



culture, sport & recreation

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

ANNUAL REPORT

2022/23

VOTE11



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PART:A

GENERAL INFORMATION



1. DEPARTMENT GENERAL INFORMATION



culture, sport & recreation

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA



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2. LIST OF ABBREVIATIONS / ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor - General South Africa
AIDS	Acquired Immune Deficiency Syndrome
APP	Annual Performance Plan
BBBEE	Broad Based Black Economic Empowerment
BSA	Boxing South Africa
CFO	Chief Financial Officer
CGI	Corporate Governance Information
CGICT	Corporate Governance Information Communication Technology
CTF	Communication Technology Framework
COVID-19	Coronavirus Disease 2019
DAC	Department of Arts and Culture
DAS	District Academies of Sport
DCSR	Department of Culture, Sport and Recreation
DoE	Department of Education
DORA	Division of Revenue Act
DPSA	Department of Public Service and Administration
DPWRT	Department of Public Works Roads and Transport
EPWP	Expanded Public Works Programme
EU	European Union
FC	Football Club
HATC	High Altitude Training Center
HIV	Human Immune Virus
HOD	Head of Department
ICT	Information and Communication Technology
IGR	Intergovernmental Relations
IRM	Infrastructure Reporting Model
IYM	In Year Monitoring
LGNC	Local Government Names Committee
LM	Local Municipality

LSEN	Learners with Special Educational Needs	PPP	Public Private Partnership
MDG	Millennium Development Goal	PSCC	Provincial Social Cohesion Committee
MEC	Member of the Executive Council	PSETA	Public Service and Training Authority
MHRAC	Mpumalanga Heritage Resources Authority Council	RMC	Risk Management Committee
MIG	Municipal Infrastructure Grant	RSA	Republic of South Africa
MILN	Multi Index of Library Need	SADC	Southern African Development Countries
MINMEC	Minister and Members of the Executive Committee	SAFA	South African Football Association
MMS	Middle Management Services	SAGNC	South African Geographic Names Council
MOU	Memorandum of Understanding	SAGPA	South African Gold Panning Association
MP	Mpumalanga Province	SASCOC	South African Sport Confederation and Olympic Committee
MPGNC	Mpumalanga Provincial Geographical Names Committee	SATMA	South African Traditional Music Achievement Awards
MPLC	Mpumalanga Provincial Language Committee	SCM	Supply Chain Management
MPLIS	Mpumalanga Provincial Library Information System	SCOPA	Standing Committee in Public Accounts
MPUWA	Mpumalanga Writers Association	SDIP	Service Delivery Improvement Plan
MRM	Moral Regeneration Movement	SETA	Sector Education and Training Authority
MSAII	Mpumalanga Sport Association for the Intellectually Impaired	SITA	State Information Technology Agency
MSC	Mpumalanga Sport Confederation	SLIMS	SITA Library Information Management System
MTEF	Medium Term Expenditure Framework	SMS	Senior Management Services
MTSF	Medium Term Strategic Framework	TR	Treasury Regulations
MUNIMEC	Municipalities and MEC	TVET	Technical Vocational Education and Training
NAAIRS	National Automated Archival Information Retrieval System	WIL	Workplace Integrated Learning
NDP	National Development Plan	WSP	Workplace Skills Plan
NPO	Non- Profit Organizations		
NQF	National Qualifications Framework		
PAS	Provincial Academy of Sport		
PERSAL	Personnel Salary System		
PF	Provincial Federations		
PFMA	Public Finance Management Act		
PGNC	Provincial Geographical Names Committee		
PHRA	Provincial Heritage Resources Authority		
PMC	Provincial Management Committee		
PMDS	Performance Management Development System		

3. FOREWORD BY THE MEC



Mrs BT Shongwe
**MEC for the Department of Culture,
Sport & Recreation**

In accordance with Section 40(1) (d) of the Public Finance Management Act, 1999, the Public Service Act, 1994, and the National Treasury Regulations (NTR), it is my honour to present the Annual Report on financial statements, performance indicators and Departmental activities for the 2022/23 Financial Year of the Department of Culture, Sport and Recreation, Vote 11.

The sector of sport, arts and culture has regain traction on the period under review after previous years where it operated under a very difficult environment due to COVID 19 pandemic for two consecutive years. We are delighted with the progress made thus far to change the life of the people for the better with regard to social cohesion and nation building programmes. The Department managed to successfully achieve 31 of the 38 planned key outputs which is 82 percent.

These key outputs delivered contributes to the Departmental mandate reflected in Priority 6: social cohesion and safer communities as reflected in the context of 2019 – 2024 Medium Term Strategic Framework. It also forms part of the building blocks towards achieving the vision of the National Development Plan 2030 and in particular towards the realization of a cohesive society.

Achievements in relation to policy directives, 2019-24 Medium Term Strategic Framework and department's outcomes

Fostering constitutional values: The Constitution aims to build a new over-arching national identity through a common citizenship and equal rights. The promotion of the country's national symbols, including the Constitution and its values, helps forge one national identity. It is also linked to promoting the values of democracy, non-sexism, non-racism, inherent human dignity and equality. Nation building should include eradicating discrimination, segregation and marginalisation on the basis of disability, gender, ethnicity and sexual orientation. It is about breaking attitudinal, physical and communication barriers, and addressing harmful stereotypes and descriptors associated with disability and sexual orientation. Society should have balanced and appropriate incentive systems which commensurate with the individual's contribution to society. Excessive displays of wealth as well as unjustified differentials in income distort these incentives.

On this sub-outcome the Department recorded the following significant achievements:

- Promote values – non- racialism, non-sexism, democracy. Promoted national identity utilising the flag at national days, major cultural and sporting events, in schools; Traditional Councils; and conducted 17 “I am the Flag” national symbols and orders campaigns.
- Implemented the Provincial community conversations / dialogues programme and also promoted the celebration of six (6) commemorative days on intercultural basis, which were fully inclusive of all South Africans

Promoting social cohesion through increased interaction across space and class: The sharing of space across race and class is one of the key action of the MTSF (2019/20 – 2024/25). This key action meant redressing apartheid Spatial pattern that limit opportunity for sharing of space across race and class. The access to sport for all communities regardless of color or greet give an opportunity to interact and thus focus on the common issue more than our differences to build nation. The outcome indicator suggest that the more people interact across the color it increase chances of racial integration.

Sport give access to women, children and people living with disability that are catered. The biggest enabler is the access of sport facilities and recreation of parks that are the competency of Local Government sphere. Efforts are much to reach out to the municipalities to prioritize investment in sport facilities through the municipal infrastructure grant.

On this sub-outcome the Department recorded the following significant achievements:

- The Province hosted major cultural and sporting events that includes amongst others; Mpumalanga Cultural Xperience, South African Music Awards (SATMA) Innibos National Festival, support of cultural events linked to Kings in the Province.
- The sport events supported includes amongst others various marathons such: 3 in 1 marathon, Mbombela Marathon and other events such as Mpumalanga Cycling.
- In addition there is a school sport programme with more than 9 973 Learners participating at the district school sport tournaments. The mass participation games in community sport and recreation with eight sport leagues supported also added necessary impetus towards social cohesion programmes.

Equal opportunities, inclusion and redress: In the MTSF outcome (2019/20 -2024/25) one of the core pillars is to build the capabilities of South Africans the increase access to information through library facilities for communities to informed decision is a step in a right direction. This establishment of these facilities in line with Spatial Development Framework also contribute towards the realization of the key action of NDP that advocate for inter-graded Human Settlement that seek to provide housing adjacent to social services and communities. These facilities give access to all communities that include women, children and people with disabilities. The model of new facilities has section dedicated for children. In addition, there are designated for libraries that caters for the blind.

The outcome indicator respond very well to NDP 2030 that each municipal ward to have a public library. The impact indicator measures the process of closing the backlogs where in 120 existing public libraries versus 400 municipal ward in Mpumalanga.

On this sub-outcome the Department recorded the following significant achievements:

- One (1) new library was completed at Matsamo and the other two planned were recorded as work in progress and re-prioritized for completion in 2023/24 FY.
- Four thousand seven hundred and forty five (4 745) electronic books were made accessible
- Seven (7) reading materials that includes novels written in indigenous languages Siswati and IsiNdebele were produced
- Three (3) standardized geographic names features reviewed which form an important component to redress the past imbalances.

Promoting active citizenry and leadership: Participation of ordinary people in the civil affairs of the country is an important marker of a maturing constitutional democracy. Various platforms should be created to enable civic participation and ensure that residents have trust in government institutions, actively participate in politics and believe that their viewpoints are legitimately represented. Citizens and all people living in South Africa must assist in shaping the process of development and hold government accountable. The Department is working with both Cultural and Sporting community based structures in order to promote active citizenry.

On this sub-outcome the Department recorded the following significant achievements:

- Ten (10) community arts and culture structures as well as one (1) language coordinating structures supported.
- Five (5) sport community based structures supported to advance sport programmes and enhance tourism.

Build a functional cooperate governance services: The MTSF (2019/20 – 2024/25) encourage accountability, transparency, effective management and leadership in the public service. It is also within this space that the Department will also contribute towards increasing the share of government spending on women-owned and led businesses to 50% of its total spend on entrepreneurship. The outcome indicator is important to show level of compliance towards the envisaged good governance that seeks to Build a functional cooperate governance services.

On this sub-outcome the Department recorded the following significant achievements:

- Encourage accountability, transparency, effective management and leadership in the public service – the Department measure this outcome indicator “build a functional cooperate governance services” through clean audit opinion. The Department maintained unqualified audit outcome with matters of emphasis..

Challenges

Capital projects continue to be a challenge in the overall performance of the Department. These relate to both Library and Sport infrastructure. The Department is concerned with the new trend of community disruptions where these infrastructure projects are being delivered, this ultimately delays the pace of service delivery in our sector. The Department will strengthen its social facilitation campaigns with local communities

through steering committees constituted by the Department, DPWRT and Local Municipalities to avoid further disruption of projects.

Strategic Focus over the medium to longterm period

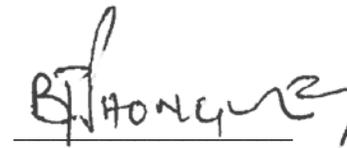
The Department also participates in the District Development Model (DDM) that aims at partnering with National, Provincial and Local government as well as other partners and stakeholders. Therefore, the Department is optimistic that in the medium and longterm period, one of its catalytic project is the establishment of High Altitude Training Center which will bring much return on investment through provision of access to a state of the art sport facility. This project was recorded at pre-construction phase in the period under review and will be continued in the outer years.

In addition it is the Cultural Hub ground breaking achievement wherein it received the Treasury Approval I (TA I) which confirmed its feasibility to attract private investors through Public Private Partnership (PPP) process. This work will be continued in the 2023/24 financial year to secure much sought private investment.

Appreciation

I would like to take this opportunity to thank the Premier, the entire Executive Council, Portfolio and Select Committees for the oversight and leadership they provided during the implementation of Departmental programmes. My dedication also goes to all Sport and Culture delivery agents and funders, without whom we would have not achieved the current milestones. Lastly, I also express my gratitude to the Head of Department for administrative support and to the officials of the Department who go beyond their call of duty to deliver on our commitment and give effect towards the attainment of our vision of a socially cohesive society.

I thank you



Mrs BT Shongwe
MEC for the Department of Culture, Sport & Recreation
Date: 31st August 2023

4. REPORT OF THE ACCOUNTING OFFICER



Mr GS Ntombela
Head: Culture, Sport and Recreation

4.1. Overview of operations of the Department

The Department has significantly strived to meet the expectations of its stakeholders in the Cultural Affairs, Library & Information Services, Sport and Recreation as well as that civil society and other spheres of government.

The achievements were attained by ensuring that all systems and controls were in place and that Cultural Affairs, Library & Archives as well as Sport and Recreation were guided to successfully fulfil their obligations to roll out service delivery to the people of Mpumalanga.

For the 2022/23 financial year, the Department achieved 31 out of its 38 (82%) planned annual targets.

Significant events and projects for the year were as follows;

- Promoted the celebration of six (6) commemorative days on an intercultural basis, fully inclusive of all South Africans.
- Promote cultural diversity and integration while enhancing cultural tourism through support of three (3) signature events namely; SATMA,

- Coordinated and supported programme that honour men and women in sport through Mpumalanga Sport awards.
- Supported International Rugby Tournament and International Boxing Tournament as part of high profile games to promote sport development.
- Construction of High Altitude Training Center (HATC) water supply pipe for Emakhazeni section 1,2 & 3 recorded as work in progress and construction of 7ML reservoir was slowed down considering the project environment

Innibos National Festival and Mpumalanga Cultural Xperience.

- Implemented the revitalization programme of the four museums, Barberton, Nomoya Masilela, Pilgrims Rest and Mashishing.
- Used Gold Panning as a traditional sport to market museums and promote social cohesion.
- Transformed geographic landscape through three (3) reviewed features and popularization of the existing ones.
- Delays in completion of two new libraries at Ethandukukhanya and Kwamhlanga due to community disruption and payment disputes with local labourers. These projects were re-prioritised for completion in the next financial year. However, the Department managed to provide support to one hundred and nineteen (119) existing public libraries to create access to information and empowered learners and communities with knowledge through provision of electronic books.
- Collected and preserved Indigenous Knowledge System (IKS) for social, economic and cultural development.

4.2. Overview of the financial results of the Department:

4.2.1. Departmental Receipts

Departmental receipts	2022/23			2021/22		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts						
Casino taxes						
Horse racing taxes						
Liquor licences						
Motor vehicle licences						
Sale of goods and services other than capital assets	865	633	232	825	444	381
Transfers received						
Fines, penalties and forfeits	85	-	-	81	3	78
Interest, dividends and rent on land	695	609	86	663	415	248
Sale of capital assets	123	129	(6)	117	254	(137)
Financial transactions in assets and liabilities		14	(14)			
Total	1 768	1 385	383	1 686	1 116	570

The Department projected to collect R 1 768 million for the financial year 2022/23 and has collected R 1 385 million. The sale of goods and services which includes, entrance fees, commission insurance, sales of minor assets and rental housing was projected to collect R865 million and managed to collect R633 thousand.

The interest on dividends and rent on land is interest on bank accounts determined by the interest rate paid by the bank on the Departments credit balance. The Department projected to collect R695 thousand and collected R609 thousand on interest.

The Department projected to collect an estimated R123 thousand for sale of capital assets and received R129 thousand for auction on machinery and equipment .

4.2.2. Programme Expenditure

Programme Name	2022/23			2021/22		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	101 407	100 719	688	112 037	112 036	1
Cultural Affairs	118 631	115 093	3 538	103 206	106 571	(3 365)
Library and Archives	248 787	225 304	23 483	222 291	216 444	5 847
Sport and Recreation	169 722	125 052	44 670	191 917	191 917	0
Total	638 547	566 168	72 379	629 451	626 968	2 483

The Department was allocated a budget of R 629 451 million in 2021/22, with an expenditure of R626 968 million at 99.61 percent, increasing to R 638 547 million in the 2022/23 fiscal year, and spent R 566 168 million, which constitutes 88.6 percent of the total allocated budget, with an underspending of R72 379 million, a significant portion of which is attributable to capital asset payments

- As at the end of the fiscal year 2022/23, spending on Programme 1: Administration was at 99.2 percent.
- Programme 2: Cultural Affairs spending is at 97.0 percent, with a significant portion incurred for coordination of commemorative days and Cultural Xperience signature event.
- The spending on Programme 3: Library and Archives Services is at 90.5 percent. The program ensured that it spent within the allocated budget for the fiscal year 2022/23. The spending was based on the District Development Model, and all three districts in the province benefited from all of the Department's services. The underspending is due to delays in the implementation of library infrastructure projects.
- The spending on Programme 4: Sport and Recreation is at 73.6 percent as of the end of the fiscal year 2022/23, indicating the number of programs implemented in accordance with the approved APP and AOP for the fiscal year under review. The underspending is due to the delays encountered in the construction of the Mpumalanga High Altitude Training Centre

➤ Virements / Rollovers

The virement proposed for effected programmes declared below

Programme 1: Administration

An amount of R4.5 million has been shifted from programme 1: Administration to defray excess spending on programme 2: Cultural Affairs and programme 4: Sport and Recreation.

Programme 2: Cultural Affairs

A total of R3.8 million has been transferred from Program 1: Administration to Program 2: Cultural Affairs to defray excess spending on goods and services.

Programme 3: Library and Archives Services

A total of R1.9 million has been transferred from Program 3: Library and Archives Services to Program 4: Sport and Recreation to defray excess spending on goods and services

Programme 4: Sport and Recreation

To defray excess spending on goods and services, a total of R2.6 million has been added to Programme 4: Sport and Recreation.

➤ Rollover for 2022/23

The Department requested a rollover of appropriated funds at the end of fiscal year 2022/23. The total amount requested by the Department is R27.3 million, which is summarized below:

Payment of Capital Assets

Due to the delays in the implementation of library infrastructure projects R 7.8 million from Program 3 (Library and Archives Services) was not spent by the end of the fiscal year.

The unspent funds on programme 4 (Sport and Recreation) amounting to R10.2 million is due to the delay of appointment of contractors for the construction of sports combo courts and late submission of source documents for the Mpumalanga High Altitude Training Centre.

Goods and Services

The programme underspent due to late submission of source documents and compliance requirements, R9.3 million from Program 3 (Library and Archives Services) was not spent by the end of the fiscal year.

- A description of the reasons for unauthorised, fruitless and wasteful expenditure and the amounts involved as well as steps taken to prevent a recurrence.
 - None
- Strategic focus over the short to medium term period
 - None
- Public Private Partnerships
 - None.
- Discontinued key activities / activities to be discontinued
 - None
- New or proposed key activities
 - None
- Supply chain management
 - The Department has an approved procurement policy in place to prevent irregular expenditure
 - Challenges experienced in SCM and how they were resolved
 - None
- Gifts and Donations received in kind from non related parties
 - None
- Exemptions and deviations received from the National Treasury
 - None

- Events after the reporting date
 - None.

Acknowledgement/s or appreciation

I would like to thank the MEC for Culture, Sport and Recreation Mrs BT Shongwe for providing the Department with strategic leadership and direction. Lastly, I would like to thank all the managers and staff who went an extra mile to ensure that service delivery is not compromised, The Department will continue to appreciate those selfless contributions. Let us continue serving the citizens of South Africa in line with the Batho Pele principles of putting people first.

Approval

The Annual Financial Statements set out on page 118 to 130 has been approved by the Accounting Officer



Mr GS Ntombela
Accounting Officer
Department of Culture, Sport and Recreation
Date: 31st July 2023

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

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

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

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

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

The Annual Financial Statements (Part F) 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.

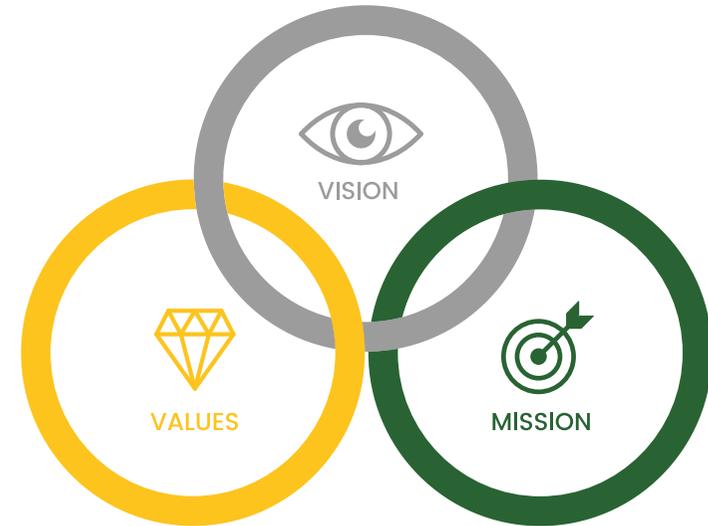
In my opinion the annual report fairly reflects operations, performance information, human resources information and financial affairs of the Department for the financial year ended 31 March 2022.

Yours faithfully



Mr GS Ntombela
Accounting Officer
Department of Culture, Sport and Recreation
Date: 31st July 2023

6. STRATEGIC OVERVIEW



6.1. Vision

A patriotic socially cohesive society.

6.2. Mission

To promote social cohesion and nation building through culture, sport and information service to people of Mpumalanga.

6.3. Values

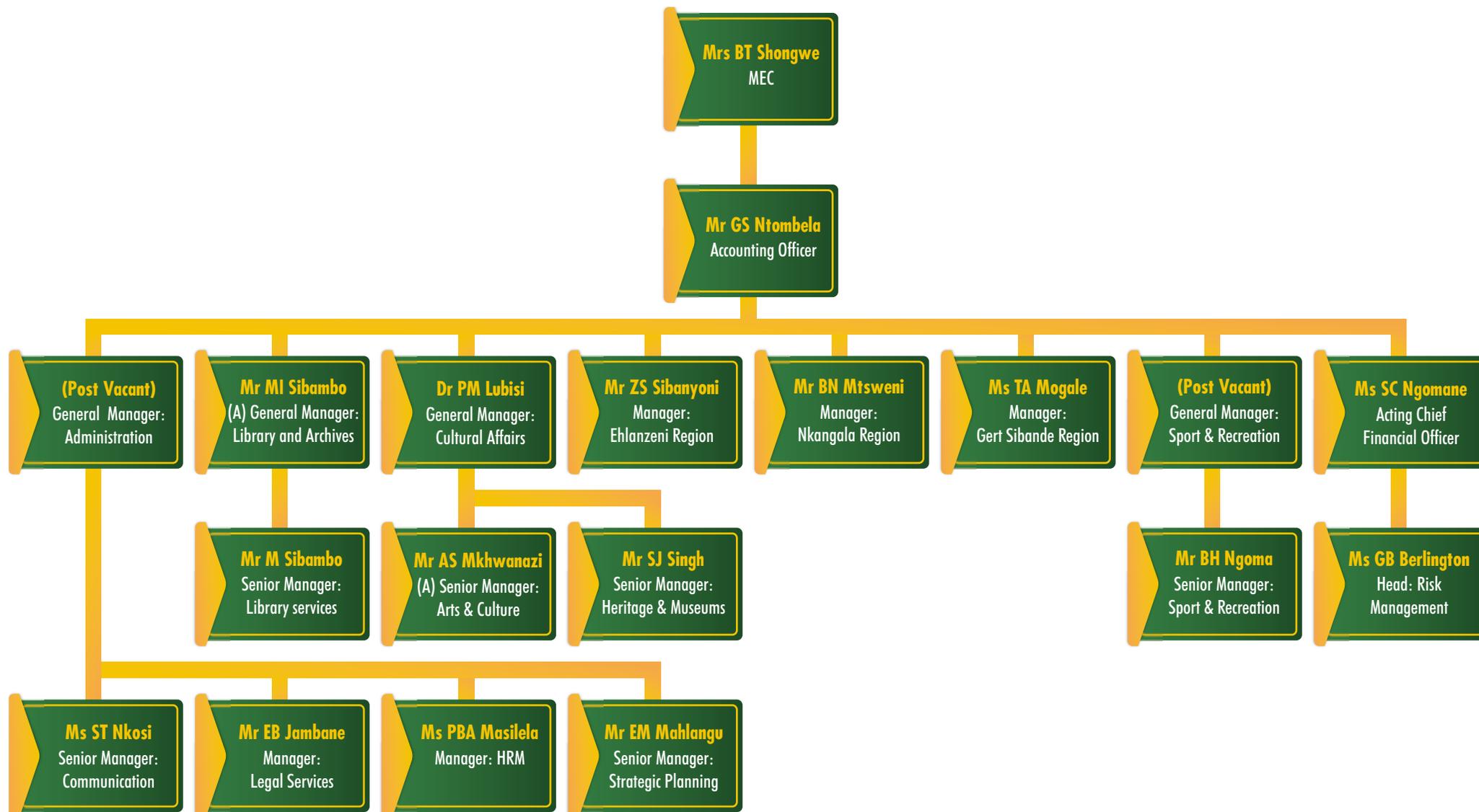
- Caring
- Accountability
- Teamwork
- Responsive
- Integrity
- Creativity

7. LEGISLATIVE AND OTHER MANDATES

Name of the Act	Purpose
The Constitution of South Africa, Act 108 of 1996	To provide for promulgation of all legislations in the Republic.
Library Ordinance No. 20 of 1992	To consolidate and amend the laws relating to the establishment, control and management of the library service, museum service and certain libraries and museums
Mpumalanga Arts and Culture Council Act No 2 of 1999	To establish a juristic person to be known as the Mpumalanga Arts and Culture Council; to determine its objects, functions and method of work; to prescribe the manner in which it is to be managed and governed; to regulate its staff matters and financial affairs
National Sports Act No. 110 of 1998	To provide for promotion and development of sport and recreation and the co-ordination of the relationships between Sport and Recreation South Africa and Sport Confederation, National federations and other agencies; to provide for measures aimed at correcting imbalances in sport and recreation; to provide for dispute resolution mechanisms in sport and recreation.
National Archives of South Africa No.43 of 1996	To provide for proper management and care of the records of governmental bodies and the preservation and use of archival heritage.
South African Library for the Blind Act No. 91 of 1998	To provide library for the Blind, information services and print-handicapped readers.
The National Library of South Africa Act No. 92 of 1998	To provide for a library; for collecting, preserving, making available and promoting awareness of the documentary heritage.
National Heritage Resources Act No. 25 of 1999	To promote good management of the Nations estate, and enable and encourage communities to nurture and conserve their legacy so that it may be bequeathed to future generations. To establish an Agency together with its Council, to co-ordinate and promote the management of heritage resources of South Africa.
South African Geographical Names Council Act No. 118 Of 1998	To establish a permanent advisory body to be responsible for arts and culture on the transformation and standardization of geographical names for official purposes

Legislations	Purpose of the legislation
National Arts Council Act No. 25 of 1999	To establish a juristic person to be known as the National Arts Council; to determine its objects, functions and method of work; to prescribe the manner in which it is to be managed and governed; to regulate its staff matters and financial affairs; and to provide for matters connected therewith
National Heritage Council Act No.11 of 1999	To establish a juristic person to be known as the National Heritage Council act; to determine its objects, functions and method of work; to prescribe the manner in which it is to be managed and governed; to regulate its staff matters and financial affairs; and to provide for matters connected therewith.
Heraldry Act No. 18 of 1962	To make provision for the establishment of a bureau of heraldry, a heraldry committee and a heraldry council; for the registration and protection of coats of arms, badges, other emblems, names and uniforms; and for other incidental matters.
National Film and Video Foundation Act No. 73 of 1997	To establish a juristic person to be known as the National film and video foundation to determine its objects, functions and method of work, to prescribe the manner in which it is to be managed and governed; to regulate its staff matters and financial affairs and to provide for matters connected therewith.
Pan South African Language Board Act No. 59 of 1995	To provide for the recognition, implementation and furtherance of multilingualism in the Republic of South Africa; and the development of previously marginalized languages; to establish a Pan South African Language Board; and to provide for matters connected therewith.
Safety at Sport and Recreational Event Act no.2 of 2010	To provide for measures to safeguard the physical well-being and safety of persons and property at sports, recreational, religious, cultural, exhibition, organizational or similar events held at stadiums, venues or along a route; to provide for the accountability of event role-players; to provide for certain prohibitions; to provide for the risk categorization of events; to provide for the establishment of measures to deal with safety and security at events.
Mpumalanga Provincial Archives Act 14 of 1998	To provide for the establishment of the Mpumalanga Archives; the proper management and care of the records of governmental bodies; the preservation and use of a provincial archival heritage; and to provide for matters connected therewith.
Mpumalanga Language Act of 2014	To designate the official languages of the Province; to provide for the regulation and monitoring of the use of designated official languages by all Provincial organs of state; to elevate the status and advance the use of indigenous languages spoken in the Province; to provide for the recognition of the Mpumalanga Provincial Language Committee as established in terms of the Pan South African Language Board: Act, 1995, to assist in the development, implementation and monitoring of the provincial language policy; to provide for the establishment of the Mpumalanga Provincial Language Forum; to provide for the development of internal language policies by Provincial organs of state; to provide for the establishment of a Provincial Language Unit and language units within Provincial organs of state; to empower the public to use language of their choice in order to access government services, knowledge and information; and to provide for matters connected therewith.

