	830,239	826,040	5,934	99.9%	790,925	787,504

			Statutory	/ Appropriation					
		201	3/14					2012	/13
Direct changes against the Provincial Revenue Fund	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R′000	R′000	R′000	R′000	%	R′000	R'000
Member of the Executive Council (MEC)	1,870	-	-	1,870	1,735	135	92.8%	1,715	1,711
Total	1,870	-	-	1,870	1,735	135	92.8%	1,715	1,711



For the year ended 31 March 2014

Programme 1 - Administration

		201	3/14					2012	2/13
Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R′000	R′000	R'000	R′000	R'000	R'000	%	R'000	R'000
1.1 Office of the MEC									
Current payment	4,870	-	-	4,870	4,958	(88)	101.8%	4,860	4,796
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	1	(1)	-	-	-
1.2 Management Services									
Current payment	6,518	-	-	6,518	6,004	514	92.1%	5,692	4,761
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
1.3 Financial management									
Current payment	34,031	-	8,907	42,938	39,030	3,908	90,9%	60,202	64,091
Transfers and subsidies		-		-	157	(157)	-	-	28
Payment for capital assets	2,000	-	-	2,000	1,698	302	84.9%	2,300	2,012
Payment for financial assets	5,000	-	(5,000)	-	-	-		-	2
1.4 Corporate Services									
Current payment	30,238	-	-	30,238	29,851	387	98.7%	27,061	24,293
Transfers and subsidies	-	-	-	-	_	-		-	-
Payment for capital assets	-	-	-	-	-	-		-	-
Payment for financial assets	-	-	-	-	-	-		-	13
Total	82,657	-	3,907	86,564	81,699	4,865	94.4%	100,105	99,996

		201	3/14					2012	2/13
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									
Compensation of employees	48,388	-	-	48,388	47,061	1,327	97.3%	44,515	42,225
Goods and services	27,269	-	8,907	36,176	32,782	3,394	90.6%	53,290	55,716
Interest and rent on land	-	-	-					-	
Transfers and subsidies to:									
Provinces and municipalities	-		-	-	15	(15)		-	28
Universities and technikons	-	-	-	-	-	-		-	-
Departmental agencies and accounts	-	-	-	-	12	(12)		-	-
Households	-			-	130	(130)		-	-
Payment for capital assets									
Buildings and other fixed structures	-		-	-	-	-		-	-
Machinery and equipment	2,000	-	-	2,000	1,698	302	84.9%	2,300	2,012
Payments for financial assets	5,000	-	(5,000)	-	1	(1)	0%	-	15
Total	82,657	-	3,907	86,564	81,699	4,865	94.4%	100,105	99,996



For the year ended 31 March 2014

Programme 2 - Integrated Economic Development

		20	13/14					2012	2/13
Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R′000	R′000	%	R'000	R′000
2.1 CD: Office Support									
Current payment	1,199	-	-	1,199	1,432	(233)	119.4%	1,200	1,311
Transfers and subsidies	-	-	-	-	-	-		-	-
Payment for capital assets	-	-	-	-	-	-		-	-
Payment for financial assets	-	-	-	-	-	-		-	-
2.2 Enterprise Development									
Current payment	14,063	-	(2,580)	11,483	11,371	112	99%	9,309	9,093
Transfers and subsidies	169,410	-	-	169,410	169,410	-	100%	207,040	207,223
Payment for capital assets	-	-	-	-	-	-		-	-
Payment for financial assets	-	-	-	-	-	-		-	7
2.3 Local Econ. Development									
Current payment	4,697	-	-	4,697	4,543	154	96.7%	4,357	4,491
Transfers and subsidies	-	-	-	-	-	-		-	-
Payment for capital assets	-	-	-	-	-	-		-	-
Payment for financial assets	-	-	-	-	-	-		-	-
2.4 Economic Empowerment									
Current payment	4,585	-	-	4,585	4,556	20	99.6%	5,655	5,209
Transfers and subsidies	-	-	-	-	9	(9)		-	-
Payment for capital assets	-	-	-	-	-	-		-	-
Payment for financial assets	-	-	-	-	-	-		-	-
2.5 Regional Directors									
Current payment	7,714	-	(1,361)	6,353	5,669	684	89.2%	3,586	2,717
Transfers and subsidies	-	-	-	-	-	-		-	-
Payment for capital assets	-	-	-	-	-	-		-	-
Payment for financial assets	-	-	-	-	-	-		-	-
Total	201,668	-	(3,941)	197,727	196,990	737	99.6%	231,147	230,051

		20	13/14					2012	2/13
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									
Compensation of employees	21,017	-	(1,361)	19,656	19,067	589	97%	20,497	19,298
Goods and services	11,241	-	(2,580)	8,661	8,504	157	98.2%	3,610	3,523
Interest and rent on land	-	-	-	-	-	-		-	-
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	-	-		-	-
Departmental agencies and accounts	169,410	-	-	169,410	169,410	-	100%	207,040	207,040
Universities and technikons	_		_	_	_	_		-	_
Households	-			-	9	(9)		-	183
Payment for capital assets						, ,			
Buildings and other fixed structures	-	-	-	-	-	-		-	-
Machinery and equipment	-	-	-	-	-	-		-	-
Payments for financial assets	-	-	-	-	-	-		-	7
Total	201,668	-	(3,941)	197,727	196,990	737	99.6%	231,147	230,051



For the year ended 31 March 2014

Programme 3 – Trade and Sector Development

		2	2013/14					201:	2/13
Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R′000	R′000	R′000	R'000	%	R′000	R'000
3.1 CD: Office Support									
Current payment	2,481	-	-	2,481	2,412	69	97.2%	3,838	3,573
Transfers and subsidies	-	-	-	-	-	-		-	-
Payment for capital assets	-	-	-	-	-	-		-	-
Payment for financial assets	-	-	-	-	-	-		-	-
3.2 Trade and Investment									
Promotion									
Current payment	3,202	-	-	3,202	3,041	161	94.9%	2,835	2,666
Transfers and subsidies	-	-	-	-	210	(210)		-	-
Payment for capital assets	-	-	-	-	-	-		-	-
Payment for financial assets	-	-	-	-	-	-		-	2
3.3 Sector Development									
Current payment	8,322	-	75	8,397	8,417	(20)	100.2%	8,447	8,793
Transfers and subsidies	-	-	-		-	-		-	-
Payment for capital assets	-	-	-	-	-	-		-	-
Payment for financial assets	-	-	-	-	-	-		-	-
3.4 Strategic Initiatives									
Current payment	700	-	681	1,381	1,381	-	100%	305	785
Transfers and subsidies	20,000	-	-	20,000	20,000	-	100%	-	-
Payment for capital assets	-	-	-	-	-	-		6,830	6,468
Payment for financial assets	-	-	-	-	-	-		-	-
3.5 Tourism									
Current payment	-	-	-	-	-	-		2,558	2,394
Transfers and subsidies	-	-	-	-	-	-		295,775	295,775
Payment for capital assets	-	-	-	-	-	-		-	-
Payment for financial assets	-	-	-	-	-	-		-	1
Total	34,705	-	756	35,461	35,461	-	100%	320,588	320,457

		2	013/14					201	2/13
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									
Compensation of employees	11,229	-	-	11,229	10,809	420	96.3%	14,269	13,559
Goods and services	3,476	-	756	4,232	4,442	(210)	105%	3,714	4,652
Interest and rent on land	-	-	-	-	-	-		-	-
Transfers and subsidies to:									
Provinces and municipalities	20,000	-	-	20,000	20,000	-	100%		
Departmental agencies and								295,775	295,775
accounts	_	_	-	-	-			275,775	273,113
Households	-	-	-	-	210	(210)	0%	-	-
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-		6,830	6,468
Machinery and equipment	-	-	-	-	-	-		-	-
Software and other intangible								_	_
assets]		_	_	_			_	- 1
Payments for financial assets									3
Total	34,705	-	756	35,461	35,461	-	100%	320,588	320,457



For the year ended 31 March 2014

Programme 4 – Business Regulation

		2	2013/14					201	2/13
Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R′000	R'000	%	R'000	R′000
4.1 CD: Office Support									
Current payment	252	-	-	252	240	12	95.2%	467	370
Transfers and subsidies	-	-	-	-	581	(581)	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
4.2 Consumer Protection									
Current payment	10,045	-	-	10,045	9,591	454	95.5%	11,647	9,679
Transfers and subsidies	-	-	-	-	-	-		-	-
Payment for capital assets	-	-	-	-	-	-		-	-
Payment for financial assets	-	-	-	-	-	-		-	-
4.3 Regulation Services									
Current payment	13,378	-	(1,204)	12,174	12,043	131	98.9%	6,238	7,946
Transfers and subsidies	57,908	-	-	57,908	57,945	(37)	100.1%	41,908	42,077
Payment for capital assets	600	-	-	600	579	21	96.5%	-	-
Payment for financial assets									
Total	82,183	-	(1,204)	80,979	80,979	-	100%	60,260	60,072

