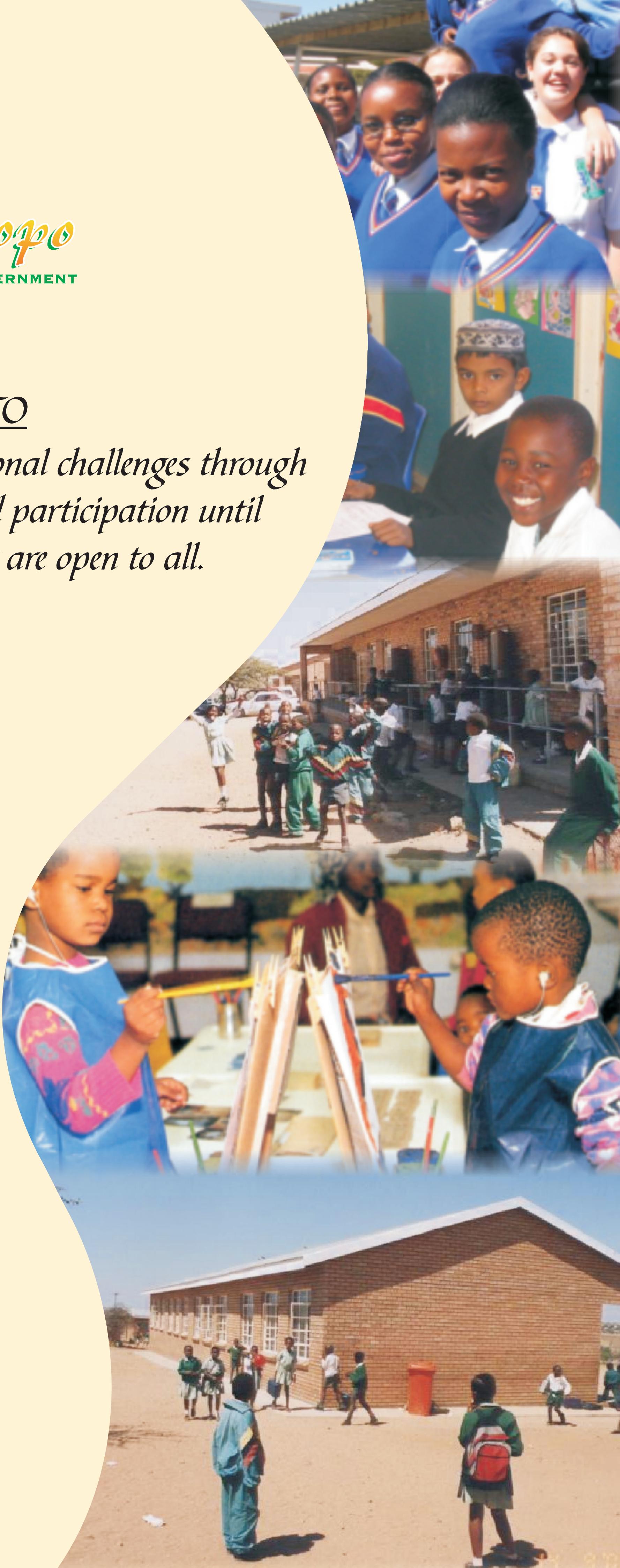
Limpopo
PROVINCIAL GOVERNMENT



MOTTO

Finding solutions to educational challenges through collective engagement and participation until the doors of learning are open to all.

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FOREWORD BY THE MEC

The continued process of reorganizing and restructuring the Department to produce citizens with values, knowledge and skills for them to be able to fulfill a productive role in society, remain a major challenge during this financial year. Solid logistical preparations for the introduction of the new Curriculum statement in Grade 7 and 10 next year (2006) will give an added impetus to the realization of the new kind of learner envisaged by our democratic society. These ground-breaking developments will surely transform our curriculum to produce multi-skilled and knowledgeable South Africans our new democracy sorely need.

Dr. P.A. Motsoaledi

Furthermore, our new policy direction in terms of Infrastructure provisioning will also give meaning to the efficacy of the new Curriculum, which behoves on us to provide Information Communication Technology (ICT) facilities.

Our collective efforts with communities in dealing with the scourge of HIV & AIDS remain uppermost in our strategic plans.

We will continue to strengthen our partnership with all relevant stakeholders to fully open the doors of learning to all South Africans.

Finally, we will continue to play a central role to assist efforts to build a society based on democratic values, social justice and fundamental human rights by providing quality education to our children.