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

None

PART:B

PERFORMANCE INFORMATION



1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management. Amongst the three programmes audited (Cultural Affairs, Library and Archive as well as Sport and Recreation) no material finding were reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 112 of the Report of the Auditor General, published as Part F: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The Department deliver its services through the three (3) line functions. There were certain services that were affected per programme by external factors during delivery this services are reported as follows:

Programme 2: Cultural Affairs

The programme seeks to promote cultural diversity, multi-faith, multi-lingualism, transformation of the heritage landscape and in the process ensure that socio-economic development takes place in the province. This programme had only one (1) key output that could not be achieved due to prolonged processes to consider submissions related to PPP by National Treasury.

Programme 3: Library and Archives

The programme seeks to provide and promote public libraries, archives and records management in the province. The priorities set for this programme include the improvement of access to facilities, the promotion of sustainable reading culture and increasing compliance to legislation and policies by governmental bodies and parastatals on the management of records. The most impacted services was on establishment of new library infrastructure due to community unrest and unfavourable weather conditions. The two (2) new libraries that were under construction and planned for completion with the reporting period were impacted negatively and had to be re-prioritized to the next financial year. Arconhoek public Library in Bushbuckridge was engulfed with fire in 2022/23 and an investigations are still under way.

In 2022/23 FY risk of natural disasters did not spur the Department through floods encountered towards the end of financial and it eroded critical infrastructure important for service delivery in the sector. Ten (10) public libraries and two (2) museums were affected by the floods in some parts of Ehlanzeni region.

Programme 4: Sport and Recreation

The programme seeks to promote, develop, administer and enhance the sporting and recreation capabilities of the people of Mpumalanga. The key output most negatively affected was the pre-construction phase to deliver bulk services for the High Altitude Training Center was mainly affected by community unrest.

2.2 Service Delivery Improvement Plan

The Service Delivery Improvement Plans (SDIPs) circular no 1 of 2020/21 from the Department of Public Service and Administration (DPSA) reported that the implementation of SDIP continued to be on hold in 2022/23 financial year while the Department is still in the process of consulting various stakeholders in order to review the SDIP Directive (2008). Hence, this item on Service Delivery Improvement Plan was not reported by DCSR on the period under review.

2.3 Organisational environment

The Minister in the Presidency announced that the Cabinet took a decision to end the mandatory use of masks indoors and removed restrictions on gatherings, therefore the Department has repealed the Covid-19 regulations.

While the Department managed to fill positions on the year under review the notable challenge is on the filling of permanent Chief Finance Officer and Chief Director: Library and Archives vacancies that are still in progress awaiting for the Executive Committee Resolution/Approval to appoint.

2.4 Key policy developments and legislative changes

There was no key policy and legislative changes on the year under review.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department impact statement is “an active, creative, informed and patriotic society” planned to be realized as per the Strategic Plan 2020 – 2025 through the five (5) conceived outcomes.

a) Fostering constitutional values

The Constitution aims to build a new over-arching national identity through a common citizenship and equal rights. The promotion of the country’s national symbols, including the Constitution and its values, helps forge one national identity. It is also linked to promoting the values of democracy, non-sexism, non-racism, inherent human dignity and equality. Nation building should include eradicating discrimination, segregation and marginalisation on the basis of disability, gender, ethnicity and sexual orientation. It is about breaking attitudinal, physical and communication barriers, and addressing harmful stereotypes and descriptors associated with disability and sexual orientation. Society should have balanced and appropriate incentive systems which commensurate with the individual's contribution to society. Excessive displays of wealth as well as unjustified differentials in income distort these incentives.

The significant achievements:

- Promote values – non- racialism, non-sexism, democracy. Promoted national identity utilising the flag at national days, major cultural and sporting events, in schools; Traditional Councils; and conducted 17 “I am the Flag” national symbols and orders campaigns.
- Implemented the Provincial community conversations / dialogues programme and also promoted the celebration of six (6) commemorative days on intercultural basis, which were fully inclusive of all South Africans

b) Promoting social cohesion through increased interaction across space and class

The sharing of space across race and class is one of the key action of the MTSF (2019/20 – 2024/25). This key action meant redressing apartheid Spatial pattern that limit opportunity for sharing of space across race and class. The access to sport for all communities regardless of color or greet give an opportunity to interact and thus focus on the common issue more than our differences to build nation. The outcome indicator suggest that the more people interact across the color it increase chances of racial integration.

Sport give access to women, children and people living with disability that are catered. The biggest enabler is the access of sport facilities and recreation of parks that are the competency of Local Government sphere. Efforts are much to reach out to the municipalities to prioritize investment in sport facilities through the municipal infrastructure grant.

The significant achievements:

- The Province hosted major cultural and sporting events that includes amongst others; Mpumalanga Cultural Xperience, South African Music Awards (SATMA) Innibos National Festival, support of cultural events linked to Kings in the Province.
- The sport events supported includes amongst others various marathons such as Kaapsehoop 3 in 1,

Mbombela Marathon and other events such as Mpumalanga Cycling.

- In addition there is a school sport programme with more than 9 973 Learners participating at the district school sport tournaments. The mass participation games in community sport and recreation with eight sport leagues supported also added necessary impetus towards social cohesion programmes.

c) Equal opportunities, inclusion and redress

In the MTSF outcome (2019/20 -2024/25) one of the core pillars is to build the capabilities of South Africans the increase access to information through library facilities for communities to informed decision is a step in a right direction. This establishment of these facilities in line with Spatial Development Framework also contribute towards the realization of the key action of NDP that advocate for inter-graded Human Settlement that seek to provide housing adjacent to social services and communities. These facilities give access to all communities that include women, children and people with disabilities. The model of new facilities has section dedicated for children. In addition, there are designated for libraries that caters for the blind.

The outcome indicator respond very well to NDP 2030 that each municipal ward to have a public Library. The impact indicator measures the process of closing the backlogs where in 120 existing public libraries versus 400 municipal ward in Mpumalanga.

The significant achievements:

- One (1) new library was completed at Matsamo and the other two planned were recorded as work in progress and reprioritized for completion in 2023/24 FY.
- Four thousand seven hundred and forty five (4 745) electronic books were made accessible
- Seven (7) reading materials in indigenous languages were produced
- Three (3) standardized geographic names features reviewed which form an important component to redress the past imbalances.

d) Promoting active citizenry and leadership

Participation of ordinary people in the civil affairs of the country is an important marker of a maturing constitutional democracy. Various platforms should be created to enable civic participation and ensure that residents have trust in government institutions, actively participate in politics and believe that their viewpoints are legitimately represented. Citizens and all people living in South Africa must assist in shaping the process of development and hold government accountable. The Department is working with both Cultural and Sporting community based structures in order to promote active citizenry.

The significant achievements:

- Ten (10) community arts and culture structures as well as one (1) language coordinating structures supported.
- Five (5) sport community based structures supported to advance sport programmes and enhance tourism.

e) Build a functional cooperate governance services

The MTSF (2019/20 – 2024/25) encourage accountability, transparency, effective management and leadership in the public service. It is also within this space that the Department will also contribute towards increasing the share of government spending on women-owned and led businesses to 50% of its total spend on entrepreneurship. The outcome indicator is important to show level of compliance towards the envisaged good governance that seeks to Build a functional cooperate governance services.

The significant achievements:

- Encourage accountability, transparency, effective management and leadership in the public service – the Department measure this outcome indicator “build a functional cooperate governance services” through clean audit opinion. The Department maintained unqualified audit outcome with matters of emphasis however, the number of paragraph were significantly reduced from 17 to 6 in the previous audit. The 2022/23 financial report will be reflected on Part F of this document

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: ADMINISTRATION

Purpose of the programme

- ✓ The purpose of this programme is to provide for political and administrative support of the Department, in accordance with applicable National and Provincial policies, the PFMA, the PSA and other legislations and policies.

List of sub programmes

- ✓ The programme comprises of two sub programmes; which are the Office of the MEC and Corporate Services. The sub programmes of corporate services includes; Strategic Management, Corporate Services, Finance, Information Technology Support, Enterprise Risk Management, Communication and Legal.
- ✓ The MEC sub programme and other Corporate services functions such as Security, International Relations, Transversal, Employee Health and Wellness, Auxiliary Services as well as Regional Administration are outlined in the separate Annual Operational Plan (AOP) of the Department as activities that support line functions to achieve their objectives.

List the purpose of the sub programmes (MEC Office)

- ✓ The purpose of this sub programme is to provide for political support of the Department, in accordance with applicable National and Provincial policies, the PFMA, the PSA and other legislations and policies.

List the purpose of the sub programmes (Corporate Services)

- ✓ The purpose of this sub programme is to provide for the overall management and administrative support of the Department, in accordance with applicable National and Provincial policies, the PFMA, the PSA and other legislations and policies.

List the institutional outcomes that each programme contributes towards according to the Annual Performance Plan.

- ✓ The Department had a total of five (5) outcomes planned to deliver its services. Programme 1: Administration provide services to the line functions and therefore, only one (1) outcome is attached to it namely; Build a functional cooperate governance services

Outcomes, outputs, output indicators, targets and actual achievements

The following narrative provide analysis of the significant achievements of targets for the outputs and output indicators for Programme 1: Administration. The following outputs were key towards achievement of the Department's outcome:

Building a functional cooperate governance services

- Improve strategic coordination of plans that are compliant and accountability in the Department. The strategic planning and accountability documents such as the Annual Performance Plan and progress reports produced and submitted to oversight bodies has strengthened transparency and accountability when rendering utilising public resources.
- Achieve unqualified audit opinion on financial statements: The Department produced Interim Financial Statements (IFS) on the quarterly basis to reduce material misstatement on the Annual Financial Statement and disclosures.
- Successfully implement and realise benefits from ICT solutions in doing the work of the Department. The ICT structure was established and met on the quarterly basis to ensure that the six (6) objectives of the ICT Corporate Governance Framework are achieved.
- Promote good corporate governance practices and management through Risk Management. The approved risk implementation plan and risk management reports produced assisted to track progress quarterly to minimize vulnerability of the Department from risky activities that can affect its operations and enhance risk management and increase the likelihood that established outcome of service delivery and related impact is realized.
- Implementation of the Communication strategy to market the Department. Four (4) marketing initiatives were implemented

The successful implementation of the above key outputs contribute towards the attainment of the outcome which is strengthening of good governance. These outputs are very key since they are linked to the MTSF (2019/20 – 2024/25) key action that encourage accountability, transparency, effective management and leadership in the public service.

Prioritization of women, youth and person with disabilities

The Department has eight (8) SMS, one (1) woman representation and seven (7) males. This represents 12, 5% percent of women at Senior Management Level. Ten (10) persons living

with Disabilities are represented in the Department, this represents 2.10% of the total staff compliment. There is no 50% women representation at SMS level, it is however envisaged that the filling of two critical SMS post will consider the appointment of women. The Department made remarkable strides to ensure that at least 40% women owned companies are empowered in the procurement of goods and services in government. In the 2022/2023 financial year a total of 51% constituted by 107 of 210 procurement transactions in the Department was dedicated to women owned businesses. A positive variance of 11% has been realized. The Department will continue prioritization of women economic inclusion in the 2023/24 financial year and outer years to realize sustainable gender equity.

Table 2.4.4.1:

The Department did not re-table the Annual Performance Plan 2022/23 for all its programmes during the year under review. Therefore, the following table is reported as nil.

Programme 1: Administration, Programme 2: Cultural Affairs, Programme 3: Library and Archive and Programme 4: Sport and Recreation									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
None									

Table 2.4.4.2:

1. Programme 1: Administration (Sub programme: Corporate Services)									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations	
Build a functional cooperate governance services	Improved strategic coordination of plans that are compliant and accountability in the Department	Number of strategic planning and accountability documents approved and submitted to Legislature on time	4	4	4	4 Strategic planning and accountability documents approved and submitted to Legislature on time	None	None	

1. Programme 1: Administration (Sub programme: Corporate Services)

Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Build a functional cooperate governance services	Achieved unqualified audit opinion on financial statements	Number of financial Statements and reports produced	14	14	14	14 financial statements and reports produced	None	None
Build a functional cooperate governance services	Successfully implement and realise benefits from ICT solutions in doing the work of the Department	Number of ICT Corporate Governance Framework objectives implemented	6	6	6	6 ICT Corporate Governance Framework objectives implemented	None	None
Build a functional cooperate governance services	Promote good corporate governance practices and management	Number of risk compliance documents produced	5	5	5	1 Approved risk plan and 4 Risk management reports produced	None	None
Build a functional cooperate governance services	Implementation of the Communication strategy to market the Department	Number of marketing initiatives implemented	4	4	4	4 marketing initiatives implemented	None	None

Linking performance with budgets
Sub programme expenditure

Programme Name: Administration	2022/23			2021/22		
	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	9 617	9 504	112	10 035	9 992	43
Corporate Services	91 790	91 214	576	102 002	102 044	(42)
Total	101 407	100 719	688	112 037	112 036	1

Notes:

The programme provides executive support, strategic management support, human capital management, financial management and procurement, risk management, legal support, communication and liaison, regional support services, security services and Employee Health and Wellness support. The programme was allocated R104 407 million for the year under review and spent R100 719 million.

Strategy to overcome areas of under performance

None

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

The Sport, Arts and Culture sector do not have standardised indicators for Programme 1: Administration

4.2 Programme 2: Cultural Affairs

- The purpose of this programme is to promote cultural diversity for socio-economic development and transformation for the citizens of Mpumalanga.
- The following is the list of three sub programmes and related purpose;
 - ✓ *Arts and Culture*; to develop, promote and preserve arts and culture in visual arts and craft, performing arts, art technology, art industries and living culture.
 - ✓ *Museums and Heritage*; to develop, conserve, preserve and promote the heritage of the province through museum services and heritage resource management.
 - ✓ *Language Services*; to develop historically marginalised languages, promotion of multi-lingualism.
- List the institutional outcomes that each programme contributes towards according to the Annual Performance Plan.
 - ✓ The Department had a total of five (5) outcomes planned to deliver its services. Programme 2: Cultural Affairs of which two (2) of them are programme specific namely; Increase percentage of Mpumalanga population that is proud to be South African and contribute in Cultural and Sport tourism to increase percentage of tourism in the province

Outcomes, outputs, output indicators, targets and actual achievements

The following narrative provide analysis of the significant achievements of targets for the outputs and output indicators for Programme 2: Cultural Affairs. The following outputs were key towards achievement of the four (4) outcomes.

Fostering constitutional values

- Promotion of national identity utilising the flag at national days, major cultural and sporting events, in schools; Traditional Councils; and I am the Flag Campaign

- Community conversations / dialogue programme implemented to enhance social cohesion and nation building

Promoting social cohesion through increased interaction across space and class

- Promote the celebration of national days on an intercultural basis, fully inclusive of all South Africans. Twenty two (22) of seventeen (17) Public awareness activations on the “I am the Flag” hosted in schools and communities.
- Promote cultural diversity and enhance cultural tourism through support and host of signature cultural events Six (6) National days and historical days celebrated. Three (3) events that promote cultural diversity and enhance cultural tourism were supported such as South African Traditional Music Awards and Innibos National Festival as well hosted Mpumalanga Cultural Xperience
- Cultural Hub established as one stop shop artists, performers and film makers to develop and showcase their skills and products. The PPP investor for Cultural Hub could not be secured due to prolonged processes. However an important milestone such as Treasury Approval 1 that affirm that the project is feasible was attained.
- Implement the revitalization programme of the cultural villages and museums to remain relevant in preservation of history and heritage. Four (4) Museum facility provided with maintenance.
- Contributed to tourism by attracting the number of visitors in museums and Cultural villages. Three (3) Museum facilities provided museum services namely; Pilgrims Rest, Barberton and Kghodwana.
- Used gold panning as a traditional sport to market museums and built social cohesion nationally and internationally. Two (2) international and national gold panning tournaments participated in such as 2022 World Gold Championships in Poland as well as National Gold Panning Championships in Pilgrim’s Rest

Equal opportunities, inclusion and redress

- Coordinated marketing platforms for creative industry products to create jobs. Thirty six (36) Arts and Crafts cooperatives supported to market and sell their artifacts.
- Increased scope of implementing Arts and Culture projects through appointment of EPWP coordinators. One hundred and fifteen (115) Job opportunities were created.
- Transformation of geographic landscape through reviewed features and popularization of the existing. Three (3) Geographic names features reviewed namely; Makhonjwa Mountainrange – City of Mbombela, Nkosi City – City of Mbombela and Longtom Pass – Thaba Chweu Local Municipality.
- Protect and preserve heritage resources in the Province. Three (3) heritage resources proclaimed namely; Gert Sibande precinct - Govan Mbeki LM, Indzalo Yelanga Kaapsehoop - City of Mbombela LM and Saul Mkhize legacy sites -Mkhondo LM
- Promotion and implementation of indigenous African languages. Seven (7) reading materials in indigenous languages (isiNdebele and Siswati) produced that includes amongst other novel and terminology list

Promoting active citizenry and leadership

- Promote participation in community-based governance processes. Ten (10) arts and culture community structures supported; plus one (1) Language coordinating structure Mpumalanga Provincial Language Committee (MPLC) supported.

Prioritization of women, youth and person with disabilities

Cultural Affairs programme in its nature does prioritize women, youth and people with disabilities in its service

delivery especially in Young Patriotic Program (YPP), arts and culture cooperatives, Extended Public Work Program (EPWP). The challenges encountered in particular with the youth is that as they exit the program with the necessary expertise to open their own business, the economic downturn in the country is not favourable to create new business especially in arts and culture. The women who are the majority in the creative industry sector are equally suffering as a results of their artifacts not being sold. As for people living with disabilities, the challenges are mainly in centers that are not designed to accommodate them. In order to address this challenges, the Department is working closely with community based structures such as Innibos National Festival that provided platform to promote the arts and craft. Lastly, the Department continue to advocate for the design of new centers provided through Corporate Social Investment (CSI) to accommodate people living with disabilities.

Table 2.4.4.1:

The Department did not re-table the Annual Performance Plan 2022/23 during the year under review. Hence, the following table is reported as nil.

Programme 2: Cultural Affairs									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
None									

Table 2.4.4.2:

Programme 2: Cultural Affairs (Sub Programme: Arts and Culture)								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Fostering constitutional values	Promotion of national identity utilising the flag at national days, major cultural and sporting events, in schools; Traditional Councils; and I am the Flag Campaign	Number of public awareness activations on the "I am the Flag"	60	17	17	Achieved 22 Public awareness activations on the "I am the Flag" hosted	(5)	Exceeded the target due to increased demand of the services in some of the municipalities
Fostering constitutional values	Community conversations / dialogue programme implemented to enhance social cohesion and nation building	Number of community conversations / dialogues implemented to foster social interaction per year	1	3	3	3 Community Dialogues conducted (Leroro in Thaba Chweu LM, Belfast in Emakhazeni LM, Volkrust in Dr Pixley Ka-Isaka Seme LM).	None	None
Promoting social cohesion through increased interaction across space and class	Promote the celebration of national days on an intercultural basis, fully inclusive of all South Africans	Number of National and historical days celebrated	3	5	6	6 National days and historical days celebrated: <ul style="list-style-type: none"> • Freedom Day, Steve Tshwete LM • Africa Day in the 3 Districts • Youth Day, Thembisile Hani LM • National Women's Day, Dipaliseng LM • Heritage Day, Nkomazi LM • Human Rights Day, Dr JS Moroka LM 	None	None

Programme 2: Cultural Affairs (Sub Programme: Arts and Culture)								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Promoting social cohesion through increased interaction across space and class	Promote cultural diversity and enhance cultural tourism through support and host of signature cultural events	Number of events that promote cultural diversity and enhance cultural tourism supported	2	2	2	2 events that promote cultural diversity and enhance cultural tourism supported <ul style="list-style-type: none"> • South Arican Traditional Music Awards (SATMA) • Innibos National Festival 	None	None
Promoting social cohesion through increased interaction across space and class	Promote cultural diversity and enhance cultural tourism through support and host of signature cultural events	Number of Mpumalanga Cultural Xperience hosted	1	1	1	1 Mpumalanga Cultural Xperience hosted with the following pillars <ul style="list-style-type: none"> • Traditional • Carnival • Soul Session • Choral • Marathon • Film • International • Music 	None	None
Promoting social cohesion through increased interaction across space and class	Promote cultural diversity and enhance cultural tourism through support and host of signature cultural events	Number of cultural projects supported	0	4	2	2 cultural project supported <ul style="list-style-type: none"> • Erholweni and Komjejejeke cultural events 	None	None

Programme 2: Cultural Affairs (Sub Programme: Arts and Culture)

Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Promoting social cohesion through increased interaction across space and class	Cultural Hub established as one stop shop artists, performers and film makers to develop and showcase their skills and products	Number of PPP investor for Cultural Hub secured	None	Not Achieved Reviewed Feasibility Study	Secured PPP investor for Cultural Hub	Not Achieved Treasury Approval 1 (TA1) was attained	PPP investor for Cultural Hub not secured	Prolonged approval processes by National Treasury
Equal opportunities, inclusion and redress	Coordinated marketing platforms for creative industry products to create jobs	Number of Arts and Crafts cooperatives supported	16	20	17	36 arts and crafts cooperatives supported	(19)	Collaboration with Fashion Event in celebration of Africa Month and Innibos National Festival initiatives
Equal opportunities, inclusion and redress	Increased scope of implementing Arts and Culture projects through appointment of EPWP coordinators	Number of jobs opportunities created through arts, culture and heritage programmes	152	140	115	115 jobs opportunities created through arts, culture and heritage programmes	None	None
Promoting active citizenry and leadership	Promote participation in community-based governance processes	Number of community structures supported	6	10	10	10 Community structures supported	None	None

Programme 2: Cultural Affairs (Sub Programme: Museum and Heritage)

Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Promoting social cohesion through increased interaction across space and class	Implement the revitalization programme of the cultural villages and museums to remain relevant in preservation of history and heritage	Number of museums provided with maintenance	2	2	4	4 Museum facility provided with maintenance <ul style="list-style-type: none"> • Pilgrim's Rest museum (Dredsen House and Shop site) – repair and repainting of roof leaks, floor and verandah • Mashishing museum: upgraded information panels to include additional language • Barberton Museum – (Stopforth House interior and exterior features • Nomoya Masilela – (Fencing of entrance, installation of entrance signage and general maintenance of windows) 	None	None
Promoting social cohesion through increased interaction across space and class	Contributed to tourism by attracting the number of visitors in museums and Cultural villages	Number of facilities providing museum services	3	3	3	3 Museum facilities provided museum services <ul style="list-style-type: none"> • Pilgrims Rest • Barberton • Kghodwana 	None	None

Programme 2: Cultural Affairs (Sub Programme: Museum and Heritage)								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Promoting social cohesion through increased interaction across space and class	Used gold panning as a traditional sport to market museums and built social cohesion nationally and internationally	Number of international and national gold panning tournaments participated in	1	2	2	2 international and national gold panning tournaments participated in <ul style="list-style-type: none"> • 2022 World Gold Championships in Poland • National Gold Panning Championships in Pilgrim's Rest 	None	None
Equal opportunities, inclusion and redress	Transformation of geographic landscape through reviewed features and popularization of the existing	Number of Standardized geographic names features reviewed	5	14	3	3 Geographic names features reviewed <ul style="list-style-type: none"> • Makhonjwa Mountainrange – City of Mbombela • Nkosi City – City of Mbombela • Longtom Pass – Thaba Chweu 	None	None
Equal opportunities, inclusion and redress	Protect and preserve heritage resources in the Province	Number of heritage resources proclaimed	0	3	3	3 heritage resources proclaimed <ul style="list-style-type: none"> • Gert Sibande precinct- Govan Mbeki Municipality • Indzalo Yelanga – Kaapsehoop Mbombela City Municipality • Saul Mkhize legacy sites – Mkhondo municipality 	None	None

Programme 2: Cultural Affairs (Sub Programme: Language Services)								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Equal opportunities, inclusion and redress	Promote and implementation of indigenous African languages	Number of reading materials in indigenous languages produced	0	3	3	7 reading materials in indigenous languages produced	(4)	Collaborations with publishers
	Promote participation in community-based governance processes	Number of language coordinating structures supported	2	1	1	1 Language coordinating structure supported <ul style="list-style-type: none"> Mpumalanga Provincial Language Committee (MPLC) 	None	None

Strategy to overcome areas of under performance

- The target of securing a private investor of Cultural Hub through PPP process was hampered by prolonged process to get Treasury Approval 1; This delayed other approval stages of PPP to take place. Other Treasury Approvals that are key towards the securing the private investor will be reprioritized for 2023/24 FY

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

This program had two (2) standardized output indicators that were included in the Annual Performance Plan 2022/23 FY and as well reported accordingly in the Annual Report 2022/23 FY.