		2	2013/14					201	2/13
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									
Compensation of employees	17,112	-	-	17,112	16,866	246	98.6%	15,730	15,381
Goods and services	6,563	-	(1,204)	5,359	5,008	351	93.5%	2,622	2,614
Interest and rent on land	-	-	-	-	-	-		-	-
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	-	-		-	-
Departmental agencies and accounts	57,908			57,908	57,908	-	100%	41,908	41,908
Universities and technikons	-	-	-	-	-	-		-	-
Households	-	-	-	-	618	(618)		-	169
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-		-	-
Machinery and equipment	600	-	-	600	579	21	96.5%	-	-
Payments for financial assets									
Total	82,183	-	(1,204)	80,979	80,979	-	100%	60,260	60,072



For the year ended 31 March 2014

Programme 5 – Economic Planning

		2	2013/14					201:	2/13
Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R′000	R'000	R′000	R′000	R'000	R′000	%	R′000	R′000
5.1 CD: Office Support									
Current payment	1,073			1,073	1,148	(75)	107%	80	67
Transfers and subsidies	-			-	-	-		-	-
Payment for capital assets	-			-	-	-		-	-
Payment for financial assets	-			-	-	-		-	-
5.2 Economic Policy and									
Planning									
Current payment	2,609			2,609	2,129	480	81.6%	2,292	2,098
Transfers and subsidies	-			-	-	-		-	-
Payment for capital assets	-			-	-	-		-	-
Payment for financial assets	-			-	-	-		-	-
5.3 Research and Development									
Current payment	439			439	1,126	(687)	256.5%	1,743	1,478
Transfers and subsidies	-			-	-	-		-	-
Payment for capital assets	-			-	-	-		-	-
Payment for financial assets	-			-	-	-		-	-
5.4 Knowledge Management									
Current payment	2,781			2,781	2,715	66	97.6%	2,401	2,369
Transfers and subsidies	-			-	-	-		-	-
Payment for capital assets	-			-	-	-		-	-
Payment for financial assets	-			-	-	-		-	-
5.5 Monitoring and Evaluation									
Current payment	1,577			1,577	1,226	351	77.7%	924	911
Transfers and subsidies	-			-	-	-		-	-
Payment for capital assets	-			-	-	-		-	-
Payment for financial assets	-			-	-	-		-	-
Total	8,479			8,479	8,344	135	98.4%	7,440	6,923

	2013/14								2/13
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									
Compensation of employees	6,593			6,593	7,048	(455)	106.9%	6,025	5,742
Goods and services	1,886			1,886	1,296	590	68.7%	1,415	1,181
Interest and rent on land	-			-	-	-		-	-
Transfers and subsidies to:									
Provinces and municipalities	-			-	-	-		-	-
Departmental agencies and									
accounts	_			_	-	-		- 1	-
Payment for capital assets									
Buildings and other fixed	_			_	_	_		_	_
structures									
Machinery and equipment	-			-	-	-		-	-
Payments for financial assets									
Total	8,479			8,479	8,344	135	98.4%	7,440	6,923



For the year ended 31 March 2014

Programme 6 - Environmental Services

		2	2013/14					201	2/13
Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R′000	R'000	R′000	R'000	%	R'000	R'000
6.1 CD: Office Support									
Current payment	1,480	-	-	1,480	1,795	(315)	121.3%	4,250	4,308
Transfers and subsidies	-	-	-	-	-	-		-	-
6.2 Environmental Impact Management									
Current payment	-	-	-	-	-	-		9,593	8,770
Transfers and subsidies	-	-	-	-	-	-		-	33
6.3 Pollution and Waste									
Current payment	-	-	-	-	-	-		9,416	8,817
Transfers and subsidies	-	-	-	-	-	-		-	-
6.4 Environmental Policy Planning and Coordination									
Current payment	1,410	-	-	1,410	1,547	(137)	109.7%	-	-
6.5 Compliance and Enforcement									
Current payment	1,750	-	-	1,750	1,792	(42)	102.4%	-	-
Transfers and subsidies	-	-	-	-	23	(23)		-	-
Payment for capital assets	-	-	-	-	-	-		-	-
Payment for financial assets	-	-	-	-	-	-		-	-
6.6 Environmental Quality Management									
Current payment	17,615	-	-	17,615	15,300	2,315	86.9%	19,009	17,587
Transfers and subsidies	-	-	-	-	672	(672)		-	33
Payment for capital assets	1,000	-	-	1,000	-	1,000	0%	-	-
Payment for financial assets	-	-	-						
6.7 Environmental Empowerment Services									
Current payment	71,232	-	482	71,714	73,733	(2,019)	103.07%	39,747	42,439
Transfers and subsidies	-	-	-	-	96	(96)		-	210
Payment for capital assets	-	-	-	-		-		8,379	5,427
Payment for financial assets	-	-	-	-	11	(11)		-	1
Total	94,487	-	482	94,969	94,969	-	100%	71,385	70,005

2013/14									2/13
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									
Compensation of employees	58,762	-	-	58,762	59,235	(473)	100.8%	57,765	56,464
Goods and services	34,725	-	482	35,207	34,932	275	99.2%	5,241	6,339
Interest and rent on land	-	-	-	-	-	-		-	-
Transfers and subsidies to:									
Departmental agencies and									
accounts	_		-	_	-	-		-	-
Universities and technikons	-	-	-	-	-	-		-	-
Households	-	-	-	-	791	(791)		-	243
Payment for capital assets									
Buildings and other fixed structures	1,000	-	-	1,000	-	1,000	0%	8,379	5,427
Machinery and equipment	-	-	-	-	-	-		-	-
Payments for financial assets	-	-	-	-	11	(11)		-	1
Total	94,487	-	482	94,969	94,969	-	100%	71,385	68,474

The sub-programme Environmental Awareness and Education was changed to Environmental Empowernment Services during the budget structure process done by National Treasury.



For the year ended 31 March 2014

Programme 7 – Tourism

	2013/14								2/13
Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R′000
7.1 Tourism									
Current payment	2,638			2,638	2,434	204	92.3%	-	-
Transfers and subsidies	323,422			323,422	323,422	-	100%	-	-
Payment for capital assets	-			-	-	-		-	-
Payment for financial assets	-			-	7	(7)	0%	-	-
Total	326,060			326,060	325,863	197	99.9%	-	-

		2	2013/14					201	2/13
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									
Compensation of employees	2,098			2,098	2,075	23	98.9%	-	-
Goods and services	540			540	359	181	66.5%	-	-
Interest and rent on land	-			-	-	-		-	-
Transfers and subsidies to:									
Provinces and municipalities	-			-	-	-		-	-
Departmental agencies and accounts	323,422			323,422	323,422	-	100%	-	-
Universities and technikons	-			-	-	-		-	-
Households	-			-	-	-		-	-
Payment for capital assets									
Buildings and other fixed structures	-			-	-	-		-	-
Machinery and equipment	-			-	-	-		-	-
Payments for financial assets					7	(7)	0%		
Total	326,060			326,060	325,863	197	99.9%	-	-



NOTES TO THE APPROPRIATION STATEMENT

For the year ended 31 March 2014

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

Detail of these transactions can be viewed in the note 7 on Transfers and subsidies, and Annexure 1 - 4 to the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note 6 on Payments for financial assets to the Annual Financial Statements.

Variance as a % of

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	%
Administration	88,434	83,434	5,000	5,6%
Integrated Economic Development	197,727	196,990	737	0.4%
Trade and Sector Development	35,461	35,461	-	-
Business Regulation	80,979	80,979	-	-
Economic Planning	8,479	8,344	135	1.6%
Environmental Services	94,969	94,969	-	-
Tourism	326,060	325,863	197	0.06%
4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R′000	R′000	R′000	%
Current payments				
Compensation of employees	165,708	163,896	1,812	1.09%
Goods and services	92,061	87,323	4,738	5.1%
Transfers and subsidies				
Provinces and municipalities	20,000	20,015	(15)	(0.07%)
Departmental agencies and accounts	550,740	550,752	(12)	-
Households	-	1,758	(1,758)	-
Payments for capital assets				
Buildings and other fixed structures	1,000	-	1,000	
Machinery and equipment	2,600	2,277	323	87.6%
Payments for financial assets		19	(19)	-
4.3 Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R′000	R′000	R'000	R′000
Public Works				
Epwp Inter Grnt Prov	1,431	1,431	-	-



NOTES TO THE APPROPRIATION STATEMENT

For the year ended 31 March 2014

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

The expenditure on goods and services in the appropriation statement does not include the amount of R5 000 000 which was budget for as unauthorised expenditure. This amount has been disclosed separately in statement of finance performance under note 9.