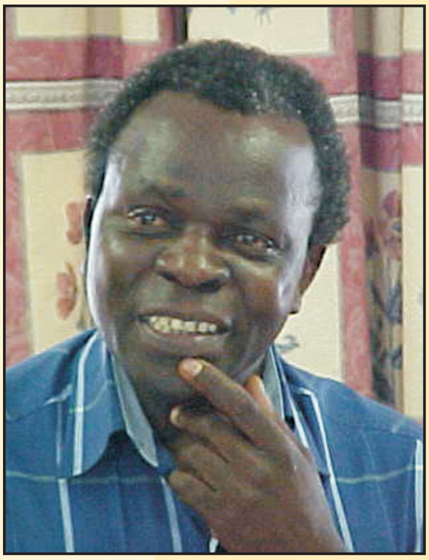
Dr. Phakishe Aaron Motsoaledi
MEC: Department Of Education

SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTIVE AUTHORITY

Member of Executive Council (MEC) Dr Phakishe Aaron Motsoaledi, it is my great pleasure to present you with the Annual Report of the Limpopo Department of Education for the financial year 2004/2005. As you go though the Annual Report you will notice that indeed we have made some improvement with regards to achieving the measurable objectives as set out in our Strategic Plan.

The quest to deliver quality public education continues with even greater momentum. And here MEC, allow me to thank all our stakeholders for the support we continue to receive on our journey to opening the doors of learning for all.

Professor Ranwedzi Harry Nengwekhulu
Head Of Department



Professor R.H Nengwekhulu

USE OF ACRONYMS

ABET	-	Adult Basic Education
DBST	-	District Based Support Team
	-	Early Childhood Development
ELRC	-	Education Labour Relations Council
EPWP	-	Expanded Public Works Programme
ETDP	-	Education and Training
EWP	-	Education White Paper
FET	-	Further Education and Training
GET	-	General Education and Training
GETC	-	General Education & Training Certificate
HOD	-	Head of Department
ICR	-	Information & Communication Technology
IQMS	-	Integrated Quality Management System
LSEN	-	Learners with Special Education Needs
LTSM	-	Learner Teacher Support Materials
MTEF	-	Medium Term Expenditure Framework
NCS	-	National Curriculum Statements
NPDE	-	National Professional Diploma in Education
NQF	-	National Qualification Framework
PFMA	-	Public Finance Management Act
PGDS	-	Provincial Growth and Development Strategy
PSNP	-	Primary School Nutrition Programme
RNCS	-	Revised National Curriculum Statements
SAQA	-	South African Qualification Authority
SASA	-	South African Schools Act 84 of 1996
SBST	-	School Based Support Team
SETA	-	Sector Education and Training Authority
SGB	-	School Governing Body

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PART ONE
GENERAL INFORMATION

1.1 INTRODUCTION BY THE HEAD OF THE INSTITUTION

The Department of Education in the Limpopo Province has compiled this annual report in order to fulfil the following objectives, namely:

- To provide an account of our achievements with regards to the measurable objectives, performance measures and annual output targets as spelt out in the Strategic Plan 2004 -2007.
- To account for the use of the resources appropriated for the financial year 2004/05; through the audited financial statement
- To provide challenges that might have impacted on our service delivery and how we have responded to them
- The Department has made great strides in improving service delivery during the period under review. In line with our Strategic Framework the following achievements highlights our sense of direction:

1.1.1 GRADE 12 RESULTS

The achievement In Grade 12 results increased from 70% in 2003 to 70.6% in 2004. It is worth noting that we are the only Province that maintained its percentage performance in the whole country. Our matric endorsement increased by 2% and we are the fourth performer in this area. Our Department is the best performer in the five nationally set examination grade 12 subjects, namely: Accounting, Biology, History, Mathematics and Physical Science. This phenomenal increase is contributing positively towards the realization of the expected outcomes of the Limpopo growth and development strategy. Our intensive support to schools is indeed paying off; we are witnessing a shift towards quality passes. The abolition of condonations, and the introduction of common papers of assessment and winter and Saturday classes are some of the success factors.

1.1.2 FET COLLEGES

The province has six FET Colleges, which offer a variety of skills-based and professional courses. The challenge of providing skills to the youth and make them ready to contribute to the economic development of the country, is enormous. To this end, the Department is engaging in a market analysis for all the Colleges to ensure that they offer courses that are in line with the Human Resource Development needs of the province. With the help of the National Department of education we are also recapitalising all these institutions ensure that they (colleges) have state of the art equipments and facilities. In pursuance of their mandates, all the Colleges have signed Memoranda of Understanding with all the Sector Education and Training Authorities (SETAS).