- Number of community conversations / dialogues implemented to foster social interaction per year.
- Number of public awareness activations on the “I am the Flag”.

Linking performance with budgets

Sub programme expenditure

Programme Name: Cultural Affairs	2022/23			2021/22		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management	2 267	2 181	86	2 272	2 240	32
Arts and Culture	88 992	85 774	3 218	74 360	79 791	(5 431)
Museum and heritage	24 747	24 628	119	22 801	21 979	1 822
Language services	2 625	2 510	115	2 773	2 561	212
Total	118 631	115 093	3 538	103 206	106 571	(3 365)

Notes:

The programme is responsible for management of key sub programs and implementation of projects linked to Arts and Culture, Museum and Heritage and Language Services. The programme was allocated R118 631 million for the year under review and spent R 115 093 million. The programme was able to achieve its planned outcomes.

4.3. Programme 3: Library and Archives

- The aim of this programme is to provide and promote public libraries, archives and records management in the province.
- The programme is divided into two sub programmes;
 - ✓ *Library Services*; to improve access to facilities and the promotion of a sustainable reading culture
 - ✓ *Archival Services*; to maintain good archival and records management practices.
- List the institutional outcomes that each programme contributes towards according to the Annual Performance Plan.
 - ✓ The Department had a total of five (5) outcomes planned to deliver its services. Programme 3: Library and Archives had one (1) programme specific outcome that it contributes towards namely; Increase access to library and information services.

Outcomes, outputs, output indicators, targets and actual achievements

The following narrative provide analysis of the significant achievements of targets for the outputs and output indicators for Programme 3: Library and Archives. The following outputs were key towards achievement of the outcome.

Equal opportunities, inclusion and redress

The following key outputs were preferred to realize the above outcome.

- Built new libraries to create access to information. The two (2) new libraries Ethandukukhanya and KwaMhlanga planned for completion in 2022/23 financial year were delayed.
- Maintained and upgraded existing library facilities to increase durability. Only one (1) of six (6) planned maintenance was achieved at Standerton Regional Library due to procurement challenges. This includes the planned upgrade of public library at Cassim Park.
- Empowered learners and communities with knowledge through supply of new library materials to public libraries. Four thousand seven hundred and forty five (4 745) electronic books were made accessible in order to deriversify the service provided to library users.

- Created access to information for the blind. Twenty eight (28) libraries offered services to the blind
- Popularize, collect and preserve Indigenous Knowledge System (IKS) for social, economic and cultural development. Two (2) public awareness programs conducted in archives such as National Archives Week, Gert Sibande Region and Oral History, Emalaheni.

Prioritization of women, youth and person living with disabilities

The Department in collaboration with the Department of Basic Education in the Province, is continuously supporting children, youth, women and people living with disabilities when it render its services. The library material, free Internet and Wi-Fi, electronic books is appealing to all the designated groups in the province including service to the blind and partially sighted. However, the Department still encounter challenges in relation to the transportation of blind users.

Table 2.4.4.1:

The Department did not re-table the Annual Performance Plan 2022/23 during the year under review. Hence, the following table is reported as nil.

Programme 3: Library and Archives									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
None									

Table 2.4.4.2:

Programme 3: Library and Archives (Sub Programme: Library)									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations	
Equal opportunities, inclusion and redress	Built new libraries to create access to information	Number of libraries established per year	1	0	2	Not achieved <ul style="list-style-type: none"> • Ethandukukhanya 38% • KwaMhlanga 8% Matsamo new public library was completed as part of rolled over	2	Construction delayed by community unrest In addition Ethandukukhanya further delayed by appointment of contractor and KwaMhlanga by site confirmation	

Programme 3: Library and Archives (Sub Programme: Library)

Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Equal opportunities, inclusion and redress	Built new libraries to create access to information	Number of new libraries initiated for completion in two years	1	0	3	Not achieved	3	Construction delayed by procurement processes
Equal opportunities, inclusion and redress	Maintained and upgraded existing library facilities to increase durability	Number of existing facility upgrade initiated for completion in two years	0	0	1	Not achieved	1	Cassim Park Library upgrade delayed by procurement processes
Equal opportunities, inclusion and redress	Maintained and upgraded existing library facilities to increase durability	Number of municipal libraries maintained	5	6	6	6 Not achieved 1 additional municipal library maintained on an emergency basis <ul style="list-style-type: none">• Standerton Regional Library	6	Maintenance delayed by procurement processes
Equal opportunities, inclusion and redress	Empowered learners and communities with knowledge through supply of new library materials to public libraries	Number of electronic books made accessible	2 597	3 731	4 731	4 745 electronic books made accessible	(14)	More books purchased because South African titles were discounted for heritage month
Equal opportunities, inclusion and redress	Created access to information for the blind	Number of libraries offering services to the blind	28	28	28	28 libraries offering services to the blind	None	None
Equal opportunities, inclusion and redress	Mpumalanga Library and Information System installed to improve access to library service	Number of libraries accessing Mpumalanga Library Information Management System	0	117	117	119 libraries accessing Mpumalanga Library Information Management System	(2)	Library facilities established by other stakeholders were included in the database and supported with resources

Programme 3: Library and Archives (Sub Programme: Archives)								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Equal opportunities, inclusion and redress	Popularize, collect and preserve Indigenous Knowledge System (IKS) for social, economic and cultural development	Number of public awareness programs conducted in archives	1	1	2	2 public awareness programs conducted in archives: <ul style="list-style-type: none"> • National Archives Week, Gert Sibande region • Oral History, Emalahleni LM 	None	None

Strategy to overcome areas of under performance

- Programme 3: Library and archives had four (4) targets that were not achieved. All the targets not achieved relates to capital projects which were in the main affected by community unrest. The projects were rolled over to the next financial year and the Department will strengthen its social facilitation campaigns with local communities through steering committee constituted by the Department, DPWRT, and Local Municipalities to avoid further disruptions of the projects. In some instances the new capital projects as well as maintenance projects were affected by delayed procurement of contractors by Implementing Agent. Engagement are made with Implementing Agent to fast track appointment of contractors.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

This program had two (2) standardized output indicators that were included in the Annual Performance Plan 2022/23 FY and as well reported accordingly in the Annual Report 2022/23 FY.

- Number of libraries established per year.
- Number of public awareness programmes conducted in archives.

Linking performance with budget

Sub programme expenditure

Programme Name: Library & Archives	2022/23			2021/22		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management	263	0	263	1 282	0	1 282
Library Services	242 048	219 490	22 558	216 073	212 201	3 871
Archives Services	6 476	5 814	662	4 936	4 243	694
Total	248 787	225 304	23 483	222 291	216 444	5 847

Notes:

The programme is responsible for management of key sub programs and implementation of projects linked to Library, Information and Archives Services. The programme was allocated R248 787 million for the year under review and spent R225 304 million. The underspending is due to the delay in implementing of infrastructure library projects.

4.4. Programme 4: Sport and Recreation

- The purpose of this programme is to develop and enhance the sporting and recreation capabilities of the people of Mpumalanga.
- The programme is divided into three sub programmes that are as follows;
 - ✓ Sport: to facilitate establishment and support of sport structures and institutions.
 - ✓ Community Sport & Recreation: to improve the quality of life for the people of Mpumalanga by promoting recreational activities.
 - ✓ School Sport: to develop Sport at school level by providing support and organizing school competitions.
- List the institutional outcomes that each programme contributes towards according to the Annual Performance Plan.
 - ✓ The Department had a total of five (5) outcomes planned to deliver its services. Programme 4: Sport and Recreation of which two (2) of them are programme specific namely; Contribute in Cultural and Sport tourism to increase percentage of tourism in the province.

Outcomes, outputs, output indicators, targets and actual achievements

The following narrative provide analysis of the significant achievements of targets for the outputs and output indicators for Programme 4: Sport and Recreation. The following outputs were key towards achievement of the two (2) outcomes.

The following key outputs were preferred to realize the above outcome

Promote interaction across race and class through number of athletes participating in sports

- High Altitude Training Center established with multiple facilities as a pioneering Centre for sporting excellence. 1st phase of bulk infrastructure services was recorded as work in progress. The laying of water pipelines for the four identified sections plus the 7 ML reservoir could not be completed and reprioritized for 2023/24 FY.
- Coordinated and support programme that honor men and women in sport. One (1) Provincial Sport Awards hosted to honor athletes who have great achievement in sport
- Support high profile games to promote sport development. Two (2) high profile games to promote sport development were supported namely; International Rugby Tournament between RSA vs New Zealand and International Boxing Tournament.
- Promote participation in sport and recreation by facilitating opportunities for people to share space. Teams that participate in 8 local leagues namely; netball, athletics, volley ball, basket ball, football, softball, cricket and tennis were supported.

- Fostered nation building while supporting high performance athletes to achieve success in national sport platform by providing them with scientific support.
- Empowered athletes in schools, municipal hubs and clubs with sport equipment and/ or attire to excel in sport.
- Developed and nurture talent of learners in sport by providing them with opportunities to excel school sport seasons hosted.

Prioritization of women, youth and person with disabilities

In the main all the programmes on Sport and Recreation address and prioritise women, youth and person with disabilities in its service delivery environment through programs of Sport, Recreation and School Sport.

Promoting active citizenry and leadership

- Promote participation in community-based governance processes. Five (5) Sport Community Based Structures were supported.

Table 2.4.4.1:

The Department did not re-table the Annual Performance Plan 2022/23 during the year under review. Hence, the following table is reported as nil.

Programme 4: Sport and Recreation									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
None									

Table 2.4.4.2:

Programme 4: Sport and Recreation (Sub programme: sport)								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Promoting social cohesion through increased interaction across space and class	High Altitude Training Center established with multiple facilities as a pioneering Centre for sporting excellence	Number of bulk services phases for the High Altitude Training Center implemented	None	None	1 st phase of bulk infrastructure services (water supply pipe construction Emakhazeni section 1,2&3 and construction of 7ML reservoir (100% completion)	Not Achieved 1 st phase of bulk infrastructure services progress recorded as follows: <ul style="list-style-type: none"> • section 1 is at 99.6% as against the planned 100% • section 2 is at 88.2% as against the planned 100% • & section 3 is at 92% as against the planned 100% • And for the construction of 7ML reservoir is at 34.4% as against the planned 100% 	1	7 ML Reservoir: contractor had challenges of not being able to acquire the materials Laying of pipeline: progress slowed down due unfavourable weather conditions
	Coordinated and support programme that honor men and women in sport	Number of Provincial Sport Awards hosted to honor athletes who have great achievement in sport	1	1	1	1 Provincial Sport Awards hosted to honor athletes who have great achievement in sport	None	None
	Support high profile games to promote sport development	Number of high profile games supported to promote sport development	1	1	2	2 high profile games supported to promote sport development <ul style="list-style-type: none"> • International Rugby Tournament between RSA vs Newzealand • International Boxing Tournament 	None	None

Programme 4: Sport and Recreation (Sub programme: sport)								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Promoting active citizenry and leadership	Promote participation in community-based governance processes	Number of sport community based structures supported to advance sport programmes and enhance tourism	3	4	5	5 sport Community Based Structures internally supported. <ul style="list-style-type: none"> • Mpumalanga Sport Confederation • Mpumalanga School Sport Organization • Three in one Marthon (Sabie to Mbombela) • Mbombela Marathon (Mbombela to Barberton) • Mpumalanga Cycling 	None	None

Programme 4: Sport and Recreation (Recreation)								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Promote interaction across race and class through number of athletes participating in sports	Promote participation in sport and recreation by facilitating opportunities for people to share space	Number of local leagues supported	6	8	8	8 local leagues supported: <ul style="list-style-type: none"> • Ehlanzeni Softball League • Telkom Netball League • Mpumalanga Cricket League • Mpumalanga Basketball League • Inter Provincial Volleyball League • Mpumalanga SASOL League - Football • Athletics Mpumalanga Meetings • Mpumalanga Tennis League 	None	None

Programme 4: Sport and Recreation (Recreation)								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
	Fostered nation building while supporting high performance athletes to achieve success in national sport platform by providing them with scientific support	Number of athletes supported by the sports academies	46	272	300	Not Achieved 255 athletes supported by the sports academies	45	Non-availability of sport specific trainers during the period under review
Promote interaction across race and class through number of athletes participating in sports	Empowered athletes in schools, municipal hubs and clubs with sport equipment and/ attire to excel in sport	Number of school, hub and clubs provided with equipment and or attire as per established norms and standards	94	192	177	177 schools, hubs and clubs provided with equipment and / or attire as per established norms and standards	None	None

Programme 4: Sport and Recreation (Sub programme: School Sport)								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Promote interaction across race and class through number of athletes participating in sports	Developed and nurture talent of learners in sport by providing them with opportunities to excel school sport seasons hosted	Number of learners participating in School Sport Tournaments	0	11 142	8 000	9 973 Learners participating at the district school sport tournaments	(1 973)	Exceeded the target due to inclusion of Pan African School tournament, addition of two (2) indigenous games codes and African School Association for the Interactural Impact (SASAI)

Strategy to overcome areas of under performance

- Phase 1 construction of water supply pipe for Emakhazeni section 1,2&3 and construction of 7ML reservoir not completed as planned. The projects have been reprioritized for completion of outstanding work in 2023/24 financial year.
- Non-availability of sport specific trainers to support athletes through sports academies. The Department will come up with annual calendar in order to book sport specific trainers in advance.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

This program had three (3) standardized output indicators that were included in the Annual Performance Plan 2022/23 FY and as well reported accordingly in the Annual Report 2022/23 FY.

- Number of schools, hubs and clubs provided with equipment and/or attire as per the established norms and standards.
- Number of athletes supported by the sports academies.
- Number of learners participating at the district school sport tournaments.

Linking performance with budgets

Sub programme expenditure

Programme Name: Sport and Recreation	2022/23			2021/22		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management	1 888	1 740	148	2 193	1 761	432
Sports	111 608	62 390	49 218	135 199	136 676	(1477)
Recreation	31 480	23 606	7 874	30 834	30 046	788
School Sports	24 746	37 316	(12 570)	23 691	23 434	257
Total	169 722	125 052	44 670	191 917	191 917	0

Notes:

The programme is responsible for management of key sub programs and implementation of projects linked to Sports, Recreation and School Sport. The programme was allocated R169 722 million for the year under review and spent R125 052 million. The programme was able to achieve almost all its planned outcomes for the year under review. The underspending is mainly on the Mpumalanga High Altitude Training Centre due to the slow progress on the construction of the 7ML reservoir.

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

None

5.2. Transfer payments to all organisations other than public entities

The Department made some transfers to cultural and sporting institutions that assists to deliver services to communities. These institutions are monitored annually since most of them are events driven. Therefore, it become a challenge to monitor them on monthly basis. The close up reports that account for the resources are provided at the year end.

The table below reflects the transfer payments made for the period 1 April 2022 to 31 March 2023

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
1. Zoe Creative Organisation	Non-Profit organisation	Promote and develop arts and culture	Yes	500	500	None
2. South African Traditional Music Awards	Community based organisation	Promote and develop arts and culture	Yes	14, 520	14, 520	None
3. MP Moral Regeneration Movement	Non-profit organisation	Revive and instil the moral fibre and values that were decayed	Yes	250	250	None
4. Innibos National Festival	Community based organisation	Promote cultural diversity and enhance cultural tourism	Yes	2 000	2, 000	None
5. Malumbi Foundation	Community based organisation	Promote and develop arts.	Yes	1, 000	1,000	None
6. Mpumalanga Gospel Awards	Community based organisation	Promote and develop arts.	Yes	1 500	1 500	None
7. Jimeliz foundation	Community based organisation	Promote and develop arts.	Yes	1,000	1,000	None
8. Jakada Holdings	(PTY) LTD	Promote tourism in the Province	Yes	200	200	None

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
9. Lukhanyo Girls Foundation	Non Profit Corporation	Promote and develop arts.	Yes	250	250	None
10. Erholweni	Non Profit Corporation	Promote and develop arts.	Yes	200	200	None
11. Komjekejeke	Non Profit Corporation	Promote and develop arts.	Yes	100	100	None
12. Top Ace Entertainment	NPO	Promote, develop arts and culture	Yes	500	500	None
13. International seasons's Programme	Government Department(DIRCO)	Arrange Transport and Accommodation in Poland	Yes	400	400	None
14. Friends of the Museums	NPO	Pay stipends to volunteers to ensure that museum services are accessible to the public over weekends and public holidays	Yes	1 050	914	Remaining balance will be used for the payment of stipends and bank charges while new grants are being processed.
15. South African Gold Panning Association (SAGPA)	NPO	Promote social cohesion	Yes	4,200	4,138	Remaining balance to be used for payment of bank charges.
16. Provincial Language Committee	Non-profit organisation	Language Promotion	Yes	150	150	None
17. Library for the Blind	Non-profit organisation	To offer library services to the visually impaired	Yes	1 500	1 500	None

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
18. Mpumalanga Sport Awards	Non-profit organisation	Coordination	Yes	2.000	2,000	None
19. MP Cycling Union	Non-profit organisation	Administration and Programmes for Sport Development	Yes	500	500	None
20. MPU School Sports ORG	Non-profit organisation	Administration and Programmes for Sport Development	Yes	250	250	None

The table below reflects the transfer payments, which were budgeted for in the period 1 April 2022 to 31 March 2023, but no transfer payments were made.

Name of transferee	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
1. TLB boxing promotion (PTY) LTD	Non-profit organisation	To promote boxing	1 200	0	Non submission of compliant documents

6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

- None

Conditional Grant EPWP Integrated:

Department who transferred the grant	- National Department of Public Works, Roads and Transport
Purpose of the grant	- To create job opportunities
Expected outputs of the grant	- 80 job opportunities created through the Cultural sector
Actual outputs achieved	- 80 job opportunities created through the Cultural sector
Amount per amended DORA	- R 2 279
Amount received (R'000)	- R 2 279
Reasons if amount as per DORA was not received	- None
Amount spent by the department (R'000)	- R 2 279
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	- Implementing projects according to the approved business plan - Submit monthly, quarterly and annual reports

6.2. Conditional grants and earmarked funds received

- The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2022 to 31 March 2023.

Conditional Grant EPWP Social Sector:

Department who transferred the grant	– National Department of Public Works, Roads and Transport
Purpose of the grant	– To support sustainable businesses
Expected outputs of the grant	– 35 job opportunities created through the EPWP Social Sector
Actual outputs achieved	– 35 job opportunities created through the EPWP Social Sector
Amount per amended DORA (R'000)	– R 1 631
Amount received (R'000)	– R 1 631
Reasons if amount as per DORA was not received	– None
Amount spent by the Department (R'000)	– R 1 563
Reasons for the funds unspent by the entity	– Funds were underspend due to EPWP officials who resigned in the fourth quarter
Reasons for deviations on performance	– None
Measures taken to improve performance	– None
Monitoring mechanism by the receiving Department	– Implementing projects according to the approved business plan – Submit monthly, quarterly and annual reports

Conditional Grant Community Library:

Department who transferred the grant	– National Department of Sport, Arts and Culture
Purpose of the grant	– To have transformed community library infrastructure, facilities and services in Mpumalanga through a recapitalised programme at National, Provincial and Local government level
Expected outputs of the grant	<ul style="list-style-type: none"> – 4 731 electronic books made accessible – 117 libraries accessing Mpumalanga Library Information Management System – 2 New libraries initiated with 15% completion – 6 municipal libraries maintained – 1 existing facility upgrade with 50% completion – 28 libraries offering services to the blind
Actual outputs achieved	<ul style="list-style-type: none"> – 4 745 electronic books made accessible – 117 libraries accessing Mpumalanga Library Information Management System – 2 New libraries not initiated – 1 municipal libraries maintained – 0 existing facility upgrade with 0% completion – 28 libraries offering services to the blind
Amount per amended DORA	– R 176 694
Amount received (R'000)	– R 176 694
Reasons if amount as per DORA was not received	– None
Amount spent by the entity (R'000)	– R 155 420
Reasons for the funds unspent by the entity	<ul style="list-style-type: none"> – Building of Ethandukukhanya and KwaMhlanga library could not reach the targeted 100% – Mapotla library, Libangeni library, Mjindini library, Secunda library and Saul Mkhize library municipal libraries could not be maintained – Cassim Park Library could not be upgraded
Reasons for deviations on performance	– The projects were delayed by community unrest, to late appointment of contractors and late handover of the project
Measures taken to improve performance	– This are multi-year projects and are projected to be completed in the next financial year
Monitoring mechanism by the receiving Department	<ul style="list-style-type: none"> – Implementing projects according to the approved business plan – Submit monthly, quarterly and annual reports – Conduct site visits where all library projects are implemented and make follow ups with the implementing agent where there are challenges

Conditional Grant Mass Participation:

Department who transferred the grant	– National Department of Sports, Arts and Culture
Purpose of the grant	– To facilitate sport and recreation participation and empowerment in partnership with relevant stakeholders
Expected outputs of the grant	<ul style="list-style-type: none"> – 8 000 learners participated in School Sport sub programme. – 177 schools, hubs and clubs provided with equipment and / or attire as per established norms and standards – 8 local leagues supported, – 300 Athletes supported by the sport academies as part of Club Development sub programme.
Actual outputs achieved	<ul style="list-style-type: none"> – 9 973 learner participated in School Sport sub programme. – 177 schools, hubs and clubs provided with equipment and / or attire as per established norms and standards – 8 local leagues supported, – 255 Athletes supported by the sport academies as part of Club Development sub programme.
Amount per amended DORA (R'000)	– R 52 236
Amount received (R'000)	– R 52 236
Reasons if amount as per DORA was not received	– None
Amount spent by the Department (R'000)	– R 52 139
Reasons for the funds unspent by the entity (R'000)	– None
Reasons for deviations on performance	- 255 athletes supported by the sports academies due to Non-availability of sport specific trainers during the period under review
Measures taken to improve performance	– The Department will come up with annual calender in order to book sport specific trainers in advance.
Monitoring mechanism by the receiving Department	<ul style="list-style-type: none"> – Implementing projects according to the approved business plan – Submit monthly, quarterly and annual reports

7. DONOR FUNDS

7.1. Donor Funds Received

None

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

- Progress made on implementing the capital, investment and asset management plan.
- Infrastructure projects which have been completed in the current year and the progress in comparison to what was planned at the beginning of the year. Provide reasons for material variances (2% variance)
- Infrastructure projects that are currently in progress (list projects) and when are they expected to be completed,

Nr	Name of Project	Revised / Completion Date
a)	Ethandukhanya Public Library	31 March 2024
b)	KwaMhlanga Public Library	31 March 2024
c)	HATC – bulk services provision	31 August 2023

- Plans to close down or down-grade any current facilities,

None

- Progress made on the maintenance of infrastructure

One (1) of six (6) municipal libraries maintenance was completed as planned

a) Standerton Regional Library

- Developments relating to the above that are expected to impact on the department's current expenditure.