COMPENSATION OF EMPLOYEES

The under spending on compensation of employees is due to the budgeted vacant posts that were not filled by people who left the Department and some deceased. Details of over/under spending per Programme are explained further below.

Programme 1: Administration

The Programme under spent on compensation of employees due to budgeted vacant positions not filled.

Programme 2: Integrated Economic Development

The Programme under spent because of vacant budgeted positions which were not filled (Assistant Director cooperatives; Deputy Director non-financial services and Deputy Director LED).

Programme 3: Trade and Sector Development

The Programme under spent on compensation of employees because the positions of Assistant Director Strategic Initiative and position of Chief Director not filled.

Programme 4: Business Regulation

The Programme underspent on compensation of employees because of the funded positions not filled.

Programme 5: Economic Planning

The Programme overspent on compensation of employees because during the budget adjustment period funds for the position of research development were shifted to Programme 3.

Programme 6: Environmental Services

The Programme overspent on compensation of employees because of incorrect budgeting.

Programme 7: Tourism

The Programme has spent its budget for compensation of employees as allocated.



NOTES TO THE APPROPRIATION STATEMENT

For the year ended 31 March 2014

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

GOODS AND SERVICES

The overspending on goods and services was due to the payment for fleet management services, contractual obligations, payment of accruals and the relocation cost movement for staff members to the Nedbank building in Mbombela CBD.

Programme 1: Administration

The overspending on goods and services was due to the payment for audit fees, fleet management services, legal fees and travelling and subsistence.

Programme 2: Integrated Economic Development

The underspending was due to the slow implementation of the training and development for co-operatives within the CRDP sites and SMMEs.

Programme 3:Trade and Sector Development

The overspending of goods and services was due to the payment for the water bottling project in Donkerhoek, Mkhondo Local Municipality.

Programme 4: Business Regulation and Governance

The underspending was due to the slow procurement process in acquiring the liquor system.

Programme 5: Economic Planning

The underspending due to the slow implementation of a research project in Mkhondo for tracking of jobs.

Programme 6: Environmental Services

None

Programme 7: Tourism

The underspending was due to the slow implementation of the planned outputs.

PAYMENT FOR CAPITAL ASSETS

Programme 6: Environmental Services

The underspending was due to the non-commissioning of the Air Monitoring Station Project in the Nkangala District Municipality.

TRANSFERS

All funds budgeted and appropriated as transfers to Public Entities and the ZRCC were monitored and transferred according to the payment schedule submitted.



STATEMENT OF FINANCIAL PERFORMANCE

PERFORMANCE	Note	2013/14	2012/13
		R'000	R'000
REVENUE			
Annual appropriation	1	830,239	790,925
Statutory appropriation	2	1,870	1,715
Departmental revenue	3	84,047	82,251
TOTAL REVENUE		916,156	874,891
EXPENDITURE			
Current expenditure			
Compensation of employees	4	163,896	154,380
Goods and services	5	87,323	75,556
Unauthorised expenditure approved without funding	9	5,000	-
Total current expenditure		256,219	229,936
Transfers and subsidies			
Transfers and subsidies	-	F70 F0F	E 4 E 2 4 /
Transfers and subsidies	7	572,525	545,346
Total transfers and subsidies		572,525	545,346
Expenditure for capital assets	_		
Tangible capital assets	8	2,277	13,907
Total expenditure for capital assets		2,277	13,907
Payments for financial assets	6	19	26
TOTAL EXPENDITURE		831,040	789,215
SURPLUS FOR THE YEAR		85,116	85,676
	_		
Reconciliation of Net Surplus for the year			
Voted funds		1,069	3,425
Annual appropriation		1,069	3,425
Departmental revenue and NRF Receipts	13	84,047	82,251
SURPLUS FOR THE YEAR		85,116	85,676



STATEMENT OF FINANCIAL POSITION

POSITION	Note	2013/14	2012/13
		R'000	R'000
ASSETS			
Current assets		11,541	18,103
Unauthorised expenditure	9	10,226	15,226
Cash and cash equivalents	10	1,030	2,512
Receivables	11	285	365
Noonables	.,	200	
Non-current assets	,		
TOTAL ACCETO		44.544	40.400
TOTAL ASSETS		11,541	18,103
LIABILITIES			
Current liabilities		11,442	17,993
Voted funds to be surrendered to the Revenue Fund	12	10,302	12,658
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	681	4,733
Payables	14	459	602
TOTAL LIABILITIES		11,442	17,993
		<u> </u>	<u> </u>
NET ASSETS		99	110
Represented by:			
Recoverable revenue		99	110
TOTAL		99	110



STATEMENT OF CHANGES IN NET ASSETS

NET ASSETS Note	2013/14 R'000	2012/13 R'000
Recoverable revenue		
Opening balance	110	26
Transfers:	(11)	84
Debts recovered (included in departmental receipts)	(19)	(57)
Debts raised	8	141
Closing balance	99	110
TOTAL	99	110



CASH FLOW STATEMENT

CASH FLOW	Note	2013/14	2012/13
		R′000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		915,914	874,866
Annual appropriated funds received	1.1	830,239	790,925
Statutory appropriated funds received	2	1,870	1,715
Departmental revenue received	3	82,973	81,209
Interest received		832	1,017
Net (increase)/decrease in working capital		4,937	(980)
Surrendered to Revenue Fund		(91,524)	(90,955)
Current payments		(256,219)	(229,936)
Payments for financial assets		(19)	(26)
Transfers and subsidies paid		(572,525)	(545,346)
Net cash flow available from operating activities	15	564	7,623
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(2,277)	(13,907)
Proceeds from sale of capital assets	3.4	242	25
Net cash flows from investing activities		(2,035)	(13,882)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(11)	84
Net cash flows from financing activities		(11)	84
Net increase/(decrease) in cash and cash equivalents		(1,482)	(6,175)
Cash and cash equivalents at beginning of period		2,512	8,687
	16	1,030	2,512



For the year ended 31 March 2014

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

Reve	nue Act.
1	Basis of preparation
	The financial statements have been prepared in accordance with the Modified Cash Standard.
2	Going concern
	The financial statements have been prepared on a going concern basis.
3	Presentation currency
	Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency
	of the Department.
4	Rounding
	Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5	Foreign currency translation
	Cash flows arising from foreign currency transactions are translated into South African Rands using the exchange
	rates prevailing at the date of payment / receipt.
6	Current year comparison with budget
	A comparison between the approved, final budget and actual amounts for each Programme and economic
	classification is included in the appropriation statement.



7	Revenue
7.1	Appropriated funds
	Appropriated funds comprises of Departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).
	Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the 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
8	agents. Expenditure
8.1	Compensation of employees
8.1.1	Salaries and wages
0.4.0	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.
	in the statement of financial performance on the date of payment.

8.2	Other expenditure
	Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.3	Accrued expenditure payable
	Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department.
	Accrued expenditure payable is measured at cost.
8.4	Leases
8.4.1	Operating leases
	Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.
	The operating lease commitments are recorded in the notes to the financial statements.
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.
	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	Receivables
	Receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is
44	charged, less amounts already settled or written-off.
11	Payables
	Payables are recognised in the statement of financial position at cost



For the year ended 31 March 2014

12 Capital Assets

12.1 Immovable capital assets

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

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

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

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

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

12.2 Movable capital assets

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

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

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are 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.

12.3 Intangible assets

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

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

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

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are 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.



For the year ended 31 March 2014

13 Provisions and Contingents

13.1 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.

13.2 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

13.3 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

13.4 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

14 Unauthorised expenditure

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

- approved by the Provincial Legislature with funding and the related funds are received; or
- approved by 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.

15 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.



For the year ended 31 March 2014

16 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 derecognised when settled or subsequently written-off as irrecoverable.

17 Changes in accounting estimates

A change in accounting estimate is an adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities.