1.1.3 GET AND FET CURRICULUM

The implementation of the RNCS and the NCS continues. The province is on course for the implementation in 2006. Teacher training and readiness is a huge challenge time and money are the biggest obstacles. The province is also developing both the Literacy and Numeracy Strategies to help improve the quality of learning. This should help respond to the weakness shown by the Systemic Evaluation. Classroom based support continues to be limited because of lack of personnel in particular Curriculum Advisers. Local and International support is also helping in improving curriculum delivery in this case it worth mentioning:

- Development Cooperation Ireland's Fhatuwani Programme, which is training and support of schools management teams and governing bodies. Further provide training and support of educators in RNCS through the use of Breakthrough to Literacy (BTL) kits for all grade one classroom and 500 grade 2 on Breakthrough to English (BTE) in the province. Training and support for the school management teams and governing bodies in 90 schools across the Province.
- USAID's Integrated Education Programme (IEP), which is providing training and support for mathematics and natural sciences educators in intermediate phase; literacy and numeracy educators in the foundation phase and training of school management teams and governing bodies.
- DFID's Khanyisa programme which is piloting a school transformation model to contribute to better learning outcomes and life opportunities including the implementation of HIV & AIDS. Focus is

also towards FET colleges with improved capacity to the needs of industry, youth and Limpopo Growth and Development Strategy (PGDS).

- Flemish Government's Enhancing Schools Effectiveness Project (ESEP), which is training in RNCS with special emphasis on assessment in mathematics, natural sciences and technology for the intermediate and senior phases educators.

1.1.4 TEACHER DEVELOPMENT

Training of teachers to prepare them for the implementation of the Revised National Curriculum remain a key focus of the Department. Educators need to be developed to implement the revised National Curriculum Statements and also to implement the Curriculum in FET schools. The Number of educators trained during 2004/05 is as follows:

- Revised National Curriculum Statements: 10,000
- OBET: 64
- RPL: 30
- CASS: 4,500
- Unit Standard based Curriculum for ABET: 430
- BTL – Foundation phase: 13,200
- Setting & moderation of exam papers: 265

1.1.5 INFRASTRUCTURE

The infrastructure backlog is a major challenge. The department through its voted funds continues to provide classrooms to ease overcrowding. Partners are also helping in building schools. We continue to have children receiving tuition under trees and in shacks. The department has prioritised this category for the current financial year. All new schools are now built with administration blocks, ablution facilities and a computer laboratory. Through the Limpopo Education Development Trust, organisations such as Transmit, BHP Billiton, Anglo, de Beers, Zenex Foundation have made real impact in reducing the classroom backlog. The Japanese government supported us with 33 schools and the European Union is going to build 50 schools, all these attempts are aimed at ensuring provision of quality education.

1.1.6 BATHO PELE

The department subscribes fully to the principles of Batho Pele. There is a departmental Batho-Pele committee, which handles complaints and ensures speedy redress. The are suggestion boxes at convenient points throughout our offices, head office, district and circuits. Staff is continuously trained on better service initiatives. There is an annual Indaba where stakeholders are invited to give feed back to the department.

1.1.7 HIV and AIDS

The scourge of HIV and AIDS continues to ravage our communities and people. The department is actively involved in fight to curb the spread of the disease. In line with our motto of "seeking solutions through collective engagements" we convened a HIV and AIDS Indaba, where stakeholders were able to input on the departmental plans and strategy. The department has both the Workplace desk and Life Skill programme the latter being included in the Curriculum and therefore aimed at educators and learners. This is funded through a grant for the National Department. The challenge is how to mainstream HIV and AIDS so that all our initiatives can give prominence to this fight.

To date 5,600 educators have been trained to facilitate life skills HIV/AIDS education within the curriculum in general while 88 additional educators were trained for teaching Sexuality Education through Sign Language. The Department managed through the following interventions to reach communities and learners:

- Candlelight ceremonies, 40 000
- Training workshops on HIV/AIDS relating specifically for women: 3,000
- STI Campaigns in collaboration with Health and Social Development, Pastors, CBO's and Traditional Healers: 4 000 Learners
- Sharing of Success stories through drama, music, dance, debate etc: 35 000
- Resources distributed: Soul City books, 12, 000 First Aid kits and 4,470 refills.

1.1.8 EARLY CHILDHOOD DEVELOPMENT (ECD)

The Department continues the fight against illiteracy through its Public and Private funded ECD institutions. The following were used during the financial year to achieve the ECD objectives: empowerment of 170 Practitioners in using Takalani Sesame material in teaching and Celebration of Children's Day in Thohoyandou in collaboration with Premier's office and other sister Departments where an estimate of 10 000 children were reached.