There are no material developments since the two (2) new library projects reported as work in progress were planned to be completed over a two year period. Provision of the budget for these projects has been made in the Annual Performance Plan 2023/24 financial year.

- Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft

Scrapped GG vehicles detailed below: and table illustrating all disposal movements

ITEM CONTROL NO	VEHICLE DESCRIPTION	VEHICLE REGISTRATION	COST PRICE
999958U0043683	Motor Vehicle Ford FIGO 1.4 Ambiente Safety 5DR	GBL936MG	96,074.64
999958U2611489	Motor Vehicle Toyota Etios 1.5 Sedan	GBN701MP	136,351.88
999958T5103799	Motor Vehicle Mercedes - Benz GLE 400 D 4M	JXD795MP	1,436,869.03
Total			1,669,295.55

Classification	Sold for Cash	Asset lost non recoverable	Asset destroyed/ scrapped	Asset donated/ transferred	Total
Motor Transport	232,426.62		1,436,869.03		1,669,295.65
Computer Hardw & Sys		277,309.55	627,983.08	2,844,185.83	3,749,478.46
Office Furniture & Equip		-	47,964.40	2,091,026.14	2,138,990.54
Other Machinery & Equip		31,000.00	121,736.11	829,622.74	982,358.85
Closing balance	232,426.62	308,309.55	2,234,552.62	5,764,834.71	8,540,123.50

- Physical asset verification were conducted.
- The department's capital assets are in good condition.
- The Department procured assets for donating to Municipalities in support of service delivery and these assets are fairly new, hence they are 98% good and 2% not in good condition.
- Major maintenance projects that have been undertaken during the period under review
 - Emalahleni main library and Standerton Regional Library were upgraded
- Progress made in addressing the maintenance backlog during the period under review, for example, has the backlog grown or become smaller. Is the rate of progress according to plan? If not why not, and what measures were taken to keep on track
 - Library facilities – the Department has a ten (10) year infrastructure plan. According to the plan the Department has a capacity to maintain an average of five (5) libraries per annum against the total of one hundred and nineteen (119) public libraries. Due to unforeseen circumstance

the Department managed to maintain only one library in the period under review. This is a combination of new libraries built starting from 2006 when the conditional grant started and those that were inherited before 1994. The majority of libraries inherited are in dire state that ultimately make the backlog to be huge. However, the Department has made remarkable progress since the beginning of this initiative.

- Cultural Villages and Museums – the Department ensures that there is an allocation for the maintenance of these facilities every year. In consideration of limited resources the maintenance is being implemented in phases. In the year under review for four museum facilities were maintained.
- Sport facilities – the budget for the maintenance of sport facilities is the responsibility of Local Municipalities through the Municipal Infrastructure Grant. In addition there is a special allocation from National Department of Sport, Arts and Culture and remarkable strides have been made since 2016 where more than 15 municipalities have already benefited in the Province.

Infrastructure projects	2022/23			2021/22		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	146 585	71 915	74 670	156 309	129 005	27 304
Existing infrastructure assets	10 330	12 208	(1 878)	17 630	15 964	1 666
- Upgrades and additions	3 400	6 304	(2 904)	5 000	7 512	(2 512)
- Rehabilitation, renovations and refurbishments				-	-	-
- Maintenance and repairs	6 930	5 904	1 026	12 630	8 452	4 178
Infrastructure transfer				-		
- Current						
- Capital						
Total	156 915	84 123	72 792	173 939	144 969	28 970

PART:C

GOVERNANCE



1. INTRODUCTION

Commitment by the Department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users require assurance that the department has good governance structures in place to effectively, efficiently and economically utilize the state resources, which is funded by the tax payer.

2. RISK MANAGEMENT

The Department reviewed the Enterprise Risk Management Strategy and Framework, Risk Management Policy, Risk Management Committee Charter and Risk Management Implementation Plan, recommended were made by the Risk Management Committee for approval by the Accounting Officer.

Risk assessment workshops were conducted where management identified, assessed and rated the Strategic risks of the Department. Risk registers were compiled and approved by the Accounting Officer, with the recommendation of the Risk Management Committee.

Three (3) Risk Management Committee meetings were convened during the 2022/23 financial year. The Committee reviewed the effectiveness of the Department's risk management systems, practices and procedures, and provided recommendations for improvement thereof.

3. FRAUD AND CORRUPTION

The Fraud Prevention Plan of the DCSR was implemented. The following aspects were covered: Training and Awareness, Staff Screening and Vetting, Fraud Disclosure and Reporting of Fraud. The purpose of the plan is to list and discuss several fraud prevention initiatives considered by the Department to actively prevent fraud and determine the security competence of employees. The intention is to create a fraud free environment and to empower its employees to assist in the active fight against fraud and corruption.

The Department's Fraud Prevention Policy and Response Plan outlines all internal and external fraud and corruption reporting mechanisms and assures employees protection regarding confidential disclosures, in terms of the Protected Disclosure Act 26 of 2000. The Department also conducted Ethics Questionnaires for Senior and Middle Managers of the Department.

In terms of reporting of Fraud, the Department utilises the National Anti-corruption Hotline. All stakeholders and beneficiaries are encouraged to utilise the National hotline to report cases.

4. MINIMISING CONFLICT OF INTEREST

In terms of the Financial Disclosure Framework set forth by the Department of Public Service and Administration (DPSA) all Senior Management Service (SMS) members must disclose their financial interests by the 30th of April every year. During the year under review, 100% of SMS members complied and

submitted the information to the Public Service Commission before the deadlines With regards to Supply Chain and Human Resources Management recruitment processes, committee members are required to complete declaration of interest and secrecy forms prior the committee sittings.

5. CODE OF CONDUCT

The Public Service Code of Conduct is implemented in the the Department of Culture , Sport and Recreation. Awareness programmes are conducted to all staff relating to behaviour and ethics in a workplace. These awareness's are conducted thrice in a financial year to ensure the message is understood and practised by employees. In case an employee breaches the rule, the employer follows the disciplinary code route to address the unethical behaviour/conduct and applies the principle of discipline at all times furthermore, Department shall always strive to have a disciplined and harmonious workforce.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

In the workplace Health and Safety regulations are paramount to the well-being of employees and the employer. To further monitor and ensure compliance , the DCSR has established the Occupational Health and Safety Committee. An implementation plan was developed to address weaknesses in the work environment considering the following items:

Prevention of illness and injury

Health and Safety procedures in the workplace reduces the employee illness and injuries greatly. These procedures assist officials to have a better understanding in identifying potential hazards in the Department. Trained marshals which are part of the committee members also educate officials at the workplace regarding the procedures, practices, and behaviour to prevent possible injuries or any contamination from improper hygiene.

Mitigate health and safety hazards

Potential hazards are everywhere in the workplace environment. Chemicals, loose electrical wires, equipment's and even furniture can potentially cause injury or harm to the employees. Health hazards can range from contamination of food. This can be due to unsafe handling of cleaning chemicals or preparation practice during an infectious disease outbreak.

Emergency Procedure

The DCSR has an emergency evaluation plan which is placed at the facilities occupied by the DCSR The contingency plan also play a vital role in mitigating the safety of employees during evacuation when ever an incident has occurred. The appointed marshals takes charge of the situation and the signage are visible in all the stairs in the building for the purpose of executing emergency in saving the life of employees.

7. PORTFOLIO COMMITTEES

The Portfolio Committee continuously provide an oversight responsibility to the Departments performance on service delivery. The following meeting (s) were held in the year under review:

a. Tabling of Annual Performance Plan 2022/23

06 July 2022 - Tabling of the Annual Performance Plan 2022/23		
No	Resolution	Progress
1	Implement the four (04) outstanding resolutions close them and provide a report to the committee on a quarterly basis.	The Department noted the recommendation of the Committee on the three outstanding resolutions and the following progress can be reported <ul style="list-style-type: none"> • Government Information Technology Officer (GITO) appointment: Appointment has been concluded • High Altitude Training Centre target reprioritised for 2022/23 and will be reported quarterly • Achieved all targets of the APP: The Department will strive to achieve all targets of the APP and monitor the budget as planned in 2022/23 FY
2	Must spend its budget in accordance with the approved cash-flow projections, review the expenditure against the allocated budget on regular basis and encourage suppliers to submit compliance documents and invoices on time to track payments.	The Department has implemented the resolution and will continue to monitor the spending and manage invoices to fast track payments.
3	Investigate the Unauthorized and the irregular expenditure for the previous financial year, apply consequence management and provide a report to the committee on quarterly basis.	The Department concluded the investigation through an independent service provider and it is in the process of implementing the finding.
4	Continue to conduct awareness programmes to all its employees and encourage them to disclose upfront if they are trading with government.	The Department will continue to conduct awareness on quarterly basis to employees on code of conduct . Employees are encouraged to refrain from undertaking remunerative work outside their official duties.
5	Strengthen internal controls and prioritize the importance of compliance with laws and regulations, expenditure management and control deficiencies by conducting awareness campaigns on quarterly basis.	The Department noted the recommendation by the Committee and it will continue to conduct awareness campaigns on compliance with laws and regulations and expenditure management on a quarterly basis.
6	Ensure that capable and skilled employees are appointed and further ensure that there is development and retention of the right people in the right positions for effective and efficient delivery of services.	The Department noted the recommendation of the Committee. The Department will adhere to the recommendation by ensuring that capable and skilled employees are appointed as and when vacant funded posts are filled. The Department will also continue to retain and develop its employees through implementation of the Works Skills Plan and Retention Policy that is in place.

06 July 2022 - Tabling of the Annual Performance Plan 2022/23

No	Resolution	Progress
7	Implement the online invoice tracking system introduced by Provincial Treasury, ensure that all the contracted work have an open order for invoices to be paid upon receipt and conduct weekly monitoring to track paper trail on the payment of invoices.	The Department will continue to implement the online invoice tracking system introduced by Provincial Treasury and also ensure that payment of invoices are monitored on weekly basis.
8	Ensure that the service provider re- works the feasibility study so that it complies with the requirements of National Treasury, submit the request for approval as a matter of urgency to fast-track the implementation of the project.	<p>The Department through the appointed Transactional Advisor has managed to review and implement remedial work on the Draft Feasibility study of Cultural Hub as recommended by the National Treasury by the end of fourth quarter 2021/22.</p> <p>Engagements with National Treasury continued in 2022/23 financial year in order to proceed with the stages of PPP arrangements.</p>
9	As indicated in the Annual Performance Plan, develop the policy for funding of arts and crafts operations in the 2022/23 financial year.	<p>The Department is currently consulting with other Provinces and the National Department to benchmark on their funding policy.</p> <p>The Department will develop the terms of reference and engage policy development expertise to assist in the development of the funding policy.</p>
10	Continue engaging with the sports federations and liaise with schools through the department of Education to ensure that support is given to all sport people to balance the demographics in the province.	The Department will continue engaging with the Sports Federations and liaise with schools through the Department of Education to ensure that support is given to all sport people to balance the demographics in the province.
11	Continue engaging the Provincial Treasury and the Provincial Budget and Finance Committee in resolving challenges relating to the budget and explore further private sector investment through the Private, Public Partnership (PPP) processes and fast track the implementation of the High Altitude Training Centre.	<p>The outstanding activities for the bulk water supply has been reprioritized for 2022/23 financial year. A special budget allocation of R79 229 million has been allocated by Provincial Treasury for the current financial year.</p> <p>The social facilitation campaigns are continued by the Implementing Agent to avoid disruptions of the project.</p>

06 February 2023 - Tabling of the Annual Report 2021/22

No	Resolution	Progress
1.	Fast-track the renewal of the contract for the Transactional Advisor, the appointment of contractors for the bulk water services and provide a detailed progress report on the mitigating measures for the underspending to the committee by the end of the fourth Quarter.	In Progress; The Bankable Feasibility Study has been ratified by the technical section of the National Treasury on the 2nd December 2022 and currently the Department as is awaiting outcome from the National Treasury budget committee.
2.	Put measurers in place to ensure that invoices are paid timeously and continue to encourage service providers to submit compliance documents on time through the online invoice system.	In Progress; The Department is continuously implementing the strategies and there has been notable improvement in this regard.
3.	Fast track the consultation process on the museum Bill to finalise the Library and Management Service Bill and provide a progress report to the Committee on the National review of the act by the end of the quarter.	In Progress The Library and Information Service Bill is ready, however the State Law advisors advised the department to consider incorporating the Museums into the Bill as the current Act incorporate both. The Department considered the comments and inputs made by the State Law advisors and decided to put the bill on hold. Mpumalanga Museum Services Bill 2019 The Department has put the Bill on hold in view of the fact that National is reviewing the Act and will not proceed until National finalize and passing / promulgating the new act into law. Currently, the Department has produced a Museum policy which serves as guideline for Museum services. Consultations with all Municipalities is complete. Further consultation with other role players is the next step
4.	Reprioritise the proclamation of the heritage sites for the next financial year, broaden the scope of sourcing out the service provider and consider partnering with higher education institutions.	In Progress Meeting was hosted on the 6th of February 2023 to finalize the memorandum of understanding between Wits School of Heritage and Department of Culture Sport & Recreation (DCSR) for implementation during the 2023/24 financial year
5.	Fast-track the appointment of the service provider and implement the pre-construction work for the two Heritage sites as planned for in the 2021/22 financial year..	Resolved Both Lowveld Massacre feasibility studies have been completed. All preliminary professional work should be completed prior to an commencement of the construction phase
6.	Fast-track the revitalisation of the libraries in the fourth quarter of 2021/22 as planned for ,reprioritise the building of the two libraries and maintenance of the Museums in the next financial year and provide a progress report to the committee by the end of the fourth quarter.	Maintenance of Library Facilities: All Five (5) maintenance projects were completed and achieved as planned in the 2021/22 FY. Progress on construction of two public libraries as follows: Matsamo – 100% completion- Practical completion achieved on the 12 December 2022 Newtown – 63% completion – Based on the DPWRT, the revised completion date is 31 March 2023 2 Museum facility maintenance has since been completed for 2022/23 FY Pilgrim’s Rest museum (Dredsen House and Shop site) – repair and repainting of roof leaks, floor and verandah Mashishing museum : upgraded information panels to include additional language

06 February 2023 - Tabling of the Annual Report 2021/22

No	Resolution	Progress
7.	Submit a detailed Audit action plan with time frames addressing all matters raised in the audit report.	Audit Action plan with time frames was submitted.
8.	Fast-track the appointment of contractors for the bulk water services, encourage service providers to submit invoices timeously and provide a detailed progress report mitigating the underspending to the committee by the end of the fourth Quarter.	<p>The Department has noted the recommendations of the committee and to date based on the work done on site all service providers are paid within the 15 working days unless there are tax related challenges on their part.</p> <p>On the Construction of water supply pipe for Emakhazeni section 1, 2 & 3 and construction of 7ML reservoir, work in progress as end of the 3rd quarter for the 2022/23 year is recorded as follows: 7 ml reservoir and the pump station increased from 16% to 30,33%</p> <ul style="list-style-type: none"> • Water Pipe line Section 1 - 96% increased to 98.9% • Water Pipe line Section 2 – 73% increased to 79% • Water Pipeline Section 3 – 75 % increased to 90%
9.	FastTrack the payment of the invoices for all the capital infrastructure projects to mitigate the rollover amount and encourage service providers to submit source document timeously.	<p>The Department has realized improvement as confirmed by Internal Audit.</p> <ul style="list-style-type: none"> • The Department is monitoring the payment of capital infrastructure projects through the invoice tracking System introduced by Provincial Treasury on a daily basis.
10.	Put measurers in place to ensure that invoices are paid timeously and continue to encourage service providers to submit compliance documents on time through the online invoice system.	The Department is monitoring Invoices on the invoice Tracking System introduced by Provincial Treasury on a daily basis.
11.	Fast track the attainment of the National Treasury Approval 1 from the budget committee and continue with the other stages of the PPP processes.	<p>Systems were put in place in order to fast track attainment of National Approval 1 activities from National Treasury. The following interventions were therefore undertaken to date:</p> <p>In 2022/23 financial year (1st quarter) three (3) engagement meetings were made with National Treasury to further clarify and update the document submitted on Bankable Feasibility Study.</p> <p>Another engagement meeting with National Treasury Technical Committee was held on the 2nd December 2022. The panel was satisfied with the presentation and promised to give outcome in due course.</p>

06 February 2023 - Tabling of the Annual Report 2021/22

No	Resolution	Progress
12	Fast track the consultation process on the museum Bill to finalise the Library and Management Service Bill and provide a progress from National about the review of the act and report back to the committee by the end of the fourth quarter.	<p>The work on the prescripts is still work in progress;</p> <p>The Library and Information Service Bill is ready, however the State Law advisors advised the department to consider incorporating the Museums into the Bill as the current Act incorporate both. The Department considered the comments and inputs made by the State Law advisors and decided to put the bill on hold.</p> <p>Mpumalanga Museum Services Bill 2019 The Department has put the Bill on hold in view of the fact that National is reviewing the Act and will not proceed until National finalize and passing / promulgating the new act into law. Currently, the Department has produced a Museum policy which serves as guideline for Museum services. Consultations with all Municipalities is complete. Further consultation with other role players is the next step..</p>
13	Submit a detailed report including a budget outlining a clear plan on how the department is going to action the building of a state-of-the-art Theatre	The construction of the state of art theatre is the competence of the National Department of Sport , Arts and Culture and is their 2023/24 APP.
14	Must continue to advocate and lobby for additional funding from the provincial Treasury and meet with the Committee and the language structures in the province, to discuss and resolve on all challenges affecting the development of indigenous languages in a meeting to be decided upon in the fourth quarter of the current financial year.	<p>The Department was invited as an observer to a meeting between the Portfolio committee and Language Structures on the 1st November 2022 at the Provincial Legislature.</p> <p>The Language Structures were complaining about the lack of development in IsiNdebele and Siswati due to the non implementation of the Act, among other issues.</p> <p>The meeting resolved that the committee will coordinate a meeting between them and MEC for Education, MEC for Culture Sport and Recreation and MEC for Provincial Treasure to request for funding.</p>
15	Put measures in place to ensure that the allocated budget is spent according to the planned projections during the financial year under review to prevent underspending and continually engage the community structures to prevent further disruptions.	<p>The Department in collaboration with the Department of Public Works, Roads and Transport has resuscitated technical and political oversight committees. This refers to technical and political meetings such as Programme Operational Management Meetings (POMM) scheduled monthly and Provincial Premiers Infrastructure Coordinating Committee (PPICC) to mitigate against infrastructure delivery challenges</p> <p>In addition, the Department closely monitor expenditure through the IYM and Budget and Finance Committee.</p> <p>Furthermore, Department continuously engage communities through the appointed social facilitators to minimize disruptions on sites.</p>

06 February 2023 - Tabling of the Annual Report 2021/22

No	Resolution	Progress
16	In collaboration with the implementation agent DPWR&T, through the political Oversight committees fast track the implementation of the projects and mitigate all the infrastructure delivery challenges.	At the political level the Department in collaboration with the Department of Public Works, Roads and Transport has resuscitated monthly and Provincial Premiers Infrastructure Coordinating Committee (PPICC) to mitigate against infrastructure delivery challenges Currently, the Department managed to achieve 100% completion of Matsamo Public library, while Newtown has recorded 63% completion.
17	Continually engage the Provincial Treasury to ensure that the implementation of phases of the multiyear project are funded.	The Department is continuously engaging with the Provincial Treasury manage to secure the funding for the project over the MTEF Period. Arrangements are already in place for the implementation of the second phase of the project on the construction of additional 4.0ml water treatment works and 3.5ml waste water treatment works , mechanical and electrical works.
18	Fastrack appointments in all the key and strategic and operational positions making sure that the needs analyses of the vacancies are addressed and ensure that the CFO position is filled as a matter of urgency	The Department advertised vacancies during the month of September 2022, the two (2) critical SMS positions were also re-advertised. In the same month the position of a Supply Chain Manager became vacant. All positions will be filled within the 2022/23 FY.
19	Interact with the provincial Treasury to find out the types of Skills development programmes they can source to build capacity within the department and include skills transfer in the contracts to be signed with external service providers in future.	(This may be training related by it is not for HR to respond. The CFO is the one who has to find out and submit to HR for training.) NB The above response is completely inappropriate for external oversight bodies. Provincial Treasury conducted training for Supply Chain practitioners and bids committee members. and maybe continuation of future engagements to also get training in contracts to be signed with external service providers (contract with external service providers are signed with legal)

8. SCOPA RESOLUTIONS

The role of the Standing Committee on Public Accounts is to exercise oversight over Provincial Government to ensure accountable utilization of resources, prudent financial management and to make recommendations to the Legislature. This role is complemented by the Auditor-General, whose mandate is to conduct audits of

Provincial state Departments, and to submit reports to the Legislature as per the requirements of the Public Audit Act, 2004 (Act No. 25 of 2004) and the Constitution of RSA.

NO.	RECOMMENDATION	PROGRESS REPORT
IMPLEMENTATION OF 2021/22 AUDIT ACTION PLAN		
i)	Ensure that all issues raised in the Audit Action Plan are addressed.	The Department concluded the investigation of Unauthorized, Irregular, Fruitless and Wasteful expenditure through an independent service provider during 2022/23 Financial Year.
5.1 AUDIT OUTCOMES		
i)	Ensure that the two critical posts are filled by woman candidates to address gender parity at the Senior management level during the current financial year and put preventative control measures in place to prevent recurring findings on compliance matters.	The Department is on stage to finalized the recruitment of the 2 SMS posts and have adhered to the Portfolio Committee Resolution on the consideration of Women in those positions. The recommendation will be processed accordingly for Executive Council approval and appointment.
5.2 RESTATEMENT OF CORRESPONDING FIGURE		
i)	Consistently prepare the financial statements in accordance with the Modified Cash Standards (MCS) prescribed by the National Treasury and the prescribed reporting framework as per section 40(1)(a) of the PFMA.	The Annual Financial Statements will be prepared in accordance with the Modified Cash Standards and will be reviewed internally by the Department, Provincial Treasury and Internal Audit before submission to Auditor General.
5.3 COMPLIANCE WITH LAWS AND REGULATIONS		
i)	With the assistance of Management review and monitor the processes to ensure compliance in line with the compliance register.	The Department notes the recommendation and management is continuously reviewing and monitoring compliance register
ii)	Ensure that an adequate recordkeeping process is in place for current documents, where ongoing transactions are kept during the financial year.	The Department conducts monthly meetings with the Implementing Agents. Infrastructure records has been requested from the Implementing Agent (Department of Public Works, Roads and Transport) and has since been filed.
5.4 EXPENDITURE MANAGEMENT		
i)	Ensure that the results of the Loss and Control determination test in relation to the investigations of the Irregular expenditure incurred in prior years, are shared with the Committee.	The Determination test for the Loss and Control Committee has been finalised.
ii)	Ensure that sufficient monitoring controls to prevent unauthorized and Irregular Expenditure are put in place, implemented by senior management, and are reviewed periodically in response to the emerging risks in the environment.	Budget and expenditure is continuously monitored to prevent unauthorised expenditure and a compliance checklist has been reviewed to strengthen compliance.

NO.	RECOMMENDATION	PROGRESS REPORT
iii)	Ensure that disciplinary actions are taken against official(s) who contravened Treasury Regulations 16 A6.1.and 16A8.3.	There were no disciplinary steps taken against any official since the determination test outcomes indicates that the Department did not incur any loss as a results of the irregular expenditure raised by Auditor General. In addition there were no fraudulent, corrupt or other criminal conduct identified.
iv)	Ensure that disciplinary steps are taken against officials who failed to follow the Supply Chain Management processes as prescribed.	There were no disciplinary steps taken against any official since the determination test outcomes indicates that the Department did not incur any loss as a results of the irregular expenditure raised by Auditor General and there were no fraudulent, corrupt or other criminal conduct identified. Training of Supply Chain Management and Bid committee members was conducted during 2022/23 Financial year.
5.5 PROCUREMENT OF GOODS AND SERVICES		
i)	Ensure that the procurement of goods and services is proceeded by the verification of budget availability for the year before any purchase orders are prepared and issued.	Budget availability is confirmed on all procurement of goods and services.
ii)	Ensure that expenditure on multi-year projects is limited to the annual budget available.	The Department is reconciling expenditure on multi-year project and budget availability is confirmed before procurement of goods and services.
iii)	Ensure that the processes for compliance monitoring is focused on the procurement and contract management space to prevent the incurrence of irregular expenditure.	Supply Chain management checklist has been reviewed and continuously monitored to prevent the incurrence of irregular expenditure.
iv)	Ensure that procurement of commodities designated for local content and production are in line with the required Preferential Procurement Regulation 8(2) of 2017 which stipulates the minimum threshold for local production and content.	The Department reviewed the Supply Chain Management Policy and aligned with the new Preferential Procurement Regulation 2022. The local production commodities will be supported.
5.6 CONDITIONAL GRANT MANAGEMENT		
i)	Ensure that the results of the Loss and Control determination test in relation to the investigations of the Irregular expenditure incurred in prior years, are shared with the Committee.	The Determination test for the Loss and Control Committee has been finalised.
5.7 CONSEQUENCE MANAGEMENT		
i)	Ensures that a detailed report on the findings of the established Loss and Control Committee on the investigations is submitted to the Committee as soon as it has been finalized.	The Determination test for the Loss and Control Committee has been finalised.
ii)	Ensure that appropriate actions are taken to either condone, recover or write off following the necessary processes as prescribed by Treasury.	A request for condonation of Unauthorised expenditure will be submitted to Provincial Treasury for consideration.