Changes in accounting estimates result from new information or new developments and, accordingly, are not corrections of errors. The effect of a change in an accounting estimate shall be recognised prospectively.

18 Prior period errors

Prior period errors are omissions from, and misstatements in, the department's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:

- a) was available when financial statements for those periods were authorised for issue; and
- b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud. Prior year errors are therefore corrected retrospectively

19 Non-adjusting events after the reporting date

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- a) those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- b) those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

20 Agent-Principal arrangements

A department is acting as a principal when it has the power to exercise beneficial control over an activity. A department has beneficial control when it has both the power to direct the activity, and the ability to benefit from that power.



2012/13

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2014

1. Annual Appropriation

1.1 Annual Appropriation

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

2013/14

R000 R'000 R'000	riation ceived R'000 00,105 31,147 20,588 60,260 7,440 71,385
Administration 86,564 86,564 - 1 1 1 1 1 1 1 1 1 1	00,105 31,147 220,588 60,260 7,440 71,385
Integrated Economic Development	231,147 220,588 60,260 7,440 71,385
Trade and Sector Development 35,461 35,461 - 35 Business Regulation 80,979 80,979 - 35 Economic Planning 8,479 8,479 - 35 Environmental Services 94,969 94,969 - 35 Total 830,239 830,239 - 75 Total grants received 46 1,431 2. Statutory Appropriation 2013/14 2013/	20,588 60,260 7,440 71,385
Business Regulation 80,979 80,979 - Economic Planning 8,479 8,479 - Economic Planning 8,479 94,969 - Economic Planning 326,060 326,060 - Economic Planning 326,060 326,060 - Economic Planning 326,060 326,060 - Economic Planning 326,060 326,060 - Economic Planning 326,060 326,060 - Economic Planning 326,060 326,060 - Economic Planning 326,060 326,060 - Economic Planning 326,060 - Economic Plan	60,260 7,440 71,385
Economic Planning 8,479 8,479 -	7,440 71,385 -
Environmental Services 94,969 94,969 - Tourism 326,060 326,060 - Total 830,239 830,239 - 75 1.2 Conditional grants Note 2013/14 2 R000 Total grants received 46 1,431 2. Statutory Appropriation Member of Executive Council Total Actual Statutory Appropriation received 1,870 Actual Statutory Appropriation received 1,870 3. Departmental revenue	71,385
Total 326,060 326,060 - 75 Total 830,239 830,239 - 75 1.2 Conditional grants Note 2013/14 2 2 2 2 2 2 2 2 2	-
Total 830,239 830,239 - 75	0,925
Note 2013/14 2 2 2 2 2 2 2 2 2	0,925
Note 2013/14 22 R (1000 1,431 22 1,431 22 1,431 23 1,431 24 1,431 24 1,870 1,870 2,8	
R 000	
Total grants received 46 1,431 2. Statutory Appropriation Member of Executive Council 1,870 Total 1,870 Actual Statutory Appropriation received 1,870 3. Departmental revenue Note 2013/14 2	012/13
2. Statutory Appropriation 2013/14 R000 Member of Executive Council 1,870 Total 1,870 Actual Statutory Appropriation received 1,870 3. Departmental revenue Note 2013/14 2	R'000
2013/14 22 R 2000	1,000
Member of Executive Council Total Actual Statutory Appropriation received 3. Departmental revenue Note Note R'000 1,870 1,870 2013/14 2	
Member of Executive Council Total Actual Statutory Appropriation received 1,870 1,870 1,870 3. Departmental revenue	012/13
Total 1,870 Actual Statutory Appropriation received 1,870 3. Departmental revenue Note 2013/14 2	R′000
Actual Statutory Appropriation received 1,870 3. Departmental revenue Note 2013/14	1,715
3. Departmental revenue Note 2013/14 2	1,715
Note 2013/14 2	1,715
P. CO.	012/13
R'000	R′000
Tax revenue 78,735	73,937
Sales of goods and services other than capital assets 3.1 1,964	2,066
Fines, penalties and forfeits 3.2 2,202	5,154
Interest, dividends and rent on land 3.3	1,017
Sales of capital assets 3.4 242	25
Transactions in financial assets and liabilities 3.5 72	52
	82,251
Departmental revenue collected 64,047	82,251



For the year ended 31 March 2014

3.1 Sales of goods and services other than capital assets

3			
	Note	2013/14	2012/13
	3	R′000	R′000
Sales of goods and services produced by the department		1,964	2,066
Sales by market establishment		1,851	2,066
Administrative fees		113	-
Other sales		-	-
Sales of scrap, waste and other used current goods		-	-
Total		1,964	2,066
3.2 Fines, penalties and forfeits			
	Note	2013/14	2012/13
	3	R′000	R′000
Fines		2,202	5,154
Total		2,202	5,154
3.3 Interest, dividends and rent on land			
	Note	2013/14	2012/13
	3	R′000	R′000
Interest: PMG Account		832	1,017
Total		832	1,017
3.4 Sale of capital assets			
	Note	2013/14	2012/13
	3	R′000	R′000
Tangible assets		242	25
Machinery and equipment	27	242	25
Total		242	25



For the year ended 31 March 2014

3.5 Tr	ansactions	in	financial	assets	and	liabilities
--------	------------	----	-----------	--------	-----	-------------

	Note	2013/14	2012/13
	3	R′000	R′000
Other Receipts including Recoverable Revenue		72	52
Total		72	52

4. Compensation of employees

4.1 Salaries and Wages

Note	2013/14	2012/13
	R′000	R′000
Basic salary	111,608	104,151
Performance award	2,868	2,788
Service Based	9,076	8,629
Compensative/circumstantial	1,819	1,465
Other non-pensionable allowances	16,821	16,452
Total	142,192	133,485

4.2 Social contributions

Note	2013/14	2012/13
	R′000	R'000
Employer contributions		
Pension	14,442	13,583
Medical	7,236	7,288
Bargaining council	26	24
Insurance		
Total	21,704	20,895
Total compensation of employees	163,896	154,380
Average number of employees	466	445