1.1.9 INFORMATION AND COMMUNICATION SYSTEM

To improve communication between Head office and Districts, the Department has established network connectivity. To date, we have overhauled the network infrastructure at head office; installed and commissioned a new server for head office and installed and centralized equipment for storing information and we have determined networking requirements for all districts including Education Multi-Purpose Centres (EMPCs), libraries and LTSM warehouses. The E-Learning Pilot project, which aims at schools in Mogalakwena, is up and running and to date, seven schools have been connected.

1.1.10 PRIMARY SCHOOL NUTRITION PROGRAMME (PSNP)

During the financial year 2004/05 the Department started implementing the Primary School Nutrition Programme, a programme which has been implemented by Health and Welfare Department for some years. By the end of the financial year, the Department was providing food for 1,157,193 learners.

1.1.11 IMPROVING MANAGEMENT AND GOVERNANCE AT EDUCATION INSTITUIONS

Training workshops were conducted for School Management Teams of under-performing schools to improve their management and leadership skills. Over and above that schools were assisted with School Development Planning and its implementation. Managers were empowered on HIV/AIDS and implement-tation of Cooperative Discipline as an alternative to corporal punishment to enable them to support schools. Woman managers at Provincial and District levels received management training.

In respect of governance, the Department developed guidelines on admissions as well as a Resource handbook on Management Without Executive powers for the School Governing Bodies to improve governance at school level in general. School Governing Bodies have received further training in Language Policy to empower them to take decisions on choice of language and develop appropriate language policies for their schools to suit their different circumstances.

The Department is undertaking an audit of implementation of available policies in general and the School Fees exemptions in particular, to ensure that policies are implemented to bring about the required results.

To promote good relations between learners and SMT's and School Governing bodies all Districts established and conducted orientation workshops for RCL's structures in all secondary schools.

1.1.12 MANAGEMENT DEVELOPMENT

The department has a duty to ensure line managers have the requisite skill and expertise to discharge their duties effectively, efficiently and economically. To this end continuous development initiatives are engaged for all levels of management. The implementation of Performance Management System is rigorously monitored to ensure that managers deliver.

1.2 INFORMATION ON THE MINISTRY

The Limpopo Department of Education consists of head office, six districts and one hundred forty four circuits. The Provincial head office is mainly responsible for policy co-ordination and analysis, monitoring of policy implementation and strategic management whereas districts are responsible for policy implementation, monitoring, training and in-school support.

The following is a summary of some of the key features of the department in terms of scope and scale.

Head Office:	1
Districts:	6
Further Education and Training colleges:	7
Public ordinary schools:	4246
Educators in Public ordinary schools:	54804
Independent schools:	109
Adult Basic Education and Training learning centres:	584
Schools for learners with special needs:	25
Learners in the Province:	1877509

1.3 VISION AND MISSION STATEMENT

Vision

Our vision is to equip the people of our province, through the provision of quality, life-long education and training, with the values, knowledge and skills, that will enable them to fulfil a productive role in society.

Mission

To realize our vision, the department will endeavour to:

- Promoting the development of a well-qualified, dedicated and fully professional management and teaching corps to cater for the needs of all categories or learners;
- Fostering community participation in the education system;
- Ensuring the quotable allocation of resources;
- Planning managing and utilizing the Province's educational resources efficiently, realistically, economically and optimally;
- Reconstructing and develop the educational system to one that will inculcate the principles of non-racism, non-sexism, freedom of religion and democracy;
- Promoting partnerships with other government departments, the private sector and international organizations;
- Creating an enabling environment that leads to learner autonomy for life-long learning; and
- Instilling a sense of belonging to and appreciation of our cultural diversity.

1.4 LEGISLATIVE MANDATE

The Department of education is regulated by the following main legislative frameworks for the discharge of its mandates. The Constitution of the RSA Act No. 108 of 1996 Section 29 of the Constitution stipulates broader functions of the department in terms of provision and support. The Public Service Act of 1994 and The Public Service regulations of 2001. This is a regulatory framework underpinning the operations of the department in the discharge of its mandate. The non-teaching personnel take direction from this framework. The Employment of Educators Act (Act No. 76 of 1998). The conditions of service of office based educators and school based educators are properly spelt out. The South African Schools Act (Act No. 84 of 1996) - this is a transformation framework in the running of schools and the governance thereto. The Labour Relations Act (Act No. 66 of 1995) - this Act promotes social justice and labour peace and the democratisation of the workplace. The Adult Basic Education ACT (Act No. 52 of 2000) – the Limpopo Department of Education has developed a curriculum framework and its implementation is underway across the ABET learning centres.