NO.	RECOMMENDATION	PROGRESS REPORT
5.8 INTERNAL CONTROL DEFICIENCIES		
i)	Ensure the streamlining of processes incorporates internal audit, thus bringing the secondary level of assurance into the foray – adding an additional level of assurance.	Internal audit is providing assurance audit and tracking Internal Audit and Auditor General findings to ensure effective implementation of audit findings
ii)	Ensuring that review and reconciliation processes are streamlined (planned for and executed against norms and standards) to ensure quality of the financial statements.	Annual Financial Statement including supporting documents will be reviewed by Internal Audit and Accounting Services to ensure quality of the Financial Statement.
iii)	Ensure that accurate and complete financial information is submitted in accordance with the prescribed financial reporting framework to avoid the material misstatement of information.	Financial Information will be reviewed for accuracy and completeness to minimise material misstatement.
5.9 OTHER REPORTS		
i)	Ensure that vacancies in key management positions are filled by the end of the 2022/23 financial year and provide a detailed addressing the gender issue report to the Committee once the process has been concluded.	The Department has finalised the recruitment of the 2 SMS posts and have adhered to the Portfolio Committee Resolution on the consideration of Women in those positions. It is thus incumbent on the Executive Authority to recommend and submit to the Committee of the Executive for approval and appointment.
ii)	Provide the Committee with a progress report after the process of filling the vacancies have been concluded.	The Department shall inform the Committee on the 2 critical positions to be filled as per the house resolution.
5.10 INVESTIGATION ON THE STATUE OF NELSON MANDELA AT THE LEGISLATURE PRECINCT		
i)	Ensure that the reports on Adjudication and Evaluation are separated in future as per the recommendation of the Public Protector.	The recommendation of the Public protector has been implemented to separate the reports on Adjudication and Evaluation committees during 2022/23 Financial Year.
ii)	Ensure that Committee members undergo training constantly to prevent recurring findings on matters of compliance.	Training of Bid committee's is planned to be conducted annually. Provincial Treasury conducted training on BID committee members during 2022/23 Financial Year.
5.11 THE PLANS OF THE DEPARTMENT TOWARDS ATTAINING A CLEAN AUDIT OPINION		
i)	Ensure that Bid Committees and Supply chain practitioners are continually trained on compliance matters.	Supply Chain Management practitioners and Bid committee members were trained by Provincial Treasury on the 27th of January 2023 and annual training will be conducted.
ii)	Ensure that the procurement policy is reviewed and updated to avoid material findings.	Ensure that the procurement policy is reviewed and updated to avoid material findings.
iii)	Ensure that the department attains a clean Audit in the 2022/23 financial year.	The Department is working towards attainment of clean Audit in the 2022/23 Financial Year. The outcome will be determined when the audit is concluded.

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
None		

10. INTERNAL CONTROL UNIT

Internal controls are any actions taken by Management, the Executive Authority and other parties to enhance risk management and increase the likelihood that established objectives and goals to be achieved. Management achieved this control by implementing an internal control system encompassing all the policies and procedures adopted by management to assist the Department in achieving its objectives.

The Department does not have an internal control unit, however, the shared Internal Audit function located within the Office of the Premier provides management with assurance on the adequacy and effectiveness of internal controls.

Based on the internal audit work performed for the Department, we can report that there has been a generally improvement in the system of internal control for the period under review.

Where weaknesses were identified, these were communicated to management, that committed and developed action plans to remedy the situation and strengthen the internal control environment. This commitment resulted in significant number of management action plans being successfully implemented.

DEPARTMENT OF CULTURE, SPORTS AND RECREATION

11. INTERNAL AUDIT AND AUDIT COMMITTEES

11.1. Internal Audit

The Department utilizes the services of the shared Internal Audit function within the Office of the Premier. The shared Internal Audit function was established in terms of Section 38 (1) (a) (ii) of the PFMA and obtains its mandate from the PFMA and its Treasury Regulations.

The mission of the shared Internal Audit function, being what the shared Internal Audit aspires to accomplish, is to enhance and protect departmental value by providing risk-based and objective assurance, advice and insight.

In line with the definition of internal auditing as per the Institute of Internal Auditors, the primary mandate and objective of the shared Internal Audit function is to provide an independent, objective assurance and consulting activity designed to add-value and improves the operations of the Department.

In keeping with its primary mandate, the shared Internal Audit supports the Head of the Department through evaluating and contributing to improving the effectiveness of risk management, control and governance processes. In addition, it also facilitates the functioning of the shared Audit Committee.

In accordance with the Treasury Regulation 3.2.6, which requires that internal audit must be in accordance with the Standards; during the year under review, the shared Internal Audit function ensured that their operations were aligned with the revised Standards.

The shared Internal Audit function operated within an approved Internal Audit Charter and in accordance with the requirements of the PFMA, its Treasury Regulations and the International Standards for the Professional Practice of Internal Auditing (“Standards”) set by the Institute of Internal Auditors. During the year under review, the shared Internal Audit function developed a rolling three-year Strategic Internal Audit Plan and an Annual Internal Audit Coverage/Operational Plan based on the results of the risk assessment. These plans were supported by the Head of the Department and approved by the Audit Committee in March 2022.

The Annual Internal Audit Coverage/Operational Plan identified different audit engagements and these were performed by the shared Internal Audit function as such. Respective reports were issued to Management communicating identified control weaknesses, recommendations for improvement(s), and incorporated agreed Management action plans for implementation of corrective action.

In addition, as required in terms of the PFMA and the approved Internal Audit Charter, the identified control weaknesses were also communicated and tabled at the meetings of the Audit Committee to allow for effective monitoring and oversight. The following is the summary of the audit work done by the shared Internal Audit function during the year under review as per the approved plans:

Assurance services

- Monitoring the tracking of audit findings as previously reported by both Auditor-General South Africa and the shared Internal Audit function in order to evaluate progress made by Management in implementing agreed audit action plans;
- Follow-up of previous year audit findings raised by AG(SA) and IA;
- Review of Departmental Performance Information;
- Review of Draft Annual Report inclusive of Annual Financial Statements for 2021/22
- Review of Interim Financial Statements;
- Supply Chain Management;
- Human Resource Management;
- Risk Management;
- Transfer Payments and DORA;
- ICT General and Application review; and
- Ad-hoc Review: Staff Verification.

Consulting services

- Internal audit participation in informal consulting engagements including routine activities such as participating on standing Management Committee meetings, provision of advice, as and when invited and required.

11.2. Audit Committee

Similarly to the Internal Audit function, the Department utilizes the services of the shared Audit Committee based within the Office of the Premier. The shared Audit Committee was established in terms of Section 38 (1) (a) (ii) of the PFMA and obtains its mandate from the PFMA and its Treasury Regulations.

The shared Audit Committee serves as an independent governance structure whose primary function being to provide an oversight over the department's financial reporting, risk management, control and governance processes. The shared Audit Committee assists the Head of the Department, in the effective execution of his/her responsibilities.

The shared Audit Committee was constituted to ensure its independence and comprises of external non-official members (appointed from outside public service). It operated in terms of formally documented and approved 'terms of reference' referred to as the Audit Committee Charter, which deals with matters such as its membership, authority and responsibilities amongst others. The said 'terms of reference' are reviewed annually, and in accordance with the requirements set by the PFMA and Treasury Regulations. Further, it has direct and unobstructed lines of communication to the Head of the Department, Senior Management, the Provincial Treasury, shared Internal Audit function and AGSA.

Attendance of audit committee meetings by audit committee members

In accordance with Legislation, section 77(b) of the PFMA, an Audit Committee must meet at least twice a year. However, as per the approved Audit Committee terms of reference (Audit Committee Charter), the shared Audit Committee shall meet at least 4 times a year, with authority to convene additional meetings as may be deemed necessary.

In the meetings held, the Head of the Department and Executive Management were always represented. The AGSA is always invited to attend the meetings of the shared Audit Committee, thus ensuring that such meetings are as effective and transparent as possible.



The Audit Committee meetings held were attended as follows:

Name	Qualifications	Internal or External	Date appointed	Date Resigned / End of term	No of meetings attended
Ms. TH Mbatha Chairperson	Master's degree in business leadership (UNISA) BCompt. Honours Accounting (UNISA) BComm Accounting Degree (UNISA) CA(SA)	External	01 Nov 2021	31 Oct 2023	15
Mr. M Sebeelo	B-Tech Internal Auditing (UNISA) National Diploma Internal Auditing (TUT) Advance Programme Project Management (UNISA)	External	01 Nov 2021	31 Oct 2023	15
Dr. C Motau	BComm (VISTA) Higher Diploma in Computer Auditing (WITS) Certificate in Executive Leadership (Regenesys Business School) Certificate in Human Resource Management (Regenesys Business School) Master's Degree Business Leadership (UNISA) Master's Degree in Information Technology (UP) Doctorate in Business Information System	External	01 Nov 2021	31 Oct 2023	14

Name	Qualifications	Internal or External	Date appointed	Date Resigned / End of term	No of meetings attended
Mr. HK Masango	Master's Degree in Public Management (Regenesys) Postgraduate Diploma in Public Management (Regenesys) Bachelor Degree in Commerce (STADIO) Certificate in Public Management (Regenesys) Certificate Programme in Management Development for Municipal Finance (Univ. Witwatersrand Business School)	External	01 Nov 2021	31 Oct 2023	15
Ms. SS Tshitlho	BTech - Internal Auditing (Cape Peninsula University) National Diploma – Internal Auditing (Cape Peninsula University) Certificate in Fraud & Forensic Investigation Audit (UNISA) Financial Management Certificate (Cape College)	External	01 Nov 2021	31 Oct 2023	15

12. Report of the Audit Committee

We are pleased to present our final report for the financial year ended 31 March 2023.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.

The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed the changes in accounting policies as these changes are as per the National Treasury instruction.

The effectiveness of internal control

In line with the PFMA, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by evaluating internal controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement. The accounting officer retains responsibility for implementing such recommendations as per Treasury Regulation 3.1.12.

From the various reports of the Internal Auditors and the Auditor-General South Africa, it was noted that matters were reported indicating deficiencies in the system of internal controls in areas pertaining to annual financial statements, reporting on pre-determined objectives and compliance with laws and regulations.

The work performed by Internal Audit throughout the year was monitored and reviewed by the Audit Committee.

Through our analysis of audit reports and engagement with the Department it can be reported that the system on internal controls for the period under review was not adequate and effective.

Based on our interaction with the department we conclude that the department does not have an adequate and effective action plan management system to address Internal Audit and Auditor-General South Africa findings.

Risk Management

The Audit Committee is responsible for the oversight of risk management. The Risk Management Committee reports to the Audit Committee on a quarterly basis on the governance and management of risk.

Based on the Audit Committee quarterly reviews of the reports from the Risk Management Committee, it can be concluded that the departmental processes and system relating to fraud prevention and risk management requires improvement.

The Audit Committee noted with concerns that the Risk Management function remains under-resourced, as well as the inadequate information reported by the Department on Risk Management.

In-Year Management and Quarterly Reporting

The Department has confirmed that they have reported timeously to the Treasury as is required by the PFMA.

Evaluation of the Annual Financial Statements

The Audit Committee has not reviewed the draft annual financial statements prepared by the department as these were not submitted to Internal Audit and Audit Committee for review prior submission of the annual financial statements to the Auditor-General South Africa.

Subsequently the material misstatements identified during the external audit process were also reviewed when the management report of the Auditor-General South Africa was discussed with the Audit Committee.

Evaluation of the reporting on predetermined objectives

The Audit Committee has not reviewed the draft annual report as this was not submitted to Internal Audit and Audit Committee for review prior to submission of the annual report to the Auditor-General South Africa.

The Audit Committee has discussed the external audit outcomes on the reporting on predetermined objectives to be included in the annual report with the Auditor-General South Africa and the Accounting Officer.

Compliance with laws and regulations

Throughout the year under review the Audit Committee has remained concerned with the status of compliance with all applicable laws and regulations. If the Department does not implement an adequate and effective compliance framework and system, non-compliance will continue to occur.

Internal Audit

The Audit Committee is reasonably satisfied that the Internal Audit function operated effectively and that it has addressed the risks pertinent to the department in its audits during the year under review.

The Audit Committee has regularly enquired and reviewed the work performed by Internal Audit function and has seen an improvement in the quality of the internal audit reports; the actions initiated by the Internal Audit function to bring the reported weaknesses to the attention of Senior Management and the process of ensuring action to address such deficiencies. However, there is still room for improvement in areas such as flexibility of the planning process to adapt to emerging risks and changing risk profile of the Department; the timing and execution of internal audit engagements; influence and persuasion by Internal Audit of Management to effect the necessary changes and improvement of the maturity of governance, risk management and internal control systems.

The Audit Committee noted with concerns that some positions within the Internal Audit function remains vacant even after the resolution by the EXCO to lift the moratorium on filling of vacant positions, as well as prolonged disciplinary action against the Chief Audit Executive.

The Audit Committee further appreciates the support provided by the Senior Manager: Assurance Audit, who assisted in the position of the Chief Audit Executive and all the other Internal Audit Officials, by assisting the Committee in discharging its responsibilities.

Auditor-General South Africa

We have reviewed the department's implementation plan for audit issues raised in the previous year and we are not satisfied that all the matters have been adequately resolved.

The Audit Committee is not aware of any unresolved issues with respect to the current audit.

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

Conclusion

The Audit Committee strongly recommends that the Department must ensure adequate and effective implementation and frequent monitoring of the audit action plans for both internal and external audits so as to obtain an unqualified audit opinion.

The Audit Committee wishes to extend its appreciation to the Executive Authority and Management, Internal Auditors and Auditor-General South Africa for their tireless efforts, commitment and support throughout the year.

Signed on behalf of the Audit Committee by:



Chairperson of the Audit Committee

Ms. TH Mbatha

Date: 13 August 2023



13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade and Industry.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion <i>(include a discussion on your response and indicate what measures have been taken to comply)</i>
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	
Developing and implementing a preferential procurement policy?	Yes	The Department has an approved preferential procurement policy. All procurement were done through Black Economic Empowerment companies
Determining qualification criteria for the sale of state-owned enterprises?	No	
Developing criteria for entering into partnerships with the private sector?	No	
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	

PART:D

HUMAN RESOURCE MANAGEMENT



1. INTRODUCTION

The information contained in this part of the annual report has been prescribed by the Minister for the Public Service and Administration for all departments in the public service.

2. OVERVIEW OF HUMAN RESOURCE MANAGEMENT

The Department acknowledges that effective management of the human resource capital is the cornerstone of efficient service delivery. This continued to drive the Department to strive for effective Human Resource Management and Development.

The Department is continuing to fill funded vacated positions as a result of different service termination types as they vary in years. In this financial year the recruitment process of the critical position of a Chief Financial Officer was concluded awaiting the Executive Committee Approval. However, this does not address the staff shortage. The increase on the percentage of people living with disabilities is commended as it is at 2.10%. The Employment Equity Targets are still a challenge at Senior Management Level (SMS), appointment of women on the 2 SMS vacant posts will address the challenge of women representation within this level.

The status quo of the SMS representation currently, there are Eight (8) SMS members comprising of one (1) women representation and seven (7) Males. This represents 12,5 % percent of women at Senior Management Level.

It is envisaged that the reviewed Organizational structure obtains approval, as this crucial process entails reviewing reporting lines, alignment of functions to achieve the mandate of the Department, compliance to the generic structures, identification of misplaced officials and that this process will assist in terms of ensuring synergy between Human Resources Management and Development planned objectives and Department's Strategic objectives.

The Department still continues to recruit 30 Graduate internship programme as well as the TVET learners in order to expose them to the workplace environment. This will make them gain relevant experience to be employable in future. These interns were placed in support and core functions of the Department such as Museum and Heritage, Sport and Recreation, Library and Information Services and Arts and Culture, Five (5) of those interns were appointed on permanent basis Two (2) in other department and Three (3) within directorates. This Youth and Development programs have assisted in terms of building capacity and addressing the challenge of youth unemployment in the Province.

Discipline is one other critical factor that is managed, during this financial year the department did not have any Sexual Harassment cases, with 50% unplanned misconduct cases and none grievances. The Cosatu Strike Action that took place within the month of March that lasted for 9 (Nine) days, resulted in the parties going back to the Bargaining Council to resolve the Salary Increase dispute in which they agreed to a 7.5% for all employees at Salary Level 1-12.

The introduction of the E-Leave System within the Mpumalanga Provincial Government has come with paperless trail, the staff has adapted and are embracing the system. Whilst with Performance Assessments of Members of Senior Management Services and officials from levels 1 -12 were concluded within the stipulated time frames.

The existence of the Employee Health and Wellness has a huge impact to the staff. Active participation within the programme is beneficial to the incapacitated and those in need of other wellness programmes at the workplace.

3. HUMAN RESOURCE OVERSIGHT STATISTICS

The department must provide the following key information on its human resources. All the financial amounts must agree with the amounts disclosed in the annual financial statements. Provide reasons for any variances.

Please note that it is very important to follow the format and standards prescribed, to enable collation and comparison of information. If sub headings/tables are not applicable to the department, it should be stated that there is nothing to report on. Numbering of tables must not be changed and should be maintained as in the guidelines.

Include any other tables for HR if considered necessary by the department and required by any specific government oversight body. These additional tables must be included at the end of the standardised HR information.

a. Personnel related expenditure

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

- amount spent on personnel
- amount spent on salaries, overtime, homeowner's allowances and medical aid.

Table 3.1.1

Personnel expenditure by programme for the period 1 April 2022 and 31 March 2023

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	100 607	63 377	0	0	63,00	484
Cultural Affairs	115 093	43 569	0	0	37,90	197
Library & Archive Services	225 304	84 943	0	0	37,70	386
Sports & Recreation	124 596	24 702	0	0	19,80	291
Total	565 601	216 591	0	0	38,30	330

Table 3.1.2

Personnel costs by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (levels 1-2)	1 903	0,80	15	126 867
Skilled (level 3-5)	23 797	10,50	90	264 411
Highly skilled production (levels 6-8)	114 643	50,50	260	440 935
Highly skilled supervision (levels 9-12)	48 735	21,50	64	761 484
Senior and top management (levels 13-16)	10 353	4,60	7	1 479 000
Contract (levels 1-2)	126	0.10	1	126 000
Contract (levels 3-5)	625	0.30	8	78 125
Contract (levels 6-8)	7 343	3.20	76	96 618
Contract (levels 9-12)	2 710	1.20	4	677 500
Contract (levels >= 13)	3 188	1.40	2	1 594 000
Total	213 423	94.10	527	404 977

Table 3.1.3

Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2022 and 31 March 2023

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Pr1:Administration*	51 373	77,30	1 055	1.60	1 845	2.80	3 344	5
Pr2: Cultural Aff.	31 903	68,10	241	0.50	1 450	3.10	2 555	5,50
Pr3:Lib & Archive	68 773	79,60	100	0.10	3 027	3.50	5 134	5,90
Sports & Recreation	20 200	73,90	684	2.50	581	2.10	1 152	4,20
Total	172 249	75,90	2 080	0.90	6 904	3.00	12 185	5,40

Table 3.1.4

Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower skilled (level 1-2)	1 463	76.80	8	0.40	130	6.80	140	7.40
Skilled (level 3-5)	17 266	72.30	114	0.50	1 546	6.50	2 416	10.10
Highly skilled production (levels 6-8)	90 545	76.40	1 388	1.20	3 918	3.30	7 739	6.50
Highly skilled supervision (levels 9-12)	40 673	77.80	542	1	874	1.70	1 760	3.40
Senior management (level 13-16)	9 106	80.90	0	0	233	2.10	77	0.70
Contract (levels 1-2)	103	81.70	0	0	11	8.70	0	0
Contract (levels 3-5)	593	94.30	0	0	8	1.30	0	0
Contract (levels 6-8)	7 144	95.20	8	0.10	56	0.70	39	0.50
Contract (levels 9-12)	2 518	77.10	20	0.60	0	0	0	0
Contract (levels >= 13)	2 723	76.80	0	0	128	3.60	14	0.40
Total	172 134	75.94	2080	0.90	6904	3.0	12185	5.4

b. Employment and Vacancies

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

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations (see definition in notes below).

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

Table 3.2.1

Employment and vacancies by programme as on 31 March 2023

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Pr1:Administration*, Permanent	179	131	26,80	26
Pr2:Cultural Aff., Permanent	123	91	26	4
Pr3:Lib & Archive, Permanent	271	220	18,80	0
Sports & Recreation, Permanent	92	85	7,60	55
Total	665	527	20,80	85

Table 3.2.2

Employment and vacancies by salary band as on 31 March 2023

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)	21	15	28,60	0
Skilled (3-5)	122	90	26,20	0
Highly skilled production (6-8)	321	260	19	3
Highly skilled supervision (9-12)	95	64	32,60	1
Senior management (13-16)	15	7	53,30	0
Contract (Levels 1-2), Permanent	1	1	0	0
Contract (Levels 3-5), Permanent	8	8	0	7
Contract (Levels 6-8), Permanent	76	76	0	73
Contract (Levels 9-12), Permanent	4	4	0	1
Contract (Levels >= 13), Permanent	2	2	0	0
Total	665	527	20.80	85

Table 3.2.3

Employment and vacancies by critical occupations as on 31 March 2023

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related, Permanent	34	25	26,50	2
Archivists Curators And Related Professionals, Permanent	43	34	20,90	1
Auxiliary And Related Workers, Permanent	8	8	0	0
Building And Other Property Caretakers, Permanent	43	28	34,90	0
Bus And Heavy Vehicle Drivers, Permanent	4	4	0	0
Cleaners In Offices Workshops Hospitals Etc., Permanent	49	44	10,20	0
Client Inform Clerks(Switchb Recept Inform Clerks), Permanent	3	3	0	0
Communication And Information Related, Permanent	35	26	25,70	0
Finance And Economics Related, Permanent	13	8	38,50	0
Financial And Related Professionals, Permanent	24	20	16,70	0
Financial Clerks And Credit Controllers, Permanent	6	6	0	0
General Legal Administration & Rel. Professionals, Permanent	1	1	0	0
Household And Laundry Workers, Permanent	4	4	0	0
Human Resources & Organisat Developm & Relate Prof, Permanent	11	6	45,50	0
Human Resources Clerks, Permanent	9	4	55,60	0
Human Resources Related, Permanent	3	0	100	0
Language Practitioners Interpreters & Other Commun, Permanent	4	3	25	0
Legal Related, Permanent	1	1	0	0
Librarians And Related Professionals, Permanent	92	75	18,50	0
Library Mail And Related Clerks, Permanent	102	81	20,60	0
Light Vehicle Drivers, Permanent	2	2	0	0
Messengers Porters And Deliverers, Permanent	2	1	50	0
Motor Vehicle Drivers, Permanent	2	1	50	0
Other Administrat & Related Clerks And Organisers, Permanent	124	116	6,50	82

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Other Administrative Policy And Related Officers, Permanent	2	1	50	0
Other Information Technology Personnel., Permanent	8	5	37,50	0
Other Occupations, Permanent	1	1	0	0
Secretaries & Other Keyboard Operating Clerks, Permanent	10	7	30	0
Senior Managers, Permanent	15	7	53,30	0
Social Sciences Related, Permanent	2	1	50	0
Trade Labourers, Permanent	8	4	50	0
TOTAL	665	527	20,80	85

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;

- c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

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 3.3.1

SMS post information as on 31 March 2023

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	-	-	-	-	-
Salary Level 16	0	0	0	0	0
Salary Level 15	1	1	100%	0	0
Salary Level 14	2	1	50%	1	50%
Salary Level 13	7	6	85.71%	1	14.19%
Total	10	8	80%	2	20%

Table 3.3.2

SMS post information as on 30 September 2023

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					
Salary Level 16	0	0	0	0	0
Salary Level 15	1	1	100%	0	0
Salary Level 14	2	1	50%	1	50%
Salary Level 13	7	6	85.71%	1	14.19%
Total	10	8	80%	2	20%

Table 3.3.3

Advertising and filling of SMS posts for the period 1 April 2022 and 31 March 2023

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department			
Salary Level 16			
Salary Level 15			
Salary Level 14	0	0	0
Salary Level 13	0	0	0
Total	0	0	0

Table 3.3.4

Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2022 and 31 March 2023

Reasons for vacancies not advertised within six months

The position was initially advertised in 01 November 2020, 26 September 2021 and 18 September 2022, therefore it was not advertised within 6 months of the post being vacant

Reasons for vacancies not advertised within twelve months

The position was initially advertised in 01 November 2020, 26 September 2021 and 18 September 2022, therefore it was not advertised within 6 months of the post being vacant

Notes

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

Table 3.3.5

Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2022 and 31 March 2023

Reason for vacancies not advertised within six months

None, it was not an officials dereliction of duty

Reasons for vacancies not filled within six months

None, it was not an officials dereliction of duty.