For the year ended 31 March 2014

5. Goods and services

Administrative fees 40 17 Advertising 1,569 9713 Minor Assets 5.1 229 738 Bursaries (employees)		Note	2013/14	2012/13
Minor Assets 5.7 2.99 738			R′000	R′000
Minor Assels 5.7 229 738 Bursaries (employees)	Administrative fees		40	17
Dursaries (employees)	Advertising		1,569	913
Catering 1,215 855 Communication 5,931 6,077 Computer services 5,2 720 632 Consultants, contractors and agency/outsourced services 5,3 19,088 10,211 Audit cost - external 5,4 4,048 2,788 Fleet services 2,022 1,676 Inventory 5,5 - 3,021 Consumables 5,6 2,451 - Housing - - - Operating leases 22,995 23,366 Property payments 5,7 8,001 9,037 Travel and subsistence 5,8 16,131 13,936 Venues and facilities 474 545 Training and staff development 845 481 Other operating expenditure 5,9 1,564 1,263 Total 5 700 R'000 Minor assets 229 738 Tangible assets 229 738 Total 229	Minor Assets	5.1	229	738
Communication 5,931 6,077 Computer services 5.2 720 632 Consultants, contractors and agency/outsourced services 5.3 19,088 10,211 Audit cost – external 5.4 4,048 2,788 Elect services 2,022 1,676 Inventory 5.5 - 3,021 Consumables 5.6 2,451 - Housing - - - Operating leases 22,995 23,366 Operating leases 22,995 23,366 Operating leases 5.7 8,001 9,037 Travel and subsistence 5.8 16,131 13,936 Venues and facilities 474 545 Travel and subsistence 5.9 1,564 1,263 Other operating expenditure 5.9 1,564 1,263 Total 87,323 75,556 States less than R5,000 Root Root Root Root Root Root Root Root	Bursaries (employees)		-	-
Computer services 5.2 720 632 Consultants, contractors and agency/outsourced services 5.3 19,088 10,211 Audit cost – external 5.4 4,048 2,788 Fleet services 2,022 1,676 Inventory 5.5 - 3,021 Consumables 5.6 2,451 - Housing - - - Operating leases 5.7 8,001 9,037 Travel and subsistence 5.8 16,131 13,936 Property payments 5.8 16,131 13,936 Venues and facilities 474 545 Training and staff development 845 481 Other operating expenditure 5.9 1,564 1,263 Total 87,323 75,556 5.1 Assets less than R5,000 Minor assets 2013/14 2012/13 Total 229 738 Machinery and equipment 229 738 Total 229	Catering		1,215	855
Consultants, contractors and agencyloutsourced services 5.3 19,088 10,211 Audit cost – external 5.4 4,048 2,788 Fleet services 2,022 1,676 Inventory 5.5 - 3,021 Consumables 5.6 2,451 - Housing - - - Operating leases 22,995 23,366 Property payments 5.7 8,001 9,037 Travel and subsistence 5.8 16,131 13,936 Venues and facilities 474 545 Training and staff development 845 481 Other operating expenditure 5.9 1,564 1,263 Total 87,323 75,556 5.1 Assets less than R5,000 R000 Minor assets 2013/14 2012/13 Total 229 738 Total 229 738 Total 229 738 Total 229 738 5.2 Computer servi	Communication		5,931	6,077
Audit cost - external 5.4 4.048 2.788 Fleet services 2.022 1.676 Inventory 5.5 - 3.021 Consumables 5.6 2.451 - 1.000 Housing - 2.095 23.366 Property payments 5.7 8.001 9.037 Travel and subsistence 5.8 16.131 13.936 Venues and facilities 474 545 Training and staff development 8.45 481 Other operating expenditure 5.9 1.564 1.263 Total 5 R000 R000 Minor assets 229 738 Machinery and equipment 229 738 Total 230 730 Total 230 730 STA computer services 329 296 External computer service providers 331 336 External computer service providers 331 336 Statemal computer service providers 331 336 Total 331 336 Statemal computer service providers 331 336 Total 331 336 Statemal computer service providers 332 336 Statemal computer service providers 332 336 Statemal compu	Computer services	5.2	720	632
Pieet services 2,022 1,676 Inventory 5.5 - 3,021 - 3,022 - 3,025 - 2,025 - 2,026 - 2,025 - 2,026 - 2,025 - 2,026 - 2,025 - 2,026 - 2,025 - 2	Consultants, contractors and agency/outsourced services	5.3	19,088	10,211
Inventory	Audit cost – external	5.4	4,048	2,788
Consumables 5.6 2.451 - Housing - - - Operating leases 22,995 23,366 Property payments 5.7 8,001 9,037 Travel and subsistence 5.8 16,131 13,936 Venues and facilities 474 545 Training and staff development 845 481 Other operating expenditure 5.9 1,564 1,263 Total 87,323 75,556 5.1 Assets less than R5,000 R'000 R'000 Minor assets 2013/14 2012/13 Tangible assets 229 738 Machinery and equipment 229 738 Total 229 738 5.2 Computer services 229 738 5.1 Root Root Root Root Root Root Root Roo	Fleet services		2,022	1,676
Housing Operating leases 22,995 23,366 Property payments 5.7 8,001 9,037 Travel and subsistence 5.8 16,131 13,936 Venues and facilities 474 545 Training and staff development 845 481 Other operating expenditure 5.9 1,564 1,263 Total 87,323 75,556 5.1 Assets less than R5,000 Wole 2013/14 2012/13 Minor assets 80 2013/14 2012/13 Tangible assets 229 738 Machinery and equipment 229 738 Total 229 738 5.2 Computer services 229 738 SITA computer services 8 2013/14 2012/13 5 R'000 R'000 SITA computer service providers 329 296 External computer service providers 391 336	Inventory	5.5	-	3,021
Operating leases 22,995 23,366 Property payments 5.7 8,001 9,037 Travel and subsistence 5.8 16,131 13,936 Venues and facilities 474 545 Training and staff development 845 481 Other operating expenditure 5.9 1,564 1,263 Total 87,323 75,556 5.1 Assets less than R5,000 Minor assets R000 R000 Machinery and equipment 229 738 Machinery and equipment 229 738 Total 229 738 5.2 Computer services Nole 2013/14 2012/13 5 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336	Consumables	5.6	2,451	-
Property payments 5.7 8,001 9,037 Travel and subsistence 5.8 16,131 13,936 Venues and facilities 474 545 Training and staff development 845 481 Other operating expenditure 5.9 1,564 1,263 Total 87,323 75,556 5.1 Assets less than R5,000 R'000 R'000 Minor assets 8'000 R'000 Tangible assets 229 738 Machinery and equipment 229 738 Total 229 738 5.2 Computer services 8'000 R'000 SITA computer services 8'000 R'000 SITA computer service providers 329 296 External computer service providers 391 336	Housing		-	-
Travel and subsistence 5.8 16,131 13,936 Venues and facilities 474 545 Training and staff development 845 481 Other operating expenditure 5.9 1,564 1,263 Total 87,323 75,556 5.1 Assets less than R5,000 Note 2013/14 2012/13 5 R'000 R'000 Minor assets 229 738 Tangible assets 229 738 Total 229 738 5.2 Computer services Note 2013/14 2012/13 5 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336	Operating leases		22,995	23,366
Venues and facilities 474 545 Training and staff development 845 481 Other operating expenditure 5.9 1,564 1,263 Total 87,323 75,556 5.1 Assets less than R5,000 Note 2013/14 2012/13 5 R'000 R'000 Minor assets Tangible assets 229 738 Machinery and equipment 229 738 Total 229 738 5.2 Computer services Note 2013/14 2012/13 5 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336	Property payments	5.7	8,001	9,037
Training and staff development Other operating expenditure 845 1,263 481 1,263 Total 87,323 75,556 5.1 Assets less than R5,000 Note 2013/14 2012/13 5 R:000 R:000 Minor assets 229 738 Tangible assets 229 738 Machinery and equipment 229 738 Total 229 738 5.2 Computer services 8700 R:000 SITA computer services 329 296 External computer service providers 391 336	Travel and subsistence	5.8	16,131	13,936
Other operating expenditure 5.9 1,564 1,263 Total 87,323 75,556 5.1 Assets less than R5,000 Note 2013/14 2012/13 5 R'000 R'000 Minor assets Tangible assets 229 738 Machinery and equipment 229 738 Total 229 738 5.2 Computer services Note 2013/14 2012/13 5 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336	Venues and facilities		474	545
Total 87,323 75,556 5.1 Assets less than R5,000 Note 2013/14 2012/13 5 R'000 R'000 Minor assets 229 738 Tangible assets 229 738 Machinery and equipment 229 738 Total 229 738 5.2 Computer services 8 2013/14 2012/13 5 R'000 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336	Training and staff development		845	481
5.1 Assets less than R5,000 Note 2013/14 2012/13 5 R'000 R'000 Minor assets Tangible assets 229 738 Machinery and equipment 229 738 Total 229 738 5.2 Computer services Note 2013/14 2012/13 5 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336	Other operating expenditure	5.9	1,564	1,263
Mode 2013/14 2012/13 F R000 R000 Minor assets 229 738 Tangible assets 229 738 Machinery and equipment 229 738 Total 229 738 5.2 Computer services 800 R000 SITA computer services 329 296 External computer service providers 391 336	Total		87,323	75,556
Mode 2013/14 2012/13 F R000 R000 Minor assets 229 738 Tangible assets 229 738 Machinery and equipment 229 738 Total 229 738 5.2 Computer services 800 R000 SITA computer services 329 296 External computer service providers 391 336	E 4 Aposto logo they DE 000	-		
Minor assets F000 R'000 Tangible assets 229 738 Machinery and equipment 229 738 Total 229 738 5.2 Computer services Voite 2013/14 2012/13 5 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336	5.1 Assets less than R5,000			
Minor assets 229 738 Machinery and equipment 229 738 Total 229 738 5.2 Computer services Vote 2013/14 2012/13 5 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336		Note	2013/14	2012/13
Tangible assets 229 738 Machinery and equipment 229 738 Total 229 738 5.2 Computer services Vote 2013/14 2012/13 5 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336		5	R′000	R'000
Machinery and equipment 229 738 Total 229 738 5.2 Computer services Note 2013/14 2012/13 5 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336	Minor assets			
Note 2013/14 2012/13 5 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336	Tangible assets		229	738
Note 2013/14 2012/13 5 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336	•			
5.2 Computer services Note 2013/14 2012/13 5 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336	Machinery and equipment		229	738
5.2 Computer services Note 2013/14 2012/13 5 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336				
Note 2013/14 2012/13 5 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336	Total		229	738
Note 2013/14 2012/13 5 R'000 R'000 SITA computer services 329 296 External computer service providers 391 336	5.0 Commuter comics			
SITA computer services SITA computer service providers 5 R'000 R'000 296 External computer service providers 331 336	5.2 Computer services			
SITA computer services SITA computer service providers 5 R'000 R'000 296 External computer service providers 331 336		Note	2013/14	2012/13
SITA computer services 329 296 External computer service providers 331 336			R′000	
External computer service providers 391 336	SITA computer services			
Total 720 632				
	Total		720	632



For the year ended 31 March 2014

5.3 Consultants, contractors and agency / outsourced services

Note	2013/14	2012/13
5	R′000	R′000
Business and advisory services	-	506
Infrastructure and planning	149	1,798
Laboratory services	-	-
Legal costs	-	-
Contractors	573	114
Agency and support/outsourced services	18,366	7,793
Total	19,088	10,211

5.4 Audit cost - External

N.	lote	2013/14	2012/13
	5	R′000	R′000
Regularity audits		4,048	2,788
Performance audits		-	
Total		4,048	2,788

Included in the R4,048,000, is the Auditor General's fees for the planning cycle (2013/14) amounting to R407,423 which was paid in March 2014, as well as accrued amount of R78,000.