The Further Education and Training Act (Act No. 98 of 1998). This Act establishes a National co-coordinated FET system which promotes co-operative governance and provides for programme based FET. The Skills Development Act (Act No. 97of 1998) allows the Department to provide an acceptable institutional framework that would enable us to develop and implement workplace skills plan in order to improve the skills of the employees.

The department further derives its mandates from the following statutory bodies: -

- The Council of Education Ministers (CEM) is responsible for policy formulation.
- The Head of Education Committee (HEDCOM) is responsible for the day-to-day running of the departments and to deal specifically with administrative and operation issues.
- The Executive Council of the province is responsible for resolutions and decisions based on the mandate of the provinces.

PART TWO
PROGRAMME PERFORMANCE

2.1 VOTED FUNDS

Appropriation	Main Appropriation	Adjusted Appropriation	Actual Amount Spent	Over/Under Expenditure
	R'000 9,281,885	R'000 9,689,857	R'000 9,609,942	R'000 79,915
Responsible MEC	MEC FOR EDUCATION			
Administering Dept	Department of Education			
Accounting Officer	SUPERINTENDENT GENERAL: EDUCATION			

2.2 AIM OF THE VOTE

The aim of the Vote reflects the social and economic outcomes or results that the Department wishes to achieve and should be consistent with the aim as contained in the Appropriation Bill.
The aim of the Department of Education is to develop, maintain and support a South African education and training system for the 21st century.

2.3 SUMMARY OF PROGRAMMES

The Education sector adopted uniform budget and programme structure that reflect the minimum number of programmes. These programmes and its contents are encapsulated in definitions, which explain what are to be included under each programme and sub programme. The activities of the Department of Education are organised in the following eight programmes:

Programme	Sub-programme
1. Administration	1.1. Office of the MEC 1.2. Corporate Services 1.3. Education Management 1.4. Human Resource Development 1.5. Conditional Grants
2. Public Ordinary School Education	2.1. Public Primary Schools 2.2. Public Secondary Schools 2.3. Professional Services 2.4. Human Resource Development 2.5. In-school Sport and Culture 2.6. Conditional Grants
3. Independent School Subsidies	3.1. Primary Phase 3.2. Secondary Phase
4. Public Special School Education	4.1. Schools 4.2. Professional Services 4.3. Human Resource Development 4.4. In-school Sport and Culture 4.5. Conditional Grants
5. Further Education and Training	5.1. Public Institutions 5.2. Youth Colleges 5.3. Professional Services 5.4. Human Resource Development 5.5. In-college Sport and Culture 5.6. Conditional Grants

Programme	Sub-programme
6. Adult Basic Education and Training	6.1. Public Centres 6.2. Subsidies to Private Centres 6.3. Professional Services 6.4. Human Resource Development 6.5. Conditional Grants
7. Early Childhood Development	7.1. Grade R in Public Schools 7.2. Grade R in Community Centres 7.3. Pre-grade R 7.4. Professional Services 7.5. Human Resource Development 7.6. Conditional Grants
8. Auxiliary and Associated Services	8.1. Payments to SETA 8.2. Conditional Grant Projects 8.3. Special Projects 8.4. External Examinations

2.4 OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT FOR 2004/2005

The Limpopo department of education is facing a number of challenges with regards to the quality in its service delivery improvement programme. The province is largely rural and most schools and its surroundings do not have the necessary resources to support the deliver of the curriculum in the classrooms. Some children in the province are still taught under trees and these impacts negatively on teaching and learning.

The process of empowering most of the school managers as well as office-based managers who do not have the necessary managerial and creative leadership skills to enhance their operational needs has been going on during the course of the year. The transformation of the rationalized colleges of education into the education multi purpose centres will pay dividends in the medium term in re-skilling both the educators and managers in addressing the challenges of the system.

The financial support and technical expertise from the development partners in participating in programmatic change is seen as a beacon for better results to come. In the main the department is showing a phenomenal development from quantity to quality especially in the rural schools. It is noteworthy that majority of schools that produced 100% pass in the grade 12 results are coming from the previously disadvantaged rural communities.

ABET

2.4.1 PASS RATE ABET LEVEL 4 LEARNERS: 2003 & 2004

ABET is our flagship programme in combating illiteracy. The mushrooming of centers throughout the province augurs well with our strategy of eliminating illiteracy. There are however very serious challenges as far as this sector is concerned. The consistency of attendance, sustainability of some centers and the conditions of service for ABET educators.