Notes

In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A (1) or (2) of the Public Service Act.

c. Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1

Job Evaluation by Salary band for the period 1 April 2022 and 31 March 2023

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (levels1-2)	21	0	0	0	0	0	0
Skilled (levels 3-5)	122	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	321	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	95	0	0	1	0	0	0
Senior management service band a	11	0	0	0	0	0	0
Senior management service band b	3	0	0	0	0	0	0
Senior management service band c	1	0	0	0	0	0	0
Senior management service band d	1	0	0	0	0	0	0
Total	575	0	0	1	0	0	0

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

Table 3.4.2

Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2022 and 31 March 2023

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability					0

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

Table 3.4.3

Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2022 and 31 March 2023

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	0	0		
Total number of employees whose salaries exceeded the level determined by job evaluation				None
Percentage of total employed				0

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

Table 3.4.4

Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2022 and 31 March 2023

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability					0

Notes

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

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

d. Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

Table 3.5.1

Annual turnover rates by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Number of employees at beginning of period-1 April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	6	9	0	0
Skilled (levels3-5)	95	1	6	6,30
Highly skilled production (Levels 6-8)	259	13	4	1,50
Highly skilled supervision (Levels 9-12)	59	2	1	1,70
Senior management service bands a	5	0	0	0
Senior management service bands b	1	0	0	0
Senior management service bands d	1	0	0	0
Contract (levels 1-2) permanent	0	1	0	0
Contract (levels 3-5) permanent	8	2	1	12,50
Contract (levels 6-8) permanent	76	5	5	6,60
Contract (levels 9-12) permanent	3	2	0	0
Contract band a permanent	1	0	1	100
Contract band c permanent	1	0	0	0
Total	515	35	18	3,50

Table 3.5.2

Annual turnover rates by critical occupation for the period 1 April 2022 and 31 March 2023

Critical occupation	Number of employees at beginning of period-April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related Permanent	21	3	0	0
Archivists Curators And Related Professionals Permanent	33	0	0	0
Auxiliary And Related Workers Permanent	7	1	0	0
Building And Other Property Caretakers Permanent	29	3	4	13,80
Bus And Heavy Vehicle Drivers Permanent	4	0	0	0
Cleaners In Offices Workshops Hospitals Etc. Permanent	40	6	2	5
Client Inform Clerks(Switchb Recept Inform Clerks) Permanent	3	0	0	0
Communication And Information Related Permanent	22	0	0	0
Finance And Economics Related Permanent	8	0	0	0
Financial And Related Professionals Permanent	19	1	0	0
Financial Clerks And Credit Controllers Permanent	8	0	1	12,50
General Legal Administration & Rel. Professionals Permanent	1	0	0	0
Household And Laundry Workers Permanent	4	0	0	0
Human Resources & Organisat Developm & Relate Prof Permanent	7	0	0	0
Human Resources Clerks Permanent	4	0	0	0
Human Resources Related Permanent	1	0	0	0
Language Practitioners Interpreters & Other Commun Permanent	3	0	0	0
Legal Related Permanent	1	0	0	0
Librarians And Related Professionals Permanent	76	5	2	2,60
Library Mail And Related Clerks Permanent	76	8	1	1,30
Light Vehicle Drivers Permanent	2	0	0	0
Messengers Porters And Deliverers Permanent	1	0	0	0
Motor Vehicle Drivers Permanent	1	0	0	0
Other Administrat & Related Clerks And Organisers Permanent	116	6	5	4,30

Critical occupation	Number of employees at beginning of period-April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Other Administrative Policy And Related Officers Permanent	1	0	0	0
Other Information Technology Personnel. Permanent	6	0	0	0
Other Occupations Permanent	1	0	0	0
Secretaries & Other Keyboard Operating Clerks Permanent	9	0	2	22,20
Senior Managers Permanent	8	0	1	12,50
Social Science Related Permanent	1	0	0	0
Trade Labourers Permanent	2	2	0	0
Total	515	35	18	3,50

Notes

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

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

Table 3.5.3

Reasons why staff left the department for the period 1 April 2022 and 31 March 2023

Termination Type	Number	% of Total Resignations
Resignation, Permanent	10	55.60
Expiry of contract, Permanent	1	5.60
Discharged due to ill health, Permanent	1	5.60
Dismissal-misconduct, Permanent	1	5.60
Retirement, Permanent	4	22.20
10 Other, Permanent	1	5.60
Total	18	100
Total number of employees who left as a % of total employment	3.41	

Table 3.5.4

Promotions by critical occupation for the period 1 April 2022 and 31 March 2023

Occupation	Employees 1 April 2022	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	21	2	9,50	16	76,20
Archivists Curators And Related Professionals	33	0	0	24	72,70
Auxiliary And Related Workers	7	0	0	7	100
Building And Other Property Caretakers	29	0	0	10	34,50
Bus And Heavy Vehicle Drivers	4	0	0	3	75
Cleaners In Offices Workshops Hospitals Etc.	40	0	0	33	82,50
Client Inform Clerks(Switchb Recept Inform Clerks)	3	0	0	3	100
Communication And Information Related	22	5	22,70	16	72,70
Finance And Economics Related	8	0	0	6	75
Financial And Related Professionals	19	1	5,30	8	42,10
Financial Clerks And Credit Controllers	8	0	0	6	75
General Legal Administration & Rel. Professionals	1	0	0	1	100
Household And Laundry Workers	4	0	0	2	50
Human Resources & Organisat Developm & Relate Prof	7	0	0	6	85,70
Human Resources Clerks	4	0	0	4	100
Human Resources Related	1	0	0	0	0
Language Practitioners Interpreters & Other Commun	3	0	0	1	33,30
Legal Related	1	0	0	1	100
Librarians And Related Professionals	76	1	1,30	66	86,80
Library Mail And Related Clerks	76	0	0	70	92,10
Light Vehicle Drivers	2	0	0	1	50
Messengers Porters And Deliverers	1	0	0	0	0
Motor Vehicle Drivers	1	0	0	1	100
Other Administrat & Related Clerks And Organisers	116	0	0	33	28,40
Other Administrative Policy And Related Officers	1	0	0	1	100

Occupation	Employees 1 April 2022	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 Information Technology Personnel.	6	0	0	5	83,30
Other Occupations	1	0	0	0	0
Secretaries & Other Keyboard Operating Clerks	9	0	0	4	44,40
Senior Managers	8	1	12,50	4	50
Social Sciences Related	1	0	0	0	0
Trade Labourers	2	0	0	1	50
Total	515	10	1,90	333	64,70

Table 3.5.5

Promotions by salary band for the period 1 April 2022 and 31 March 2023

Salary Band	Employees 1 April 2022	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)	6	0	0	0	0
Skilled (levels3-5)	95	0	0	69	72,60
Highly skilled production (levels 6-8)	259	1	0,40	216	83,40
Highly skilled supervision (levels 9-12)	59	7	11,90	41	69,50
Senior management (level 13-16)	7	1	14,30	4	57,10
Total	426	9	2.11	330	77.46

e. Employment Equity

Table 3.6.1

Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior officials and managers	5	0	1	0	2	0	0	0	8
Professionals	70	0	0	1	106	0	0	3	180
Technicians and associate professionals	18	0	0	0	16	0	0	0	34
Clerks	89	0	0		123	2	0	3	217
Plant and machine operators and assemblers	7	0	0	0	0	0	0	0	7
Labourers and related workers	36	0	0	0	45	0	0	0	81
Total	225	0	1	1	292	2	0	6	527
Employees with disabilities	5	0	0	0	3	1	0	1	10

Table 3.6.2

Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	1	0	0	0	1
Senior Management	4	0	1	0	1	0	0	0	6
Professionally qualified and experienced specialists and mid-management	30	0	0	1	32	0	0	1	64
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	109	0	0	0	146	1	0	4	260
Semi-skilled and discretionary decision making	41	0	0	0	47	1	0	1	90
Unskilled and defined decision making	8	0	0	0	7	0	0	0	15
Contract (Top Management), Permanent	1	0	0	0	0	0	0	0	1
Contract (Senior Management), Permanent	1	0	0	0	0	0	0	0	1
Contract (Professionally Qualified), Permanent	3	0	0	0	1	0	0	0	4
Contract (Skilled Technical), Permanent	25	0	0	0	51	0	0	0	76
Contract (Semi-Skilled), Permanent	3	0	0	0	5	0	0	0	8
Contract (Unskilled), Permanent	0	0	0	0	1	0	0	0	1
Total	225	0	1	1	292	2	0	6	527

Table 3.6.3

Recruitment for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
03 Professionally qualified and experienced specialists and mid-management, Permanent	1	0	0	0	1	0	0	0	2
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	4	0	0	0	8	1	0	0	13
05 Semi-skilled and discretionary decision making, Permanent	0	0	0	0	1	0	0	0	1
06 Unskilled and defined decision making, Permanent	6	0	0	0	3	0	0	0	9
Contract (Professionally qualified), Permanent	1	0	0	0	1	0	0	0	2
Contract (Skilled technical), Permanent	2	0	0	0	3	0	0	0	5
Contract (Semi-skilled), Permanent	1	0	0	0	1	0	0	0	2
Contract (Unskilled), Permanent	0	0	0	0	1	0	0	0	
Total	15	0	0	0	19	1	0	0	35
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4

Promotions for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	4	0	0	0	1	0	0	0	5
Professionally qualified and experienced specialists and mid-management	21	0	0	1	25	0	0	1	48
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	91	0	0	0	124	0	0	2	217
Semi-skilled and discretionary decision making	29	0	0	0	38	1	0	1	69
Total	145	0	0	1	188	1	0	4	339
Employees with disabilities	4	0	0	0	4	1	0	1	10

Table 3.6.5

Terminations for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionally qualified and experienced specialists and mid-management	1	0	0	0	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	3	0	0	0	4
Semi-skilled and discretionary decision making	3	0	0	0	3	0	0	0	6
Total	5	0	0	0	6	0	0	0	11
Employees with Disabilities	0	0	0	0	1	0	0	0	1

Table 3.6.6

Disciplinary action for the period 1 April 2022 to 31 March 2023

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Misconduct	1	0	0	0	1	0	0	0	2

Table 3.6.7

Skills development for the period 1 April 2022 to 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	6	0	1	0	3	0	0	0	10
Professionals	6	0	0	0	13	0	0	0	19
Technicians and associate professionals	1	0	0	0	0	0	0	0	1
Clerks	6	0	0	0	20	0	0	0	26
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	1	0	0	0	1
Total	19	0	1	0	37	0	0	0	57
Employees with disabilities	0	0	0	0	0	0	0	0	0

f. Signing of Performance Agreements by SMS Members

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

Table 3.7.1

Signing of Performance Agreements by SMS members as on 31 May 2022

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Salary Level 15	1	1	1	100%
Salary Level 14	2	1	1	50%
Salary Level 13	7	6	6	86%
Total	10	8	8	80%

Notes

In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2022.

Table 3.7.2

Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2023

Reasons
Not applicable

Notes

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

Table 3.7.3

Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2023

Reasons
None

Notes

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

g. Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1

Performance Rewards by race, gender and disability for the period 1 April 2022 to 31 March 2023

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	0	289	0	0	0
Female	1	220	0.50	36,16	36 159
Asian					
Male	0	1	0	0	0
Female	0	0	0	0	0
Coloured					
Male	0	0	0	0	0
Female	0	1	0	0	0
White					
Male	0	1	0	0	0
Female	0	5	0	0	0
Total	1	517	0.19	36.16	3616.0

Table 3.8.2

Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2022 to 31 March 2023

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower skilled (levels 1-2)	0	15	0	0	0	0
Skilled (level 3-5)	0	90	0	0	0	0
Highly skilled production (level 6-8)	0	260	0	0	0	0
Highly skilled supervision (level 9-12)	0	64	0	0	0	0
Total	0	429	0	0	0	0

Table 3.8.3

Performance Rewards by critical occupation for the period 1 April 2022 to 31 March 2023

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Financial Clerks And Credit Controllers	0	6	0	0	0
Human Resources Clerks	0	4	0	0	0
Household And Laundry Workers	0	4	0	0	0
Human Resources & Organisat Developm & Relate Prof	0	6	0	0	0
Messengers Porters And Deliverers	0	1	0	0	0
Social Sciences Related	0	1	0	0	0
Finance And Economics Related	0	8	0	0	0
Other Administrat & Related Clerks And Organisers	0	116	0	0	0
Auxiliary And Related Workers	0	8	0	0	0
Other Occupations	0	1	0	0	0
Legal Related	0	1	0	0	0
Financial And Related Professionals	0	20	0	0	0
Building And Other Property Caretakers	0	28	0	0	0
Administrative Related	0	25	0	0	0

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Secretaries & Other Keyboard Operating Clerks	0	7	0	0	0
Cleaners In Offices Workshops Hospitals Etc.	0	44	0	0	0
Library Mail And Related Clerks	0	81	0	0	0
Trade Labourers	0	4	0	0	0
Language Practitioners Interpreters & Other Commun	0	3	0	0	0
General Legal Administration & Rel. Professionals	0	1	0	0	0
Archivists Curators And Related Professionals	0	34			
Other Administrative Policy And Related Officers	0	1	0	0	0
Bus And Heavy Vehicle Drivers	0	4	0	0	0
Senior Managers	1	7	14,30	36,16	36 159
Client Inform Clerks(Switchb Recept Inform Clerks)	0	3	0	0	0
Other Information Technology Personnel.	0	5	0	0	0
Light Vehicle Drivers	0	2	0	0	0
Motor Vehicle Drivers	0	1	0	0	0
Librarians And Related Professionals	0	75	0	0	0
Total	1	527	0,20	36,16	36 159

Notes

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

Table 3.8.4

Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2022 to 31 March 2023

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	6	0	0	0	0
Band B	0	1	0	0	0	0
Band C	1	1	100	36.16	36 159.50	1.70
Band D	0	1	0	0	0	0
Total	1	9	11.10	36.16	36 159.50	0.20

h. Foreign Workers

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

Table 3.9.1

Foreign workers by salary band for the period 1 April 2022 and 31 March 2023

Salary band	01 April 2022		31 March 2023		Change	
	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)	0	0	0	0	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
Total	0	0	0	0	0	0

Table 3.9.2

Foreign workers by major occupation for the period 1 April 2022 and 31 March 2023

Major occupation	01 April 2022		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and managers	0	0	0	0	0	0
Total	0	0	0	0	0	0

i. 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 3.10.1

Sick leave for the period 1 January 2022 to 31 December 2022

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)
Contract (Levels 6-8)	40	100	8	4	5	12
Highly skilled production (Levels 6-8)	854	99.40	104	51.50	8	1 298
Highly skilled supervision (Levels 9-12)	176	100	24	11.90	7	493
Lower skilled (Levels 1-2)	20	100	5	2.50	4	11
Senior management (Levels 13-16)	25	100	3	1.50	8	127
Skilled (Level 3-5)	581	100	58	28.70	10	475
Total	1 696	99.70	202	100	8.4	2 416

Table 3.10.2**Disability leave (temporary and permanent) for the period 1 January 2022 to 31 December 2022**

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)
Highly skilled production (Levels 6-8)	45	100	1	50	45	80
Skilled (Levels 3-5)	63	100	1	50	63	48
Total	108	100	2	100	54	128

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 3.10.3**Annual Leave for the period 1 January 2022 to 31 December 2022**

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 3-5)	13	2	7
Contract (Levels 6-8)	442	40	11
Contract (Levels 9-12)	13	1	13
Highly skilled production (Levels 6-8)	5 465	248	22
Highly skilled supervision (Levels 9-12)	1 300	64	20
Lower skilled (Levels 1-2)	114	8	14
Senior management (Levels 13-16)	153	6	26
Skilled (Levels 3-5)	2 360	91	26
Total	9 860	460	21

Table 3.10.4**Capped leave for the period 1 January 2022 to 31 December 2022**

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 2022
Contract (Levels 13-16)	0	0	0	6
Highly skilled production (Levels 6-8)	0	0	0	55
Highly skilled supervision (Levels 9-12)	0	0	0	86
Senior management (Levels 13-16)	3	2	2	75
Skilled (Levels 3-5)	0	0	0	0
Total	3	2	2	62

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

Table 3.10.5**Leave payouts for the period 1 April 2022 and 31 March 2023**

Reason	Total Estimated amount (R'000)	Number of employees	Estimated Average per employee (R'000)
Annual - Gratuity: Death/Retirement/Medical Retirement(Work	205	8	25 625
Capped - Gratuity: Death/Retirement/Medical Retirement(Work	64	3	21 333
Total	270.00	11	

j. HIV/AIDS & Health Promotion Programmes**Table 3.11.1****Steps taken to reduce the risk of occupational exposure**

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	None

Table 3.11.2

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.		X	
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		<ul style="list-style-type: none"> · There is one official The official is responsible for all PILLARS of EHW and implement Special Programme · The Programme does not have an allocated budget.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		<ul style="list-style-type: none"> Non –discrimination workplace practice Reasonable accommodation. Access to information. Respect of human rights and dignity. Gender equity. Social dialogue. Health and safe work environment. Confidentiality and protection of employees' personal data
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		Employee health and wellness committee established and supported in all the regions
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		Departmental policies on HIV/AIDS and TB Management reviewed annually
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		Non-discriminatory workplace practice as contained in the DCSR HIV/AIDS and TB management police.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	X		The EHW Office co-ordinate voluntary counselling and testing for HIV/AIDS and TB wellness days in all the regions and head office on quarterly basis
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		As per the 2022/23 HIV/AIDS Implementation Plan

k. Labour Relations

Table 3.12.1

Collective agreements for the period 1 April 2022 and 31 March 2023

Subject matter	Date
PSCBC Resolution 2 of 2023	31 March 2023

Notes

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

Total number of Collective agreements	1
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The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2

Misconduct and disciplinary hearings finalised for the period 1 April 2022 and 31 March 2023

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	0	0
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
Total	0	100%

Notes

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

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

Table 3.12.3

Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 and 31 March 2023

Type of misconduct	Number	% of total
Prejudicing the admin, discipline or efficiency of the department, office or institution of the state	1	50%
Nepotism	1	50%
Total	2	50%

Table 3.12.4

Grievances logged for the period 1 April 2022 and 31 March 2023

Grievances	Number	% of Total
Number of grievances resolved	2	100%
Number of grievances not resolved	0	0
Total number of grievances lodged	2	100%

Table 3.12.5

Disputes logged with Councils for the period 1 April 2022 and 31 March 2023

Disputes	Number	% of Total
Number of disputes upheld	1	100%
Number of disputes dismissed	0	0
Total number of disputes lodged	1	100%

Table 3.12.6

Strike actions for the period 1 April 2022 and 31 March 2023

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

Table 3.12.7

Precautionary suspensions for the period 1 April 2022 and 31 March 2023

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

I. Skills development

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

Table 3.13.1

Training needs identified for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	2	0	0	0	0
	Male	6	0	0	0	0
Professionals	Female	109	0	46	0	46
	Male	71	0	31	0	31
Technicians and associate professionals	Female	16	0	10	0	10
	Male	18	0	5	0	5
Clerks	Female	128	0	10	0	10
	Male	89	0	10	0	10
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	7	0	0	0	0
Elementary occupations	Female	45	0	0	0	0
	Male	36	0	0	0	0
Sub Total	Female	300	0	0	0	0
	Male	227	0	0	0	0
Total		527	0	112		112

Table 3.13.2

Training provided for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	2	0	1	0	1
	Male	6	0	4	0	4
Professionals	Female	109	0	20	0	20
	Male	71	0	14	0	14
Technicians and associate professionals	Female	16	0	3	0	3
	Male	18	0	2	0	2
Clerks	Female	128	0	21	0	21
	Male	89	0	6	0	6
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	7	0	0	0	0
Elementary occupations	Female	45	0	1	0	1
	Male	36	0	0	0	0
Sub Total	Female	300	0	0	0	0
	Male	227	0	0	0	0
Total		527	0	72		72

m. Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1

Injury on duty for the period 1 April 2022 and 31 March 2023

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	100%
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	1	100%

n. Utilisation of Consultants

The following tables relates 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:

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

Table 3.15.1

Report on consultant appointments using appropriated funds for the period 1 April 2022 and 31 March 2023

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
None			
Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None			

Table 3.15.2

Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023

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

Table 3.15.3

Report on consultant appointments using Donor funds for the period 1 April 2021 and 31 March 2022

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

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None			

Table 3.15.4

Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023

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

o. Severance Packages

Table 3.16.1

Granting of employee initiated severance packages for the period 1 April 2022 and 31 March 2023

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

PFMA COMPLIANCE



1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1. Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	200 077	156 961
Add: Irregular expenditure confirmed	23 744	82 288
Less: Irregular expenditure condoned	-	(39 172)
Closing balance	223 821	200 077

R14 975 million of irregular expenditure incurred in the current year is as a result of non-compliance identified in the prior year. R8 769 million incurred in the current year is due to non-compliance with section 8(2) of the 2017 PPR (local content requirements) and legislation on contract management.

Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure for the current year	23 744	82 288
Total	23 744	82 288

b) Details of current and previous year irregular expenditure condoned

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure condoned	-	39 172
Total		39 172

Include discussion here where deemed relevant.

1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	9 292	9 180
Add: Fruitless and wasteful expenditure confirmed	-	112
Closing balance	9 292	9 292

Include discussion here where deemed relevant.

Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure for the current year	-	112
Total	-	112

1.3. Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	32 644	29 279
Add: unauthorised expenditure confirmed	-	3 365
Closing balance	32 644	32 644

Include discussion here where deemed relevant.

Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Unauthorised expenditure for the current year	-	3 365
Total		3 365

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	2738	373 530
Invoices paid within 30 days or agreed period	2567	364 178
Invoices paid after 30 days or agreed period	171	9 352

The delay of late payments is due to non-compliance.





PART:F
FINANCIAL INFORMATION



Report of the auditor-general to the Mpumalanga Provincial Legislature on vote no. 11: Department of Culture, Sport and Recreation

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Culture, Sport and Recreation set out on pages 118 to 160, which comprise the appropriation statement, statement of financial position as at 31 March 2023, the statement of financial performance, statement of changes in net assets, and the cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Culture, Sport and Recreation as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standards (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 05 of 2022 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general responsibilities for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

Emphasis of matters

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

Restatement of corresponding figures

7. As disclosed in note 27 to the financial statements, the corresponding figures for 31 March 2022 were restated as a result of errors in the financial statements of the department at, and for the year ended 31 March 2023.

Material under-spending of the vote

8. As disclosed in the appropriation statement, the department materially underspent the budget by R23, 483 million on programme 3 – library and archives

Other matter

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

National Treasury Instruction Note No. 4 of 2022-23: PFMA Compliance and Reporting Framework

10. On 23 December 2022, the National Treasury issued Instruction Note 4 of 2022-23, which came into effect on 3 January 2023, in terms of section 76(1) (b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA. The instruction note deals with the PFMA compliance and reporting framework and addresses, among others, the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Irregular expenditure and fruitless and wasteful expenditure incurred in prior financial years and not yet addressed no longer need to be disclosed in the disclosure notes to the annual financial statements. Only the current year and prior year figures are disclosed in note 20 to the financial statements of the Department of Culture, Sport and Recreation. Movements in respect of irregular expenditure and fruitless and

wasteful expenditure also no longer need to be disclosed in the notes to the annual financial statements. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) is now included as part of the other information in the annual report of the department. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

Responsibilities of the accounting officer for the financial statements

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

Responsibilities of the auditor-general for the audit of the financial statements

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

statements is included in the annexure to this auditor's report.