5.5 Inventory

	Note	2013/14	2012/13
	5	R'000	R'000
Food and food supplies		-	92
Fuel, oil and gas		-	57
Other consumables		-	862
Materials and supplies		-	125
Stationery and printing		-	1,885
Total		-	3,021

The Department does not keep any inventory as core to its function, but it procures consumable items and distribute to Programmes to utilise those items during the year



For the year ended 31 March 2014

5.6 Consumables

	Note	2013/14	2012/13
	5	R′000	R′000
Consumable supplies		998	
Uniform and clothing		304	-
Household supplies		435	-
Building material and suppliers		-	-
Communication accessories		124	-
IT consumables		54	-
Other consumables		81	-
Stationery, printing and office supplies		1,453	-
Total		2,451	-
5.7 Property payments			
	Note	2013/14	2012/13
	5	R′000	R′000
Municipal services		274	3,284
Property management fees		-	3,105
Property maintenance and repairs		3,011	2,648
Other		4,716	-
Total		8,001	9,037
5.8 Travel and subsistence			
	Note	2013/14	2012/13
	5	R′000	R'000
Local		16,053	13, 936
Foreign		78	-
Total		16,131	13,936
5.9 Other operating expenditure			
	Note	2013/14	2012/13
	5	R′000	R'000
Learnerships			
Professional bodies, membership and subscription fees		405	3
Resettlement costs		129	193
Gifts		-	-
Other		1,030	1,067
Total		1,564	1,263
		,	



6. Payments for financial assets			
	Note	2013/14	2012/13
		R′000	R′000
Debts written off	6.1	19	26
Total		19	26
6.1 Debts written off			
	Note	2013/14	2012/13
	6	R′000	R′000
Nature of debts written off			
Ex Employee		19	26
Total debt written off		19	26
7. Transfers and subsidies			
		2013/14	2012/13
		R′000	R'000
Provinces and municipalities	Annex 1	20,015	28
Departmental agencies and accounts	Annex 2	362,342	544,723
Public corporations and private enterprises	Annex 3	188,410	-
Households	Annex 4	1,758	595
Total		572,525	545,346
8. Expenditure for capital assets			
or Exponential of Suprem accosts			
	Note	2013/14	2012/13
		R′000	R′000
Tangible assets		2,277	13,907
Buildings and other fixed structures		-	11,895
Machinery and equipment	28	2,277	2,012
Total		2,277	13,907



For the year ended 31 March 2014

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

	Voted funds	2012/13
	R'000	R′000
Tangible assets	2,277	2,277
Buildings and other fixed structures	-	-
Machinery and equipment	2,277	2,277
Total	2,277	2,277
8.2 Analysis of funds utilised to acquire capital assets – 2012/13		
	Voted funds	2012/13
	R′000	R′000
Tangible assets	13,907	13,907
Buildings and other fixed structures	11,895	11,895
Heritage assets		
Machinery and equipment	2,012	2,012
Total	13,907	13,907

9. Unauthorised expenditure

9.1 Reconciliation of unauthorised expenditure

Note	2013/14	2012/13
	R′000	R'000
Opening balance	15,226	15,226
Unauthorised expenditure – discovered in current year	-	-
As restated	15,226	15,226
Less: Amounts approved by Legislature without funding and written off in the		
Statement of Financial Performance	(5,000)	
Current	(5,000)	-
Less: Amounts transferred to receivables for recovery		
Unauthorised expenditure awaiting authorisation / written off	10,226	15,226



1,030

2,512

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2014

9.2 Analysis of unauthorised	l expenditure awaiting	authorisation per	r economic classification

olaccinication:	
2013/14	2012/13
R′000	R′000
10,226	15,226
10.226	15,226
2013/14	2012/13
R′000	R′000
10,226	15,226
10,226	15,226
2013/14	2012/13
R′000	R′000
1,030	2,512
	R'000 10,226 10.226 2013/14 R'000 10,226 2013/14 R'000

11. Receivables

Total

		2013/14			2012/13	
		R'000	R'000	R′000	R′000	R′000
	Note	Less than one year	One to three years	Older than three years	Total	Total
Claims recoverable	11.1	-	55	-	55	107
Staff debt	11.2	102	55	73	230	258
Total		102	110	73	285	365

11.1 Claims recoverable

	Note	2013/14	2012/13
	11	R'000	R′000
Public entities		55	107
Total		55	107



For the year ended 31 March 2014

11	2	Staff	dobt

Note	2013/14	2012/13
11	R′000	R′000
Sal: Tax Debt	5	10
Salary Overpayment	89	107
GG vehicle accident	85	90
Recovery (fruitless exp)	51	51
Total	230	258

12. Voted funds to be surrendered to the Revenue Fund

Note	2013/14	2012/13
	R′000	R′000
Opening balance	12,658	17,778
As restated	12,658	17,778
Transfer from statement of financial performance (as restated)	1,069	3,425
Paid during the year	(3,425)	(8,545)
Closing balance	10,302	12,658

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

Note	2013/14	2012/13
	R′000	R′000
Opening balance	4,733	4,892
As restated	4,733	4,892
Transfer from Statement of Financial Performance (as restated)	84,047	82,251
Paid during the year	(88,099)	(82,410)
Closing balance	681	4,733

14. Payables – current

Total		459	602
Other payables	14.1	459	502
Amounts owing to other entities		-	100
		R′000	R′000
	Note	2013/14	2012/13

14.1 Other payables

	Note	2013/14	2012/13
	14	R′000	R′000
Description			
Outstanding Payments: Ca		-	169
Environmental Awareness Court Order		459	333
Total		459	502



For the year ended 31 March 2014

15. Net cash flow available from operating activities

Note	2013/14	2012/13
	R'000	R′000
Net surplus/(deficit) as per Statement of Financial Performance	85,116	85,676
Add back non cash/cash movements not deemed operating activities	(84,552)	(78,053)
(Increase)/decrease in receivables – current	80	(121)
(Increase)/decrease in othe current assets	5,000	-
Increase/(decrease) in payables – current	(143)	(859)
Proceeds from sale of capital assets	(242)	(25)
Expenditure on capital assets	2,277	13,907
Surrenders to Revenue Fund	(91,524)	(90,955)
Net cash flow generated by operating activities	564	7,623

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

Note	2013/14	2012/13
	R′000	R'000
Consolidated Paymaster General account	1,030	2,512
Total	1,030	2,512

17. Contingent liabilities and contingent assets

17.1 Contingent liabilities

	2013/14	2012/13
	R′000	R′000
Liable to Nature		
Claims against the department Annex 5	14,912	14,532
Total	14,912	14,532

18. Commitments

	2013/14	2012/13
	R'000	R'000
Current expenditure		
Approved and contracted	6,093	1,140
Capital expenditure		
Approved and contracted	-	251
Total Commitments	6,093	1,391

The commitment above includes an amount of R1,523,724 for the training of co-operatives; an amount of R3,572,732 for the National Tooling Initiative; and also an amount of R996,085 for the installation of liquor licence system for the Mpumalanga Liquor Authority.