It is important to note that the ABET results are not presented the same way as Grade 12 results where we have an overall pass percentage. The pass percentage could only be presented in terms of each learning area and also by comparing the performance of male and female learners. Many adult learners may choose to write examinations in a particular learning area only, which may be sufficient in terms of individual needs. For example, an adult wanting to manage a small business of selling goods may decide to enroll for only two learning areas, namely Small Medium and Micro Enterprises and Economic and Management Sciences. The majority of learners write two examination sessions to complete the General Education and Training Certificate (GETC).

However, we could present the pass rate of learners in the learning areas that seems to be common amongst our learners, namely Language Literacy and Communication (English in particular, Mathematical Literacy, Applied Agriculture & Agric Technology and Economic and Management Science.

Learning Area	Year	Number of candidates wrote		TOTAL WROTE	Number of candidates passed		TOTAL PASSED	PASS %
		Male	Female		Male	Female		
Mathematical Literacy	2003	647	2 805	3 452	179	744	923	26.7%
	2004	5 269	4 181	9 450	1 554	1 220	2 774	29.4%
English	2003	986	2 661	3 647	670	1 772	2 442	67%
	2004	4 358	3 700	8 058	2 072	1 743	3 815	47.3%
Applied Agriculture & Agric Technology	2003	458	2 155	2 613	286	1 401	1 687	64.6%
	2004	3 696	2 789	6 485	2 563	2 059	4 622	71.3%
Economic and Management Sciences	2003	539	2 461	3 000	199	870	1 069	35.6%
	2004	4 385	3 403	7 788	922	725	1 647	21.1%

2.4.2 SKILLS PROGRAMMES

The main purpose of ABET is to improve literacy levels among the youth and adults and promote practical skills needed for employment purposes. Since the inception of ABET National examination in 2001, elective learning areas which relates to skills development were introduced, namely Applied Agriculture and Agricultural Technology, Ancillary Health Care, Small Medium and Micro Enterprises and Travel and Tourism.

Adult learners have the responsibility to continue to learn in FET colleges following the pathways of the electives they have selected. The availability of learnership programmes through the National Skills Development Act, 1998 (No. 57 of 1998) also creates opportunities for adult learners to combine structured learning with structured work experience.

2.5 OVERVIEW OF THE ORGANISATIONAL ENVIRONMENT FOR 2004/05

The Head Office organizational structure has been completed and all senior management level posts have been filled. It has been difficult to fill middle management posts because of budgetary limitations even though some sections are operating on skeletal staff, and thus compromising service delivery. The restructuring of the districts and circuits has brought services closer to the people.

The annual strategic plan has been focusing more on changing people to realize their potential in meeting the strategic objectives set for them to accomplish. The introduction of performance management system to all employees below senior management level has paid dividends in improving service delivery. The structures of the department were able to implement the strategic goals and objectives in a more rewarding and enriching environment.

2.6 STRATEGIC OVERVIEW AND KEY POLICY DEVELOPMENTS FOR THE 2004/05 FINANCIAL YEAR

The Department had its strategic planning session in June 2004 where priorities of the President, Premier and Executive Authority were endorsed. The priorities were then translated into strategic objectives of the department. Each chief directorate developed annual outputs targets into the different programmes within the three year MTEF plan.

The following key policy development took place during the financial year 2004/2005:

- Training and support for the Intermediate Phase educators during the implementation of the Revised National Curriculum Statements.
- The department is managing the performance management systems for employees appointed in terms of the Public Service Act, 1994, as amended:
    - The signing of Performance Agreements by Senior staff members i.e. from salary level 13 and above, which comprises of the balanced score cards for development and management of departmental plans were done and monitoring happened every quarter during the financial year under review.
    - The signing of work plans for salary levels below senior staff members i.e. from salary levels 1-12, known as work plan memorandum of understanding and standard framework for those who perform pure routine work was done and performance reviews were conducted.
    - Departmental performance management committee, which meets regularly, has been established for purposes of monitoring the functions of the system.
- The Department developed a draft Research Policy
- The Department developed ECD Educational Toy Library guidelines and registration guidelines for the ECD learning sites

2.7 DEPARTMENTAL RECEIPTS

Departmental Revenue	Actual Collection 2002/03	Budgeted Collection 2003/04	Actual Collection 2003/04	% Deviation from target
Current revenue				
Tax revenue				
Non-tax revenue	24,820	22,386	20,525	8%
Capital revenue				
(Specify)				
Departmental revenue	24,820	22,386	20,525	8%