Report on the annual performance report

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
16. I selected the following material performance indicators related to the cultural affairs, library and archives and sport and recreation programmes presented in the annual performance report for the year ended 31 March 2023. I selected those indicators that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme 2 – cultural services
Number of public awareness activations on the "I'm the flag"
Number of community conversations/dialogues implemented to foster social interaction per year
Number of National and historical days celebrated
Number of events that promote culture diversity and enhance culture tourism supported
Number of Mpumalanga Cultural Xperience events hosted
Number of cultural projects supported
Number of PPP investors for Cultural Hub secured
Number of arts and crafts cooperatives supported
Number of job opportunities created through arts, culture and heritage programmes
Number of community structures supported
Number of museums provided with maintenance
Number of facilities providing museum services
Number international and national gold panning tournaments participated in
Number of standardised geographic names features reviewed
Number of heritage resources proclaimed
Number of reading materials in indigenous languages produced
Number of language coordinating structures supported

Programme 3 – library and archives
Number of libraries established per year
Number of new libraries facilities initiated for completion in two years
Number of existing facility upgrades initiated for completion in two years
Number of municipal libraries maintained
Number of electronic books made accessible
Number of libraries offering services to the blind
Number of libraries accessing the Mpumalanga Library Information Management System
Number of public awareness programs conducted in archives
Programme 4 – sports and recreation
Number of bulk service phases for the High Altitude Training Centre implemented
Number of Provincial Sport Awards hosted to honour athletes who have great achievement in sport
Number of high-profile games supported to promote sport development
Number of community based structures supported to advance sport programmes and enhance tourism
Number of local leagues supported
Number of athletes supported by the sports academies
Number of schools, hubs and clubs provided with equipment and or attire as per established norms and standards
Number of learners participating at the district school sports tournaments

17. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.

18. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements

- the targets linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over-or-underachievement of targets.

19. I performed the procedures for the purpose of reporting material findings only.

20. I did not identify any material findings on the reported performance information for the selected material performance indicators.

Other matters

21. I draw attention to the matters below.

Achievement of planned targets

22. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and- under achievements.

Material misstatements

23. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for library and archives and sport and recreation. Management subsequently corrected all the misstatements and I did not include any material findings in this report.

Report on compliance with legislation

24. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.
25. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
26. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
27. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Financial statements and annual report

28. The financial statements submitted for auditing were not fully prepared in accordance with the prescribed financial reporting framework, as required by section 40(1)(b) of the PFMA. Material misstatements of expenditure and disclosure items identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified opinion.

Procurement and contract management

29. Invitation to tender for procurement of commodities designated for local content and production, did not stipulated the minimum threshold for local production and content as required by the 2017 Procurement Regulation 8(2). Similar non-compliance was also reported in the prior year.

Expenditure management

30. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3.
31. Effective and appropriate steps were not taken to prevent irregular expenditure, as disclosed in note 20 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by non-compliance with procurement and contract management processes.

Other information in the annual report

32. The accounting officer is responsible for the other information included in the annual report.. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators presented in the annual performance report that have been specifically reported in this auditor's report.
33. My opinion on the financial statements and material findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
34. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
35. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.
36. I have nothing to report in this regard.

Internal control deficiencies

37. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
38. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.
39. Vacancies in critical positions are not filled resulting in a slow response by management to implement the audit action plan.
40. Regular training on compliance with key legislation and regulations focusing on updates and changes to legislation and regulations was not effectively monitored to ensure achievement of the desired impact.
41. Accountability for the audit action plan is not clear and personal. Whilst responsibility is assigned on the plan, the appropriate level of management did not sufficiently monitor adherence to the plan in a timely manner. Because of this, consequence management for lack of implementation of the plan is not dealt with.

AUDITOR GENERAL

Mbombela

31 July 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- the auditor-general's responsibility for the audit
- the selected legislative requirements for compliance testing.

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators and on the department's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists

relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

- I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
- I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 1 Section 38(1)(a)(iv); 38(1)(b);38(1)(c); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2) ; 45(b); Section 50(3); 50(3)(a)

Legislation	Sections or regulations
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury Regulation 6.3.1(a); 6.3.1(b); 6.3.1(c'); 6.3.1(d); 6.4.1(b) Treasury Regulation 7.2.1 Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1(a); 10.1.2 Treasury Regulation 11.4.1; 11.4.2; 11.5.1 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c') Treasury Regulation 16A3.1 ; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) ,(b) & (e) ; 16A 6.3(a); 16A 6.3(a)(i);16A 6.3(b); 16A 6.3(c);16A6.3(d) ; 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7; TR 16A8.2 (1) and (2); 16A 8.3 16A8.3 (d); 16A 8.4; 16A9; 16A9.1; 16A9.1(b)(ii);16A9.1 (c); 16A 9.1(d); 16A 9.1(e); 116A9.2; 16A9.2(a)(ii) &(iii); 16A9.1(f). Treasury Regulation 17.1.1 Treasury Regulation 18.2 Treasury Regulation 19.8.4
Division of Revenue Act No. 5 of 2022	DoRA 11(6)(a) DoRA 12(5) DoRA 16(1)
Public service regulation	Public service regulation 13(c) ;18; 18 (1) and (2); 25(1)(e)(i); 25(1)(e)(iii)
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 29 Section 34(1)

Legislation	Sections or regulations
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
Construction Industry Development Board Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)
PPPFA	Section 1(i); 2.1(a); 2.1(b); 2.1(f)
PPR 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2 Paragraph 12.1 and 12.2
PPR 2022	Paragraph 3.1 Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
SITA ACT	Section 7(3) Section 7(6)(b) Section 20(1)(a)(l)
SITA regulations	Regulation 8.1.1 (b); 8.1.4; 8.1.7 Regulation 9.6; 9.4 Regulation 12.3 Regulation 13.1 (a) Regulation 14.1; 14.2
PFMA SCM Instruction no. 09 of 2022/2023	Paragraph 3.1; 3.3 (b); 3.3 (c); 3.3 (e); 3.6
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4 (a); 4.4 (c) -(d); 4.6 Paragraph 5.4 Paragraph 7.2; 7.6
NT SCM Instruction 4A of 2016/17	Paragraph 6

Legislation	Sections or regulations
NT SCM Instruction Note 03 2019/20	Par 5.5.1(vi); Paragraph 5.5.1(x);
NT SCM Instruction Note 11 2020/21	Paragraph 3.1; 3.4 (a) and (b); 3.9; 6.1; 6.2; 6.7
NT SCM Instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.2; 3.2.4(a) and (b) ; 3.3.1; 3.2.2 Paragraph 4.1
PFMA SCM Instruction 04 of 2022/23	Paragraph 4(1); 4(2); 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3
PFMA SCM instruction 08 of 2022/23	Paragraph 3.2 Paragraph 4.3.2 and 4.3.3
NT instruction note 4 of 2015/16	Paragraph 3.4
NT instruction 3 of 2019/20 - Annexure A	Section 5.5.1 (iv) and (x)
Second amendment of NTI 05 of 2020/21	Paragraph 4.8; 4.9 ; 5.1 ; 5.3
Erratum NTI 5 of 202/21	Paragraph 1
Erratum NTI 5 of 202/21	Paragraph 2
Practice note 7 of 2009/10	Paragraph 4.1.2
Practice note 11 of 2008/9	Paragraph 3.1 Paragraph 3.1 (b)
NT instruction note 1 of 2021/22	Paragraph 4.1
Public Service Act	Section 30 (1)

APPROPRIATION STATEMENT

for the year ended 31 March 2023

	2022/2023							2021/2022	
	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

Appropriation per programme

Programme

Programme 1-Administration	1	106,002	-	(4,595)	101,407	100,719	688	99.32 %	112,037	112,039
Programme 2-Cultural Affairs	2	114,751	-	3,880	118,631	115,093	3,538	97.02 %	103,206	106,570
Programme 3-Library and Archives Services	3	250,724	-	(1,937)	248,787	225,304	23,483	90.56 %	222,291	216,442
Programme 4-Sports and Recreation	4	167,070	-	2,652	169,722	125,052	44,670	73.68 %	191,917	191,917
Programme subtotal		638,547	-	-	638,547	566,168	72,379	88.67 %	629,451	626,968
Total		638,547	-	-	638,547	566,168	72,379	88.67 %	629,451	626,968

Reconciliation with statement of financial performance

Add:

Departmental revenue				1,385				1,116	
Actual amounts per statement of financial performance (total revenue)				639,932				630,567	

Add:

Actual amounts per statement of financial performance (total expenditure)						566,168			626,968
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APPROPRIATION STATEMENT

for the year ended 31 March 2023

	2022/2023						2021/2022		
	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
Appropriation per economic classification									
Economic classification									
Current payments									
Compensation of employees	216,983	-	130	217,113	217,035	78	99.96 %	209,187	205,763
Goods and services	220,173	-	(41)	220,132	204,692	15,440	92.99 %	196,132	241,091
Total current payments	437,156	-	89	437,245	421,727	15,518	96.45 %	405,319	446,854
Transfers and subsidies									
Provinces and municipalities	200	-	-	200	114	86	57.00 %	200	121
Public corporations and private enterprises	1,200	-	-	1,200	-	1,200	- %	1,000	1,000
Non-profit institutions	35,150	-	-	35,150	32,070	3,080	91.24 %	21,800	22,701
Households	1,000	-	-	1,000	487	513	48.70 %	1,000	1,471
Total transfers and subsidies	37,550	-	-	37,550	32,671	4,879	87.01 %	24,000	25,293
Payments for capital assets									
Buildings and other fixed structures	132,891	-	1,006	133,897	88,333	45,564	65.97 %	161,309	138,509
Machinery and equipment	30,950	-	(1,095)	29,855	23,437	6,418	78.50 %	11,823	8,661
Software and other intangible assets	-	-	-	-	-	-	- %	27,000	7,651
Total payments for capital assets	163,841	-	(89)	163,752	111,770	51,982	68.26 %	200,132	154,821
Total	638,547	-	-	638,547	566,168	72,379	88.67 %	629,451	626,968

APPROPRIATION STATEMENT

for the year ended 31 March 2023

	2022/2023						2021/2022		
	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. Programme 1-Administration									
Sub programme									
Office of The MEC	9,917	-	(300)	9,617	9,505	112	98.84 %	10,035	9,992
Corporate Services	96,085	-	(4,295)	91,790	91,214	576	99.37 %	102,002	102,047
Subtotal	106,002	-	(4,595)	101,407	100,719	688	99.32 %	112,037	112,039
Economic classification									
Current payments									
Compensation of employees	65,405	-	(1,900)	63,505	63,377	128	99.80 %	65,373	63,186
Goods and services	36,847	-	(1,600)	35,247	35,287	(40)	100.11 %	39,941	42,651
Total current payments	102,252	-	(3,500)	98,752	98,664	88	99.91 %	105,314	105,837
Transfers and subsidies									
Provinces and municipalities	200	-	-	200	114	86	57.00 %	200	121
Households	1,000	-	-	1,000	487	513	48.70 %	1,000	1,471
Total transfers and subsidies	1,200	-	-	1,200	601	599	50.08 %	1,200	1,592
Payments for capital assets									
Machinery and equipment	2,550	-	(1,095)	1,455	1,454	1	99.93 %	5,523	4,610
Total	106,002	-	(4,595)	101,407	100,719	688	99.32 %	112,037	112,039

APPROPRIATION STATEMENT

for the year ended 31 March 2023

	2022/2023							2021/2022	
	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. Programme 2-Cultural Affairs

Sub programme

Management	2,067	-	200	2,267	2,181	86	96.21 %	2,272	2,240
Arts and Culture Services	84,827	-	4,165	88,992	74,818	14,174	84.07 %	74,360	72,917
Museum and Heritage	25,447	-	(700)	24,747	35,584	(10,837)	143.79 %	23,801	28,852
Language Services	2,410	-	215	2,625	2,510	115	95.62 %	2,773	2,561
Subtotal	114,751	-	3,880	118,631	115,093	3,538	97.02 %	103,206	106,570

Economic classification

Current payments

Compensation of employees	43,371	-	515	43,886	43,569	317	99.28 %	42,697	42,707
Goods and services	30,430	-	2,359	32,789	43,627	(10,838)	133.05 %	37,059	44,912
Total current payments	73,801	-	2,874	76,675	87,196	(10,521)	113.72 %	79,756	87,619

Transfers and subsidies

Non-profit institutions	30,900	-	-	30,900	27,820	3,080	90.03 %	18,050	18,951
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Payments for capital assets

Buildings and other fixed structures	9,950	-	1,006	10,956	-	10,956	- %	5,400	-
Machinery and equipment	100	-	-	100	77	23	77.00 %	-	-
Total payments for capital assets	10,050	-	1,006	11,056	77	10,979	0.70 %	5,400	-
Total	114,751	-	3,880	118,631	115,093	3,538	97.02 %	103,206	106,570

APPROPRIATION STATEMENT

for the year ended 31 March 2023

	2022/2023							2021/2022	
	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. Programme 3-Library and Archives Services

Sub programme

Management	1,563	-	(1,300)	263	-	263	- %	1,282	-
Library Services	243,048	-	(1,000)	242,048	219,490	22,558	90.68 %	216,073	212,200
Archive services	6,113	-	363	6,476	5,814	662	89.78 %	4,936	4,242
Subtotal	250,724	-	(1,937)	248,787	225,304	23,483	90.56 %	222,291	216,442

Economic classification

Current payments

Compensation of employees	84,050	-	247	84,297	84,944	(647)	100.77 %	77,605	76,909
Goods and services	100,662	-	(2,184)	98,478	66,711	31,767	67.74 %	63,486	96,830
Total current payments	184,712	-	(1,937)	182,775	151,655	31,120	82.97 %	141,091	173,739

Transfers and subsidies

Non-profit institutions	1,500	-	-	1,500	1,500	-	100.00 %	1,500	1,500
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Payments for capital assets

Buildings and other fixed structures	36,712	-	-	36,712	50,243	(13,531)	136.86 %	46,400	29,501
Machinery and equipment	27,800	-	-	27,800	21,906	5,894	78.80 %	6,300	4,051
Software and other intangible assets	-	-	-	-	-	-	- %	27,000	7,651
Total payments for capital assets	64,512	-	-	64,512	72,149	(7,637)	111.84 %	79,700	41,203
Total	250,724	-	(1,937)	248,787	225,304	23,483	90.56 %	222,291	216,442

APPROPRIATION STATEMENT

for the year ended 31 March 2023

	2022/2023							2021/2022	
	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. Programme 4-Sports and Recreation

Sub programme

Management	1,888	-	-	1,888	1,740	148	92.16 %	2,193	1,761
Sports Services	110,408	-	1,200	111,608	62,390	49,218	55.90 %	135,199	136,676
Recreation	32,392	-	(912)	31,480	23,606	7,874	74.99 %	30,834	30,046
School Sports	22,382	-	2,364	24,746	37,316	(12,570)	150.80 %	23,691	23,434
Subtotal	167,070	-	2,652	169,722	125,052	44,670	73.68 %	191,917	191,917

Economic classification

Current payments

Compensation of employees	24,157	-	1,268	25,425	25,145	280	98.90 %	23,512	22,961
Goods and services	52,234	-	1,384	53,618	59,067	(5,449)	110.16 %	55,646	56,698
Total current payments	76,391	-	2,652	79,043	84,212	(5,169)	106.54 %	79,158	79,659

Transfers and subsidies

Public corporations and private enterprises	1,200	-	-	1,200	-	1,200	- %	1,000	1,000
Non-profit institutions	2,750	-	-	2,750	2,750	-	100.00 %	2,250	2,250
Total transfers and subsidies	3,950	-	-	3,950	2,750	1,200	69.62 %	3,250	3,250

Payments for capital assets

Buildings and other fixed structures	86,229	-	-	86,229	38,090	48,139	44.17 %	109,509	109,008
Machinery and equipment	500	-	-	500	-	500	- %	-	-
Total payments for capital assets	86,729	-	-	86,729	38,090	48,639	43.92 %	109,509	109,008
Total	167,070	-	2,652	169,722	125,052	44,670	73.68 %	191,917	191,917

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2023

1. **Detail of transfers and subsidies as per Appropriation Act (after Virement):**
Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A H) to the 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 financial statements.
3. **Detail on payments for financial assets**
Details of these transactions per programme can be viewed in the note on Payments for financial assets to the financial statements.
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	%
Programme 1 - Administration	101,407	100,719	688	0,7%
Programme 2 - Cultural Affairs	118,631	115,093	3,538	3,0%
Programme 3 - Library and Archives Services	248,787	225,304	23,483	9,4%
Programme 4 - Sports and Recreation	169,722	125,052	44,670	26,3%

The under spending on Programme 3(Library and Archives Services) is due to the delay in completion of and late appointment of library infrastructure projects. Programme 4 (Sport and Recreation) The underspending is due to slow progress on the construction of the 7ML reservoir for the High Altitude Training Centre.

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2023

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	217,113	217,035	78	-
Goods and services	220,132	204,692	15,440	7%
Transfers and subsidies				
Provinces and municipalities	200	114	86	43%
Public corporations and private enterprises	1,200	-	1,200	100%
Non-Profit institutions	35,150	32,070	3,080	9%
Households	1,000	487	513	51%
Payments for capital assets				
Buildings and other fixed structures	133,897	88,333	45,564	34%
Machinery and equipment	29,855	23,437	6,418	21%

The underspending on goods and services is due to expenditure reclassification. The underspending on Provinces and municipalities is due to the decrease in vehicle licensing, the underspending on Housing is due to the decrease in retirements. The underspending on Machinery and Equipment is due to non payment of Laptop and Computer hardware, Furniture and equipment and the delay in completion of Library procurement process for Furniture and Computer Hardware. The underspending on building and other fixed structures is due to the delay in completion of Library Infrastructure late appointment of library infrastructure projects and slow progress on the construction of the 7ML reservoir for the High Altitude Training Centre.

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2023

4.3 Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Community Library Service grant	176,694	155,420	21,274	12%
Mass Participation and Sports Development Grant	52,236	52,139	97	-
Expanded Public Works Programme	2,279	2,279	-	-
Social Sector Expanded Public Works	1,631	1,563	68	4%

The under spending on Community Library Service Grant is due to the delay in completion and late appointment of library infrastructure projects

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
Revenue			
Annual appropriation	1	638,547	629,451
Departmental revenue	2	1,385	1,116
Total revenue		639,932	630,567
Expenditure			
Current expenditure			
Compensation of employees	3	217,035	205,763
Goods and services	4	204,692	241,091
Total current expenditure		421,727	446,854
Transfers and subsidies			
Transfers and subsidies	5	32,671	25,293
Expenditure for capital assets			
Tangible assets	6	111,770	147,170
Intangible assets	6	-	7,651
Total expenditure for capital assets		111,770	154,821
Total expenditure		566,168	626,968
Surplus for the year		73,764	3,599
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		58,346	-
Conditional grants		14,033	2,483
		72,379	2,483
Departmental revenue and NRF Receipts	11	1,385	1,116
Surplus for the year		73,764	3,599

STATEMENT OF FINANCIAL POSITION

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
Assets			
Current Assets			
Cash and cash equivalents	7	45,744	848
Receivables	9	77	50
		45,821	898
Non-Current Assets			
Receivables	9	228	254
Total Assets		46,049	1,152
Liabilities			
Current Liabilities			
Voted funds to be surrendered to the Revenue Fund	10	78,382	33,410
Departmental revenue and NRF Receipts to be surrendered to he Revenue Fund	11	261	386
Payables	12	50	-
		78,693	33,796
Total Liabilities		78,693	33,796
		(32,644)	(32,644)
Represented by:			
Unauthorised expenditure		(32,644)	(32,644)

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
Unauthorised expenditure			
Opening balance		(32,644)	(29,279)
Unauthorised expenditure - current year		-	(3,365)
Relating to overspending of the vote or main division within the vote		(32,644)	(32,644)

CASH FLOW STATEMENT
for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
Cash flows from operating activities			
Receipts			
Annual appropriated funds received	1.1	638,547	629,451
Departmental revenue received	2	647	447
Interest received	2.3	609	415
		639,803	630,313
Net (increase)/decrease in working capital		23	(3,481)
Surrendered to Revenue Fund		(28,917)	(10,846)
Current payments		(421,727)	(443,489)
Transfers and subsidies paid		(32,671)	(25,293)
Net cash flow available from operating activities	13	156,511	147,204
Cash flows from investing activities			
Payments for capital assets	6	(111,770)	(154,821)
Proceeds from sale of capital assets	2.4	129	254
(Increase)/decrease in non-current receivables	9	26	38
Net cash flows from investing activities		(111,615)	(154,529)
Net increase/(decrease) in cash and cash equivalents		44,896	(7,325)
Cash and cash equivalents at beginning of year		848	8,173
Cash and cash equivalents at the end of the year	14	45,744	848

ACCOUNTING POLICIES for the year ended 31 March 2023

Summary of significant accounting policies

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

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

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

1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

2. Going concern

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

3. Presentation currency

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

4. Rounding

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

5. Foreign currency translation

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

6. Comparative information

6.1 Prior period comparative information

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

6.2 Current year comparison with budget

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

7. Revenue

7.1 Appropriated funds

Appropriated funds 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.

Appropriated funds are measured at the amounts receivable.

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.

Departmental revenue is measured at the cash amount received.

In kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

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

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

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

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

Write offs are made according to the department's debt write off policy.

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex employees are classified as transfers to households in the statement of financial performance on the date of payment.

ACCOUNTING POLICIES

for the year ended 31 March 2023

8. Expenditure (continued)

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.

Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.

8.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.

8.4 Leases

8.4.1 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue.

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

8.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

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

9. Aid assistance

9.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

CARA Funds are recognised when receivable and measured at the amounts receivable.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

9.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

10. Cash and cash equivalents

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

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

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

11. Prepayments and advances

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

Prepayments and advances are initially and subsequently measured at cost.

12. Loans and receivables

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

13. Investments

Investments are recognised in the statement of financial position at cost.

14. Financial assets

14.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost, plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written off.

14.2 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

15. Payables

Payables recognised in the statement of financial position are recognised at cost.

16. Capital assets

16.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

ACCOUNTING POLICIES for the year ended 31 March 2023

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

16.2 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 reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R.

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

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

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

16.3 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 reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R .

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

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

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

16.4 Project costs: Work in progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work in progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

17. Provisions and contingents

17.1 Provisions

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

17.2 Contingent liabilities

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

17.3 Contingent assets

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

17.4 Capital commitments

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

18. Unauthorised expenditure

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

Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:

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

Unauthorised expenditure recorded in the notes to the financial statements comprise of:

- unauthorised expenditure that was under assessment in the previous financial year;
- unauthorised expenditure relating to previous financial year and identified in the current year; and
- unauthorised expenditure incurred in the current year.

19. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de recognised when settled or subsequently written off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of:

- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

20. Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de recognised when settled or subsequently written off as irrecoverable.

ACCOUNTING POLICIES for the year ended 31 March 2023

Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:

- irregular expenditure that was under assessment in the previous financial year;
- irregular expenditure relating to previous financial year and identified in the current year; and
- irregular expenditure incurred in the current year.

21. Changes in accounting estimates and errors

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

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

22. Events after the reporting date

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

23. Principal Agent arrangements

The department is party to a principal agent arrangement for [include details here]. In terms of the arrangement the department is the and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.

24. Departures from the MCS requirements

25. Capitalisation reserve

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

26. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written off.

27. Related party transactions

Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.

28. Inventories

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

Where inventories are acquired as part of a non exchange transaction, the inventories are measured at fair value as at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

The cost of inventories is assigned by using the weighted average cost basis.

29. Public Private Partnerships

Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.

30. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the employee benefits note.

Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.

The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

31. Transfers of functions

Transfers of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.

32. Mergers

Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
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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:

	2022/2023		2021/2022	
	Final budget R'000	Actual funds received R'000	Final budget R'000	Appropriation received R'000

Programmes

Programme 1 Administration	101,407	101,407	112,037	112,037
Programme 2 Cultural Affairs	118,631	118,631	103,206	103,206
Programme 3 Library and Archives Services	248,787	248,787	222,291	222,291
Programme 4 Sports and Recreation	169,722	169,722	191,917	191,917
Total	638,547	638,547	629,451	629,451

1.2 Conditional grants**

Total grants received	28	232,840	220,346
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2. Departmental revenue

Sales of goods and services other than capital assets	2.1	633	444
Fines, penalties and forfeits	2.2	-	3
Interest, dividends and rent on land	2.3	609	415
Sales of capital assets	2.4	129	254
Transactions in financial assets and liabilities	2.5	14	-
Total revenue collected		1,385	1,116

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	2022/2023		2021/2022	
	Final budget R'000	Actual funds received R'000	Final budget R'000	Appropriation received R'000
2.1 Sales of goods and services other than capital assets				
Sales by market establishment			120	138
Other sales			513	302
Sales of goods and services produced by the department			633	440
Sales of scrap, waste and other used current goods			-	4
Total			633	444
2.2 Fines, penalties and forfeits				
Forfeits			-	3
2.3 Interest, dividends and rent on land				
Interest			609	415
2.4 Sales of capital assets				
Tangible assets				
Machinery and equipment			129	254
2.5 Transactions in financial assets and liabilities				
Receivables			14	-

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
3. Compensation of employees			
3.1 Salaries and wages			
Basic salary		145,281	136,555
Performance award		36	1,071
Service based		73	138
Compensative/circumstantial		4,329	5,391
Periodic payments		114	72
Other non pensionable allowances		35,998	33,887
Total		185,831	177,114
Other non pensionable allowances include capital remuneration, Housing allowance, Non pension allowances and Service bonus			
3.2 Social contributions			
Employer contributions			
Pension		18,096	17,127
Medical		12,252	10,877
Bargaining council		51	47
Insurance		805	598
Total		31,204	28,649
Total compensation of employees		217,035	205,763
Average number of employees		527	513

Average number of employees comprises of 436 permanent and 91 contract employees.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
4. Goods and services			
Administrative fees		7,419	6,588
Advertising		5,956	6,411
Minor assets	4.1	4,661	3,164
Catering		6,445	3,681
Communication		6,662	7,215
Computer services	4.2	10,237	25,426
Consultants: Business and advisory services		20,394	17,116
Legal services		316	1,008
Contractors		14,214	28,615
Agency and support / outsourced services		1,791	1,463
Audit cost external	4.3	4,475	5,256
Fleet services		4,485	3,328
Inventory	4.4	9,533	13,490
Consumables	4.5	8,986	13,730
Operating leases		11,215	15,375
Property payments	4.6	24,175	29,554
Rental and hiring		3,225	3,368
Transport provided as part of the departmental activities		20,072	16,568
Travel and subsistence	4.7	28,843	27,872
Venues and facilities		2,922	3,238
Training and development		207	771
Other operating expenditure	4.8	8,459	7,854
Total		204,692	241,091

Other operating expenditure include Professional bodies, Membership subscription fee, Courier & delivery services, Laundry services, Non life insurance and Printing & publication.