For the year ended 31 March 2014

19. Accruals

			2013/14	2012/13
			R′000	R′000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	631	164	795	3,740
Total	631	164	795	3,740
			2013/14	2012/13
			R′000	R'000
Listed by programme level				
Programme 1: Administration			679	3,740
Programme 2: Integrated Economic Development			3	-
Programme 4: Business Regulation			78	
Programme 5: Economic Planning			2	
Programme 6: Environmental Services			33	
Programme 7: Tourism			-	
Total		-	795	3,740
20. Employee benefits		=		
20. Employee Belletts				
			2013/14	2012/13
			R′000	R′000
Leave entitlement			3,469	3,179
Service bonus (Thirteenth cheque)			4,615	4,482
Performance awards			2,801	2,408
Capped leave commitments			12,484	11,986
Total			23,369	22,055



For the year ended 31 March 2014

21. Lease commitments

21.1 Operating leases expenditure

2013/14	Buildings and other fixed structures	Machinery and equipment	Total
	R′000	R′000	R′000
Not later than 1 year	8,873	6,290	15,163
Later than 1 year and not later than 5 years	33,101	17,386	50,487
Later than five years	-	-	-
Total lease commitments	41,974	23,676	65,650
2012/13	Buildings and other fixed structures	Machinery and equipment	Total
2012/13	other fixed		Total
2012/13 Not later than 1 year	other fixed structures	equipment	
	other fixed structures R'000	equipment R'000	R'000
Not later than 1 year	other fixed structures R'000 5,966	equipment R'000 5,719	R'000 11,685
Not later than 1 year Later than 1 year and not later than 5 years	other fixed structures R'000 5,966	equipment R'000 5,719	R′000 11,685

22. Accrued departmental revenue

	2013/14	2012/13
	R'000	R′000
Tax revenue	7,009	6,524
Transactions in financial assets and liabilities	-	502
Total	7,009	7,026

22.1 Analysis of accrued departmental revenue

	2013/14	2012/13
	R′000	R′000
Opening balance	7,026	2,278
Less: amounts received	(6,524)	(2,278)
Add: amounts recognised	7,009	7,026
Less: amounts written-off/reversed as irrecoverable	(502)	<u> </u>
Closing balance	7,009	7,026

The closing balance of R7,009,000 relates to:

- Gambling fees amounting to R6,258,000 for March 2014 from MGB which was paid after end of financial year.
- Estimated outstanding liquor licence fees amounting to R751,000 to be received from SARS during the next financial year.



For the year ended 31 March 2014

23. Irregular expenditure

23.1 Reconciliation of irregular expenditure

	2013/14	2012/13
	R′000	R′000
Opening balance	30,962	26,941
Add: Irregular expenditure – relating to prior year		-
Add: Irregular expenditure – relating to current year	6,530	4,021
Irregular expenditure awaiting condonation	37,492	30,962
Analysis of awaiting condonation per age classification		
Current year	6,530	4,021
Prior years	30,962	26,941
Total	37,492	30,962

23.2 Details of irregular expenditure - current year

Incident	Disciplinary steps taken/criminal proceedings	2013/14 R'000
The department has traded with suppliers that are prohibited to trade with State institutions and also with a person in service of the State with no declaration of interest.	None	2,807
Goods and services of a transaction value of R10 000 to R500 000 were procured without inviting at least three written price quotations from prospective suppliers and the deviation was not approved by the delegated person.	None	266
Contracts were awarded to bidders whose bids were received after the closing date	None	2,999
Awards were made to the quotation/bids not scoring the highest points. Objective criteria was NOT used to justify that reasonable grounds existed not to select the quotation with the highest points.	None	458
Total		6.530

24. Fruitless and wasteful expenditure

24.1 Reconciliation of fruitless and wasteful expenditure

	2013/14	2012/13
	R′000	R'000
Opening balance	3,936	2,883
Fruitless and wasteful expenditure – relating to current year	-	1,053
Fruitless and wasteful expenditure awaiting resolution	3,936	3,936



For the year ended 31 March 2014

24.2 Analysis of awaiting resolution per economic classification

	2013/14	2012/13
	R′000	R′000
Current	3,936	3,936
Total	3,936	3,936

25. Related party transactions

25.1 Zithabiseni Resort and Conference Centre (ZRCC)

The Department had budgeted R19,000,000 for the ZRCC for computation of employees. The resort continues to face challenges in generating income in order to become self-sustainable over period of time. The MTPA in partnership with the National Department of Tourism have managed to undertake renovations on infrastructure at the ZRCC. The total amount transferred to the ZRCC was R19,000,000 during the year under review.

25.2 South African Bureau of Standards (SABS)

The Department entered into a service level agreement with the SABS to promote the development of cooperatives through technical training so that they are globally competitive.

The Department identified 32 Cooperatives from the Comprehensive Rural Development Programme (CRDP) which are in the built environment, and are targeted for the technical training. It includes those that are in Brick Manufacturing, Window Frames Manufacturing, Paint Manufacturing and Detergent Manufacturing. These Cooperatives are earmarked to supply their products within and beyond their municipalities as part of implementing CRDP in the Province. An amount of R2,736,000 was paid to SABS in this regard during the year under review.

25.3 Mpumalanga Tooling Initiative

The Department signed a Service Level Agreement with the National Tooling Initiative to establish the Provincial Tooling Initiative, According to the Service Level Agreement, the programme is to be rolled out for a period of five years and is valued at R8,400,000 and this should make the Mpumalanga Tooling Initiative self sustainable. The Department has paid an amount of R900,000 towards this Initiative during the year under review.

25.4 Department of Public Works, Roads and Transport

During the year under review, the Department received services from the Department of Public Works, Road and Transport relating to the provision of government building for use by the Department, free of charge.

25.5 Department of Finance

During the year under review, the Department received Information Communication Technology Services for free due to the signed memorandum of understanding with the Department of Finance.



For the year ended 31 March 2014

25.6 Departmental Agencies

The Department has three Public Entities reporting to it, and these entities assist the Department in carrying out it's legislative mandates. This is done through the shareholders compacts signed between the pediment and the entities The Department enters into a shareholders compact with the Boards of these agencies. The public entities are as listed below:

Mpumalanga Gambling Board - MGB

Mpumalanga Economic Growth Agency - MEGA

Mpumalanga Tourism and Parks Agency - MTPA

25.7 Lekwa Local Municipality

The Department entered into a memorandum of agreement with Lekwa Local Municipality for the upgrading of electricity in the municipality in order to supply Noble and Astral Factories. An amount of R20 000 000 was made available by the Provincial Treasury during adjustment budget and was transferred to Lekwa Municipality by the Department.

25.8 Key Management Personnel - refer to note 26

Payments made to related parties	2013/14	2012/13
	R′000	R′000
Purchases of capital assets	-	6,468
Transfers	39,000	17,500
Total	39,000	23,968
	2013/14	2012/13
	R'000	R′000
Year end balances arising from revenue/payments		
Payables to related parties	1,523	1,790
Total	1,523	1,790

26. Key management personnel

	INO. OF Individuals	2013/14	2012/13
		R′000	R'000
Member of the Executive Council	1	1,735	1,652
Officials:			
Deputy Director- General (HOD)	1	1,281	1,213
Deputy Director- General (Sector Specialist)	1	1,137	2,241
Chief Financial Officer (CFO)	1	782	720
Chief Directors	4	5,709	3,631
Total		10,644	9,457



For the year ended 31 March 2014

27. Provisions

Note	2013/14	2012/13
	R′000	R′000
	-	2,712
	-	700
	-	3,412

Total

27.1 Reconciliation of movement in provisions - 2013/14

	Provision 1	Provision 2	Provision 3	Total provisions
	R′000	R′000	R′000	R'000
	2,712	700		3,412
nce sed	2,712	700		5,412
on	(2,712)	(700)	-	(3,412)
	-	-	-	-

28. Movable Tangible Capital Assets

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

MOVEMENT IN MOVABLE TANGIBLE CAPIT	TAL ASSETS PER AS	SSET REGISTER FO	R THE YEAR ENDE	D 31 MARCH 2014	
	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R′000	R′000	R′000	R′000
MACHINERY AND EQUIPMENT	33,533	(28)	2,277	(3,859)	31,923
Transport assets	7,050	-	579	(602)	7,027
Computer equipment	18,030	-	982	(2,149)	16,863
Furniture and office equipment	5,840	-	444	(640)	5,644
Other machinery and equipment	2,613	(28)	272	(468)	2,389
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	33,533	(28)	2,277	(3,859)	31,923



For the year ended 31 March 2014

28.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R′000	R′000	R′000	R′000	R'000
MACHINERY AND EQUIPMENT	2,277	-	-	-	2,277
Transport assets	579	-	-	-	579
Computer equipment	982	-	-	-	982
Furniture and office equipment	444	-	-	-	444
Other machinery and equipment	272	-	-	-	272
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	2,277	-	-	-	2,277