2.8 DEPARTMENTAL PAYMENTS

Programmes	Voted for 2004/05	Roll-overs and adjustments	Virement	Total voted	Actual Expenditure	% Deviation from Voted
	R'000	R'000	R'000	R'000	R'000	
Administration	902,486	7,229	62,548	972,299	959,974	12,325
Public Ordinary School Education	7,731,126	349,604	-68,611	8,012,119	7,987,407	24,712
Independent School Subsidies	15,228		5,931	21,159	21,668	-509
Public Special School Education	125,657	14,686	42	140,385	136,917	3,468
Further Education and Training	102,881	31,173	90	134,144	134,144	0
Adult Basic Education and Training	47,594			47,594	36,693	10,901
Early Childhood Development	20,315	5,244		25,559	23,535	2,024
Auxiliary and Associated Services	336,598			336,598	309,604	26,994
Total	**9,281,885**	**407,936**	**0**	**9,689,857**	**9,609,942**	**79,915**

2.9 PROGRAMME PERFORMANCE

The Programme performance of the Limpopo Department of Education is in accordance with the Strategic Plan as tabled in the Legislature by the MEC in 2004. We shall be reporting on each performance measure and target specified in our 2004 – 2007 Strategic Plan.

2.10 SERVICE DELIVERY ACHIEVEMENTS

PROGRAMME 1: ADMINISTRATION

PROGRAMME OBJECTIVE: To provide overall management of the education system in accordance with the National Education Policy Act, the Public Finance Management Act, and other policies.

Description of Objective and Performance measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
				Units	%
PM 1.A.a % of schools with section 21 status	35%	50%	36%	595	14%
PM 1.A.c: No. of schools evaluated	60%	100%			
PM 1.A.b: Number of schools audited	20%	25%	Tenders advertised the process will be finalized in 2005/06		
PM 1.B.a: Average real per learner allocation for recurrent non-personnel items using funding supplied via SFN	R248.44	R262.29	R281.83	R19.54	6%
PM 1.B.b: % of non-Section 21 schools with most LSM and other required materials delivered on day one of the school year	3362	90%	93%		3%
PM 1.C.a: Years input per senior certificate/FETC graduates	12	12	12	0	0%
PM 1.D.a: % of organizational structure Reviewed.	80%	100%	85%		-15%
PM 1.D.b: Number of posts evaluated.	65%	80%	87%		7%
PM 1.D.c: Percentage of posts filled	85%	100%	90%		-10%
PM 1.D.d: Percentage of equity plan developed and implemented	100% developed and 5% implemented	100% developed and still being implemented	100% developed and implemented	100% developed and implemented	100% developed and implemented
PM 1.D.e: Percentage of SMS and others agreements signed	85%	100%	98%		-2%.

PROGRAMME 2: PUBLIC ORDINARY SCHOOL EDUCATION

PROGRAMME OBJECTIVE:

To provide public ordinary education from Grades 1 to 12 in accordance with the South African Schools Act.
Sub-Programme 2.1: Public Primary Schools

Programme objective: To provide public ordinary primary schools with resources required for the Grades 1-7

Description of Objective and Performance measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
				Units	%
PM 2.1.A: Number of spaces provided in the public primary phase	1,070,574	1240000	1,068,871	-171,129	13.8%
PM 2.1.B.a: Number of educators provided at public primary ordinary schools	30 941	31065	29 188	-1877	-6%
PM 2.1.B.b: L:E ratio in the public primary phase	35: 1	39.9:1	37:1	-2.9	-7%
PM 2.1.B.c: % of schools with revised post establishments		40%	40%	0	0
PM 2.1.C.a: Number of new classrooms built.	1092	1692	1118	574	51%
PM 2.1.C.b: L:C ratio in the public primary phase.	39:1	54:1	56:1	2:1	4%
PM 2.1.C.c: Number of new toilets built	186	423	423	0	0%
PM 2.1.C.d: Number of schools with a water supply.	52.8% 1244	480	199		
P.M. 2.1.C.e: % of schools with electricity	59.6%	70.6%	78.1		8.5%
% of Capex budget spent on maintenance	13.6% R10m	12%	12%		0%
PM 2.1.D.a: Gender parity index in public primary ordinary schools	1.00	1.00	0.93	0.07	
PM 2.1.D.b: % of learners in public primary ordinary schools who are disabled	0.018%	0.019%	0.019%	0	0%
PM 2.1.D.c No. of ordinary full-service schools per 100, 000 learners at public primary ordinary schools	N/A	N/A	13.47	N/A	N/A
PM 2.1.E.a: % of learner days lost due to learner absenteeism in the primary phase.	1.9%	1.7%	1.7%		0.4%