4.1 Minor assets

Tangible assets

Machinery and equipment		4,661	3,164
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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
4.2 Computer services			
SITA computer services		107	135
External computer service providers		10,130	25,291
Total	4	10,237	25,426
4.3 Audit cost - external			
Regular audits		4,475	5,256
4.4 Inventory			
Learning and teaching support material		-	84
Materials and supplies		9,533	13,406
Total	4	9,533	13,490
4.4.1 Other supplies			
Other consumables is Fuel, Electrical spares, Building and construction supplies, Notice boards and signs & Recreation supplies			
4.5 Consumables			
Uniform and clothing		477	476
Household supplies		5,524	8,911
Building material and supplies		35	91
IT consumables		27	320
Other consumables		643	851
Consumable supplies		6,706	10,649
Stationery, printing and office supplies		2,280	3,081
Total	4	8,986	13,730

Other consumables include fuel, Electrical spares, Building and construction supplies, Notice boards and signs & Recreation supplies

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
4.6 Property payments			
Municipal services		3,444	4,178
Other		20,731	25,376
Total	4	24,175	29,554

Other property payments include Cleaning services, Gardening services, Pest control and fumigation services and Safeguard & security.

4.7 Travel and subsistence

Local		28,253	27,862
Foreign		590	10
Total	4	28,843	27,872

4.8 Other operating expenditure

Professional bodies, membership and subscription fees		8,062	6,998
Resettlement costs		16	-
Other		381	856
Total	4	8,459	7,854

Other operating expenditure include Courier, Laundry services, Life insurance, Printing and publication.

5. Transfers and subsidies

Provinces and municipalities	29	114	121
Public corporations and private enterprises	Annexure 1D Unaudited	-	1,000
Non profit institutions	Annexure 1F Unaudited	32,070	22,701
Households	Annexure 1G Unaudited	487	1,471
Total		32,671	25,293

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
6. Expenditure for capital assets			
Tangible assets			
Buildings and other fixed structures	26	88,333	138,509
Machinery and equipment	24	23,437	8,661
		111,770	147,170
Intangible assets			
Software	25	-	7,651
Total		111,770	154,821

6.1 Analysis of funds utilised to acquire capital assets - 2022/2023

	Voted funds R	Total R
Tangible assets		
Buildings and other fixed structures	88,333	88,333
Machinery and equipment	23,437	23,437
	111,770	111,770

6.2 Analysis of funds utilised to acquire capital assets 2021/2022

	Voted funds R	Total R
Tangible assets		
Buildings and other fixed structures	138,509	138,509
Machinery and equipment	8,661	8,661
	147,170	147,170
Intangible assets		
Software	7,651	7,651
Total	154,821	154,821

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
7. Cash and cash equivalents			
Consolidated paymaster general account		45,744	848

8. Prepayments and advances

9. Receivables

	Note	2022/2023			2021/2022		
		Current	Non-current	Total	Current	Non-current	Total
		R	R	R	R	R	R
Staff debt	9.4	31	228	259	9	254	263
Other receivables		46	-	46	41	-	41
Total		77	228	605	50	254	304

Other receivables include Salary income tax , Tax debt , Salary overpayment and Salary medical aid

	Note(s)	2022/2023 R'000	2021/2022 R'00
9.1 Staff debt			
		259	263

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
10. Voted funds to be surrendered to the Revenue Fund			
Opening balance		33,410	36,969
Transferred from statement of financial performance (as restated)		72,379	2,483
Add: Unauthorised expenditure for current year		-	3,365
Paid during the year		(27,407)	(9,407)
Closing balance		78,382	33,410
10.1 Voted funds/(Excess expenditure) transferred to the retained funds (Parliament/Legislatures only)			
10.2 Reconciliation of unspent conditional grants			
Total conditional grants received	1.2	232,840	220,346
Total conditional grants spent		(211,401)	(192,939)
Unspent conditional grants to be surrendered		21,439	27,407
11. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund			
Opening balance		386	709
Transferred from statement of financial performance (as restated)		1,385	1,116
Paid during the year		(1,510)	(1,439)
Closing balance		261	386
12. Payables - current			
Clearing accounts	12.1	50	-
12.1 Clearing accounts			
Income Tax		48	-
Pension fund		2	-
Total	12	50	-

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
13. Net cash flow available from operating activities			
Net surplus as per Statement of Financial Performance		73,764	3,599
Add back non cash/ cash movements not deemed operating activities			
(Increase)/ decrease in receivables		(27)	(31)
Increase/ (decrease) in payables – current		50	(85)
Proceeds from sale of capital assets		(129)	(254)
Expenditure on capital assets		111,770	154,821
Surrenders to Revenue Fund		(28,917)	(10,846)
Net cash flow generated by operating activities		156,511	147,204
14. Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated paymaster general account		45,744	848
15. Contingent liabilities and contingent assets			
15.1 Contingent liabilities			
Liable to Nature			
Claims against the department	Annexure 3B - Unaudited	10,230	10,266
The contingent liabilities against the department are due to breach of contract, recreation negligence and labour relations.			
15.2 Contingent assets			
Nature of contingent asset			
Procurement		2,995	2,995

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
16. Capital commitments			
Buildings and other fixed structures		83,195	66,198

17. Accruals and payables not recognised

17.1 Accruals

	2022/2023		2021/2022
	30 Days R'000	Total R'000	Total R'00
Listed by economic classification			
Goods and services	12,801	12,801	2,221
Capital assets	6,904	6,904	-
Total	19,705	19,705	2,221
Listed by programme level			
Programme 1 Administration		2,299	-
Programme 2 Cultural Affairs		61	453
Programme 3 Library and Archives Services		10,676	-
Programme 4 Sport and Recreation		6,669	1,768
Total		19,705	2,221

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

17.2 Payables not recognised

	2022/2023			2021/2022
	30 Days R'000	30+ Days R'000	Total R'000	Total R'00
Goods and services	5,005	2,026	7,031	18,940
Capital assets	510	-	510	4,799
Total	5,515	2,026	7,541	23,739

	Note(s)	2022/2023 R'000	2021/2022 R'00
Listed by programme level			
Programme 1 Administration		2,737	1,567
Programme 2 Cultural Affairs		446	1,140
Programme 3 Library and Archives Services		2,824	16,253
Programme 4 Sport and Recreation		1,534	4,779
Total		7,541	23,739

Included in the above totals are the following:

Confirmed balances with other departments	Annexure 5 - Unaudited	1,470	96
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18. Employee benefits

Leave entitlement	12,605	14,260
Service bonus	6,000	5,618
Capped leave commitments	6,941	6,863
Total	25,622	26,806

At this stage the department is not able to reliably measure the long term portion of the long service awards.R76,290

Other refers to long service award for the period of 12 months, also note that leave entitlement has a negative leave credits amounting to R53 000

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
19. Lease commitments			
19.1 Operating leases			
2022/2023			
		Buildings and other fixed structures R'000	Machinery and equipment R'000
			Total R'000
Not later than 1 year		2,390	5,652
Later than 1 year and not later than 5 years		1,606	-
Total lease commitments		3,996	25,622

2021/2022

		Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year		2,252	5,652	7,904
Later than 1 year and not later than 5 years		3,996	5,652	9,648
Total lease commitments		6,248	11,304	17,552

Lease Commitments for Copier Machines is for Departmental Offices and to provide support to Mpumalanga Provincial Libraries and Office Building at Gert Sibande Region and Nkangala Sports Office

20. Unauthorised, Irregular and Fruitless and wasteful expenditure

	2022/2023 R'000	2021/2022 R'00
Unauthorised expenditure	-	3,365
Irregular expenditure	23,744	82,288
Fruitless and wasteful expenditure	-	112
Total	23,744	85,765

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
21. Related party transactions			
In kind goods and services provided/received (Additional disclosure)			
List in kind goods and services between the department and the related party			
Accounting and IT services: Provincial Treasury		-	-
Internal Audit and Audit Committee: Office of the Premier		-	-
Office Accommodation: Department of Public Works, Road and Transport		-	-
Security Services: Department of Community Safety, Security and Liaison		-	-
Total		-	-

During the year under review the Department received free of charge from the Department of Public Works, Roads, and Transport, Department of Community Safety, Security and Liaison, Office of the Premier and that are related to Department of Culture, Sport and Recreation. The Department occupies government building in the Province provided by Department of Public Works, Roads and Transport free of charge. The Department received service for the Audit Committee and Internal Audit provided through the shared service in the Office of The Premier. Provincial Treasury provided IT services free of charge. There's no related party transaction within the MEC portfolio however all departments are related and the above is disclosed as an additional information in line with TR 21.2.4.

22. Key management personnel

Political office bearers (provide detail below)		2,075	2,000
Level 15 to 16		1,913	1,649
Level 14 (incl. CFO if at a lower level)		3,798	3,653
Legal and planning		2,224	2,175
Total		10,010	9,477

23. Provisions

Provision for retention on capital assets		7,764	3,874
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Provisions for retention on capital assets is due to library infrastructure. The outflow of resources is based on contractual terms and there are no uncertainties on the timing of the outflow.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Note(s)	2022/2023 R'000	2021/2022 R'00
23.1 Reconciliation of movement in provisions - 2022/2023			
		Provision 1 R'000	Total provisions R'000
Opening balance		3,874	3,874
Increase in provision		3,890	3,890
Closing balance		7,764	7,764

23.2 Reconciliation of movement in provisions - 2021/2022			
		Provision 1 R'000	Total provisions R'000
Opening balance		550	550
Increase in provision		3,619	3,619
Unused amount reversed		(295)	(295)
Closing balance		7,764	7,764

24. Movable tangible capital assets

Movement in movable tangible capital assets per asset register for the year ended 31 March 2023

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Heritage assets				
Heritage assets	-	210	-	210
Machinery and equipment				
Transport assets	22,723	1,688	1,669	22,742
Computer equipment	24,644	1,915	3,750	22,809
Furniture and office equipment	31,230	3,427	2,139	32,518
Other machinery and equipment	7,787	173	982	6,978
	86,384	7,203	8,540	85,047
Total movable tangible capital assets	86,384	7,413	8,540	85,257

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

24.1 Movement for 2021/2022

Movement in movable tangible capital assets per asset register for the year ended 31 March 2022

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Machinery and equipment					
Transport assets	20,744	-	2,714	735	22,723
Computer equipment	26,166	-	2,201	3,723	24,644
Furniture and office equipment	31,053	(8)	3,479	3,294	31,230
Other machinery and equipment	9,547	8	267	2,035	7,787
	87,510	-	8,661	9,787	86,384

24.1.1 Prior period error

Nature of prior period error

Relating to 2021/2022 (affecting the opening balance)

Furniture and Office Equipment

Other Machinery and Equipment

Note
2021/2022
R'000

(8)

8

-

24.2 Minor assets

Movement in minor capital assets per the asset register for the year ended as at 31 March 2023

	Heritage assets	Machinery and equipment	Total
	R'000	R'000	R'000
Opening balance	25	36,162	36,187
Additions	-	6,322	6,322
Disposals	-	1,337	1,337
Total minor capital assets	25	41,147	41,172

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Heritage assets	Machinery and equipment	Total
	R'000	R'000	R'000
Number of R1 minor assets	25	1,074	1,099
Number of minor assets at cost	-	154,807	154,807
Total number of minor assets	25	155,881	155,906

Movement in minor capital assets per the asset register for the year ended as at 31 March 2022

	Heritage assets	Machinery and equipment	Total
	R'000	R'000	R'000
Opening balance	25	33,941	33,966
Additions	-	4,428	4,428
Disposals	-	2,207	2,207
Total minor capital assets	25	36,162	36,187

	Machinery and equipment	Total
	R'000	R'000
Number of R1 minor assets	1,131	1,131
Number of minor assets at cost	127,914	127,914
Total number of minor assets	129,045	129,045

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

24.3 Movable tangible capital assets written off

Movable capital assets written off for the year ended as at 31 March 2023

	Machinery and equipment	Total
	R'000	R'000
Assets written off	2,649	2,649

Movable capital assets written off for the year ended as at 31 March 2022

24.4 Movable tangible capital assets: Capital work in progress

Capital work in process for the year ended as at 31 March 2023

	Note	Opening balance	Current year capital WIP	Closing balance
		R'000	R'000	R'000
Machinery and equipment		-	17,988	17,988

25. Intangible capital assets

Movement in intangible capital assets per asset register for the year ended 31 March 2023

	Opening balance	Closing balance
	R'000	R'000
Software	31,360	31,360

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

25.1 Movement for 2021/2022

Movement in intangible capital assets per asset register for the year ended 31 March 2022

	Opening balance	Prior period error	Additions	Closing balance
	R'000	R'000	R'000	R'000
Software	4,653	(6,169)	32,876	31,360

25.1.1 Prior period error

	Note	2021/2022
		R'000
Nature of prior period error		
Relating to 2021/2022 (affecting the opening balance)		(6,169)

Nature of prior period error

Relating to 2021/2022 (affecting the opening balance)

The prior period error is due a misclassification of Intangible assets, goods and services

25.2 Intangible capital assets: Capital work in progress

Capital work in process for the year ended as at 31 March 2023

	Note	Opening balance 01 April 2022	Current year capital WIP	Ready for use (Assets to the Ar)/Contracts terminated	Closing balance 31 March 2023
		R'000	R'000	R'000	R'000
Intangible assets		15,328	-	-	15,328

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

Capital work in process for the year ended as at 31 March 2022

Note	Opening balance 01 April 2021	Prior period errors	Current year capital WIP	Ready for use (Assets to the AR)/Contracts terminated	Closing balance 31 March 2022
			R'000	R'000	R'000
Intangible assets	34,384	-	13,820	32,876	15,328

26. Immovable tangible capital assets

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2023

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Buildings and other fixed structures				
Non residential buildings	109,700	33,633	-	143,333
Other fixed structures	2,978	-	-	2,978
	112,678	33,633	-	146,311
Heritage assets				
Heritage assets	6,793	-	(2,860)	3,933
Total immovable tangible capital assets	119,471	33,633	(2,860)	150,244

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

26.1 Movement for 2021/2022

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2022

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Buildings and other fixed structures				
Non residential buildings	125,288	2,517	(18,105)	109,700
Other fixed structures	2,978	-	-	2,978
	128,266	2,517	(18,105)	112,678
Heritage assets				
Heritage assets	6,793	-	-	6,793
Total immovable tangible capital assets	135,059	2,517	(18,105)	119,471

26.1.1 Prior period error

26.2 Capital Work in progress

Capital Work in progress as at 31 March 2023

	Note	Opening balance 01 April 2022	Current year capital WIP	Ready for use (Assets to the Ar)/Contracts terminated	Closing balance 31 March 2023
		R'000	R'000	R'000	R'000
Buildings and other fixed structures		400,835	88,333	(33,633)	455,535

Payables not recognised relating to Capital Work in progress

[Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work in progress] - 3,492

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

Capital Work in progress as at 31 March 2022

	Note	Opening balance 01 April 2022	Current year capital WIP	Ready for use (Assets to the Ar)/Contracts terminated	Closing balance 31 March 2023
		R'000	R'000	R'000	R'000
Buildings and other fixed structures		297,340	(30,508)	134,003	400,835

27. Prior period errors

27.1 Correction of prior period errors

		2021/2022		
	Note	Amount bef error correction	Prior period error	Restated amount
		R'000	R'000	R'000
Expenditure for capital assets:				
Tangible assets: Building and other fix structures		136,520	1,989	138,509
Intangible assets: Software		37,529	(6,169)	31,360
Net effect		174,049	(4,180)	169,869

The error on tangible capital assets is due to the misclassification of security services and Feasibility study as well as intangible assets and other operating expenditure

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

2021/2022				
	Note	Amount bef error correction	Prior period error	Restated amount
		R'000	R'000	R'000
Expenditure:Goods and services.				
Contractors		37,477	(8,862)	28,615
Consultants and Business advisory services		10,243	6,873	17,116
Other operating expenditure		1,685	6,169	7,854
Net effect		49,405	4,180	53,585

The error on tangible capital assets is due to the misclassification of security services and feasibility study as well as intangible assets and other operating expenditure

2021/2022			
	Note	Prior period error	Restated amount
		R'000	R'000
Movable tangible capital assets			
Furniture and office equipment		(8)	(8)
Other machinery and equipment		8	8
Net effect		-	-

The prior period error is due to a misallocation that occurred between furniture,office equipment,machinery and other office equipment

2021/2022				
	Note	Amount bef error correction	Prior period error	Restated amount
		R'000	R'000	R'000
Immovable Tangible Capital Assets				
Capital Work in Progress		431,343	(30,508)	400,835

The prior period error on capital work in progress is due to misclassification of security services and Feasibility study.]

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

2021/2022				
	Note	Amount bef error correction	Prior period error	Restated amount
		R'000	R'000	R'000
Movement in movable tangible capital assets per asset register for the year ended 31 March 2022				
Movable Tangible Capital Assets.	24	-	-	-
Furniture and Office Equipment	24	31,238	(8)	31,230
Other Machinery and Equipment	24	7,779	8	7,787
Net effect		39,017	-	39,017

Appropriation Statement and Cash Flow Statement Because of the some of the prior period errors in this note, corrections were made to the corresponding figures of the appropriation statement and cash flow statement.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

28. Statement of conditional grants received

Name of grant	Grant allocation			Spent				2021/2022	
	Division of Revenue Act/ Provincial Grants	Roll Overs	Total Available	Amount received by department	Amount spent by department	Under / (Overspending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
Community Library Service Grant	169,288	7,406	176,694	176,694	155,420	21,274	88 %	165,056	137,869
Mass Participation and Sports Development Grant	52,236	-	52,236	52,236	52,139	97	100 %	51,290	51,070
Expanded Public Works Programme Incentive	2,279	-	2,279	2,279	2,279	-	- %	2,362	2,362
Social Sector Expanded Public Works	1,631	-	1,631	1,631	1,563	68	96 %	1,638	1,638
	225,434	7,406	232,840	232,840	211,401	21,439		220,346	192,939

Departments are reminded of the requirement to certify that all transfers in terms of this Act were deposited into the primary bank account of the province or, where appropriate, into the CPD account of the province.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

29. Statement of conditional grants paid to the provinces

Name of Grant	Grant allocation		Transfer	2021/2022	
	Division of Revenue Act	Total Available	Actual Transfer	Division of Revenue Act	Actual Transfer
	R '000	R '000	R '000	R '000	R '000

Summary by province

Mpumalanga	200	200	114	200	121
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Summary by grant

Name of grant - 1	200	200	114	200	121
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1. Name of grant - 1

Mpumalanga	200	200	114	200	121
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National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

30. Broad based black economic empowerment performance

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

	Note(s)	2022/2023 R '000	2021/2022 R '000
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31. COVID 19 Response Expenditure

Goods services			205	23
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ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

Annexure 1D - Unaudited

Statement of transfers/ subsidies to public corporations and private enterprises

Name of public corporations/ private enterprise	Transfer allocation		2021/2022	
	Adjusted budget	Total available	Final budget	Actual transfer
	R '000	R '000	R '000	R '000
Public corporations				
Transfers				
TLB BOXING PROMOTION (PTY)LTD	1,200	1,200	1,000	1,000

Departments are required to include a summary of expenditure per conditional grant to aid in the identification of under- / over spending of such funds and to allow the department to provide an explanation for the variance.

ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

Annexure 1F - Unaudited

Statement of transfers to non-profit institutions (continued)

	Transfer allocation		Expenditure		2021/2022	
	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
	R '000	R '000	R '000	%	R '000	R '000
Non-profit institutions						
Mkhosi Wemhlanga	150	150	-	- %	-	-
South African Gold Panning	4,200	4,200	4,200	100 %	1,500	1,500
Lukhanyo girls foundation	250	250	250	100 %	250	250
Zoe Creatives	500	500	500	100 %	500	500
Provincial Language Services	150	150	150	100 %	150	150
Mpumalanga gospel awards	1,500	1,500	1,500	100 %	1,500	1,500
Mpumalanga School Sports Organisation	250	250	250	100 %	250	250
Library for the blind	1,500	1,500	1,500	100 %	1,500	1,500
Mpumalanga cycling union	500	500	500	100 %	500	500
Top Ace Entertainment	500	500	500	100 %	-	-
Jimeliz Foundation NPC	1,000	1,000	1,000	100 %	-	-
Jakada holdings (PTY) LTD	200	200	200	100 %	-	-
Malumbi Foundation	1,000	1,000	1,000	100 %	-	-
MP:Sports Awards	2,000	2,000	2,000	100 %	1,500	1,500
Friends of the Museum	1,050	1,050	1,050	100 %	1,050	1,050
SATMA	17,350	17,350	14,520	84 %	12,000	13,200
International Seasons's Programme	500	500	400	80 %	-	-
MP: Moral Regeneration movement	250	250	250	100 %	250	250
Erholweni	200	200	200	100 %	100	-
Komjekejeke	100	100	100	100 %	-	-
Innibos TRN	2,000	2,000	2,000	100 %	-	-
Endumbeni Cultural & Creatives Arts	-	-	-	- %	100	100
MPU Got Talent	-	-	-	- %	100	100
CCFISFA	-	-	-	- %	250	51
Mpumalanga Music Association	-	-	-	- %	300	300
	35,150	35,150	32,070		21,800	22,701

ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

Annexure 1G - Unaudited

Statement of transfers to households

	Transfer allocation		Expenditure		2021/2022	
	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
	R '000	R '000	R '000	%	R '000	R '000
Households						
Transfers						
Leave gratuity	1,000	1,000	487	49 %	1,000	1,471

ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

Annexure 3B - Unaudited

Statement of contingent liabilities as at 31 March 2023

	Opening balance 01 April 2022	Liabilities paid/ cancelled/ reduced during the year	Closing balance 31 March 2023
Nature of liabilities	R '000	R '000	R '000
Claims against the department			
HJ SAMUELS	580	-	580
PRE\040\14\MP\J14006\17	-	-	-
DELTA FORCE	9,650	-	9,650
GBP 147	36	36	-
JS964\21	-	-	-
Subtotal	10,266	36	10,230

ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

Annexure 5 - Unaudited

Inter-government payables

Government entity	Confirmed balance outstanding		Total	
	2022/2023	2021/2022	2022/2023	2021/2022
	R '000	R '000	R '000	R '000
Departments				
Current				
Department of Public Works, Roads and Transport	1,470	96	1,470	96

ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Note(s)	Insert major category of inventory	Total
		R'000	R'000
Annexure 6 - Unaudited			
Inventories			
Inventory for the year ended 31 March 2023			
Opening balance		211	211
Add: Additions/Purchases Cash		9,540	9,540
(Less): Disposals		(9,628)	(9,628)
Closing balance		123	123
Inventory for the year ended 31 March 2022			
Opening balance		127	127
Add: Additions/Purchases Cash		13,490	13,490
(Less): Disposals		(13,406)	(13,406)
Closing balance		211	211

ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

Annexure 7 - Unaudited

Movement in capital work in progress

Movement in capital work in progress for the year ended 31 March 2023

	Opening balance	Current year Capital WIP	Ready for use (Asset register)/ Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
Machinery and equipment				
Transport assets	-	17,988	-	17,988
Buildings and other fixed structures				
Non residential buildings	145,915	29,173	33,633	141,455
Other fixed structures	254,920	59,160	-	314,080
	400,835	88,333	33,633	455,535
Computer software				
Computer Software	15,328	-	-	15,328
Total	416,163	106,321	33,633	488,851

	Opening balance	Prior period errors	Current year Capital WIP	Ready for use (Asset register)/ Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures					
Non residential buildings	127,793	-	18,122	-	145,915
Other fixed structures	169,547	(30,508)	115,881	-	254,920
	297,340	(30,508)	134,003	-	400,835
Computer software					
Computer Software	34,384	-	13,820	32,876	15,328
Total	331,724	(30,508)	147,823	32,876	416,163

ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

Annexure 11 - Unaudited

COVID 19 response expenditure

Per quarter and in total

Expenditure per economic classification	2022/2023		2021/2022
	Subtotal Q1 R'000	Total R'000	Total R'000
Goods services			
Consumables supplies	205	205	23

Department of Culture, Sport and Recreation

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