28.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Sold for cash	Transfer out or destroyed or	Total disposals	Cash Received Actua
	R'000	scrapped R'000	R′000	Droor
				R'000
MACHINERY AND EQUIPMENT	488	3,371	3,859	242
Transport assets	488	114	602	242
Computer equipment	-	2,149	2,149	
Furniture and office equipment	-	640	640	
Other machinery and equipment	-	468	468	
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	488	3,371	3,859	242

28.3 Movement for 2012/13

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Opening balance	Curr year adjustment to prior year balances	Additions	Disposals	Closing balance
	R′000	R′000	R'000	R′000	R'000
MACHINERY AND EQUIPMENT	30,650	(7)	3,345	(455)	33,533
Transport assets	6,555	10	902	(417)	7,050
Computer equipment	17,463	(879)	1,484	(38)	18,030
Furniture and office equipment	4,266	835	739	-	5,840
Other machinery and equipment	2,366	27	220	-	2,613
TOTAL MOVABLE TANGIBLE ASSETS	30,650	(7)	3,345	(455)	33,533



For the year ended 31 March 2014

28.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2014

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R′000	R′000	R′000	R'000	R'000	R'000
Opening balance	-	-	-	10,360	-	10,360
Curr Year Adjustments to	-	-	-	(393)	-	(393)
Prior Year balances						
Additions	-	-	-	229	-	229
Disposals	-	-	-	1,092	-	1,092
TOTAL MINOR ASSETS	-	-	-	9,104	-	9,104

	Machinery and	Total
	equipment	
	R'000	R'000
Number of R1 minor assets	67	67
Number of minor assets at cost	8,405	8,405
TOTAL NUMBER OF MINOR ASSETS	8,472	8,472

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2013

	wacninery and	iotai
	equipment	
	R'000	R'000
Opening balance	9,382	9,382
Current year adjustment to prior year balances	(109)	(109)
Additions	1,076	1,076
Disposals	(11)	(11)
TOTAL NUMBER OF MINOR ASSETS	10,360	10,360

	Machinery and equipment	Total
	R′000	R′000
Number of R1 minor assets	67	67
Number of minor assets at cost	8,405	8,405
TOTAL NUMBER OF MINOR ASSETS	8,472	8,472



For the year ended 31 March 2014

28.5 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2014

	Machinery and	Total
	equipment	
	R′000	R'000
Assets written off	23	23
TOTAL MOVABLE ASSETS WRITTEN OFF	23	23

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2013

Machinery and equipment	Total
R′000	R′000
	25

25

Assets written off
TOTAL MOVABLE ASSETS WRITTEN OFF

29. Intangible Capital Assets

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

	Opening balance	Current Year Adjust-ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R′000	R'000
COMPUTER SOFTWARE	115	-	-	-	115
TOTAL INTANGIBLE CAPITAL ASSETS	115	-	-	-	115

29.1 Movement for 2012/13

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Opening balance	Additions	Disposals	Closing balance
	R′000	R′000	R'000	R′000
COMPUTER SOFTWARE	115	-	-	115
TOTAL INTANGIBLE CAPITAL ASSETS	115	-	-	115



For the year ended 31 March 2014

30. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF		GRANT AL	LOCATION		2013/2014			SPENT
DEPARTMENT	Division of Revenue Act Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total I Available	Amount received by department	Amount spent by Department	Under / (overspending
	R′000	R′000	R′000		R′000	R′000	R'000	R′000
Department of Public Works (EPWP)	1,431	-	-	-	1,431	1,431	1,431	-
	1,431	-	-	-	1,431	1,431	1,431	-



28

20,000

20,000

20,015

20,000

20,000

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS For the year ended 31 March 2014

ANNEXURE 1

STATEMENT OF TRANSFERS TO MUNICIPALITIES

NAME OF		GRANT ALLOCATION	OCATION		TRAN	IRANSFER		SPENT		2012/13
MUNICIPALITY	Amount	Roll	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Amount received by Municipality	Amount spent by Municipality	% of available funds spent by municipality	Total available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Transfers										
Lekwa Local Municipality	20,000			20,000	20,000	1	20,000	20,000		'
Mbombela Local Municipality	1	•	•		15	•	•		•	28



For the year ended 31 March 2014

ANNEXURE 2

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT		TRANSFER A	RANSFER ALLOCATION		TRAN	TRANSFER	2012/13
	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							
Mpumalanga Gambling Board - MGB	806' 29	1	1	27,908	27,908	100%	41,908
Mpumalanga Tourism and Parks Agency - MTPA	304, 422	1	1	304 ,422	304 ,422	100%	278,275
South African Broadcasting Corp SABC	-	1	1	1	12		1
	362,330	•	•	362,330	362,342	100%	320,183



For the year ended 31 March 2014

ANNEXURE 3

STATEMENT OF TRANSFERS TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION / PRIVATE ENTERPRISE		TRANSFER ALLOCATION	LLOCATION		TRANSFER	SFER	2012/13
	Adjusted Appropriation	Roll	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Public Corporations							
Transfers							
Mpumalanga Economic Growth Agency - MEGA	169,410			169,410	169,410	100%	207,040
Total	169,410			169,410	169,410	100%	207,040
Private Enterprises							
Transfers							
Zithabiseni Resort and Conference Centre	19,000			19,000	19,000	100%	17,500
Total	19,000			19,000	19,000		17,500
TOTAL	188,410			188,410	188,410		17,500



For the year ended 31 March 2014

ANNEXURE 4

STATEMENT OF TRANSFERS TO HOUSEHOLDS

ноиѕеногрѕ		TRANSFER A	TRANSFER ALLOCATION		EXPENDITURE	DITURE	2012/13
	Adjusted Appropriation Act	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							
Leave Gratuity	•	1	•	•	1,758		460
Claims against State (Cash)	•	1	1	,	1		135
Total	1	•	•	•	1,758		595



For the year ended 31 March 2014

ANNEXURE 5

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2014

NATURE OF LIABILITY	Opening Balance 1 April 2013	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2014
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
MW Nkosi and 3 others	6,330	1	,	1	9,330
Makgamatha v/s dedet	1,217	1	1	1	1,217
Carol Bouwer Productions	3,965	1	,	1	3,965
Sibuyi v/s MEC dedet		400	1	1	400
Subtotal	14,512	400	•		14,912
TOTAL —	14,512	400			14,912



For the year ended 31 March 2014

ANNEXURE 6

CLAIMS RECOVERABLE

And the concurrence of the Covernment Entities And the Covernment Entit	GOVERNMENT ENTITY	Confirmed balan	Confirmed balance outstanding	Unconfirmed balance outstanding	nce outstanding	Total	_
R'000 R'000 <th< th=""><th></th><th>31/03/2014</th><th>31/03/2013</th><th>31/03/2014</th><th></th><th>31/03/2014</th><th>31/03/2013</th></th<>		31/03/2014	31/03/2013	31/03/2014		31/03/2014	31/03/2013
55 107 55 55 107 55		R'000	R'000	R'000	R'000	R'000	R'000
	Other Government Entities						
55 107 55	South African Revenue Services - SARS	•	•	25	107	55	107
55 107 55							
	TOTAL		1	55	107	55	107



ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS For the year ended 31 March 2014

ANNEXURE 7

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed ba	Confirmed balance outstanding	Unconfirmed ba	Unconfirmed balance outstanding		TOTAL
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Department of Public Works, Roads and Transport	1,523	1,790			1,523	1,790
Mpumalanga. Tourism and Parks Agency - MTPA	1	100			1	100
Subtotal	1,523	1,890			1,523	1,890
Total	1,523	1,890			1,523	1,890

For the year ended 31 March 2014

ANNEXURE 8

INVENTORY

INVENTORY	Note	Quantity	2013/14	Quantity	2012/13
			R'000		R'000
Opening balance		19,933	1,471	24,549	1,205
Add/(Less): Adjustments to prior year balance		1	1	5,091	102
Add: Additions/Purchases - Cash		1	1	15,493	1,436
Add: Additions - Non-cash		1	1	514	26
(Less): Disposals		ı			1
(Less): Issues		(19,933)	(1,471)	(25,714)	(1,328)
Add/(Less): Adjustments		1	•	•	1
Closing balance	·	•	•	19,933	1,471

NOTES		





Address:
Building 4
No. 7 Government Boulevard
Riverside Park Extension 2
Private Bag X11215
Mbombela
1200

Contact Details: Tel: 013 766 4004 www.mpumalanga.gov.za/dedet

PR 247/2014 ISBN: 978-0-621-42975-6