Description of Objective and Performance measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
				Units	%
PM 2.1.E.b: % of working days lost due to educator absenteeism in the primary phase.	1.4%	1%	1.0%	0	0%
PM 2.1.E.c: % of primary schools in a high-risk with regard to safety environment.					
PM 2.1.F.a. Amount allocated for Textbooks for Foundation phase (Gr 1 – 4) PM 2.1.F.b. Amount allocated for Textbooks for Intermediate phase (Gr 5 & 6)	R117,099,000	R243,982,000	R67,973,101.74	R16,203,069	6.6%
PM 2.1.F.c Amount allocated for Stationery for Foundation phase (Gr 1 – 4) PM 2.1..F.d. Amount allocated for Stationery for Intermediate phase (Gr 5 & 6)	R117,099,000		R192,211,967		
PM 2.1.F.e. No. of Resource Centres in public ordinary primary schools	7	7	7	0	0
PM 2.1.G.a: Repetition rate in the foundation phase.	1.8%	1.43%	1.1%		-1.27%
PM 2.1.Repetition rate in Intermediate phase	2.09%	1.8%	1.3%		
PM2.1G.B: Dropout rate in the Foundation phase.	0.84%	0.91%	0,5%		1.08%
Drop-out rate in intermediate phase	1.2%	1.0%	0,7%		
% of under-aged learners in public primary ordinary schools	n/a	n/a	n/a	n/a	n/a
PM 2.1.H.a: % of learners in Gr 3 attaining acceptable outcomes in Numeracy, literacy & life skills	N/A	31%			
PM 2.1.H.b: % of learners in Gr 6 attaining acceptable outcomes in Numeracy, literacy and life skills	N/A	29%			
PM 2.1.I.A: Availability f Equity plan	20%	60%			
PM 2.1.I.B: % of posts filled both for educators and administrators	85%	100%	90%		-10%

Description of Objective and Performance measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
				Units	%
PM 2.1.J.a: % of schools trained	10%	45%	40%		5%
PM 2.1.J.b: % of schools which have developed service standards	5%	35%	40%		5%

Sub-Programme 2.2: Public secondary schools

Programme objective: To provide specific public ordinary secondary schools with resources required.

Description of Objective and Performance measure Number of public primary schools	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
				Units	%
Pm 2.2.A.: No. of spaces provided in public ordinary secondary schools	695 624	707974	715 678	7785	-1%
PM 2.2.B.a: No. of educators provided in public ordinary secondary schools	22 501	22062	21 751	-311	-1.4%
PM 2.2.B.b: L:E ration	31:1	32.1	33:1	-1	- 3.125%
PM 2.2.B.c: % of posts filled	70%	85%			
Pm 2.2.B.d: Availability of Equity Plan for the Phase	15%	45%			
PM 2.2.C.a: No. of classrooms built	206	736	736	0	0%
PM 2.2.cB: L:C ratio	49:1	47:1	47:1	0	0%
PM 2.2.C.c. No of new toilets built	140	109	109	0	0%
PM 2.2.C.d: No. of schools with water supply	1445	2688	530	2158	80%
PM 2.2.C.e: % of Capex budget spent on maintainance	8%	9.6%	9.6%	0	0%
PM 2.2.C.f: % of public secondary ordinary schools with functional science laboratories	364	200	219	19	9.5%
PM 2.2.D.a: Gender parity index in public secondary schools	0.1%	0.99	1.05	0.06	0%
PM 2.2.D.b: % of learners in public secondary schools who are disabled	0.012%	0.013%	0.013%	0	0%
PM 2.2.E.a: % of learner days lost due to learner absenteeism	4.3%	4.7%	2,9		1.8%

Description of Objective and Performance measure Number of public primary schools	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
				Units	%
PM 2.2.E.b: % of working days lost due to educator absenteeism d.	3.6%	3.1%	3,0		0,1
PM 2.2.F.a Amount allocated for text-books (LSM) for Senior phase (Gr8-12)	R199,921,266	R199,621,000	R51,933,355	-R92,073,289	-46%
PM 2.2.F.b: Amount allocated for stationery for Senior phase (Gr8-12)	R50,680,269		R55,614,356		
PM 2.2.F.c. No. of Resources centres in sec schools	5	5	5	0	0%
PM 2.2.G.a: Repetition rate in Senior Phase	13.5%	11%	10,4		-1,4%
PM 2.2.G.b: Dropout rate in the secondary phase	0,3%	3.10%	1,5%		2.5%
PM 2.2.G.c: % of over-aged learners	12%	2.4%	29.07%		-26.7%
PM 2.2.H.a.1: % of learners in Gr 9 attaining acceptable educational outcomes	72%	77%	78%		-1%
PM 2.2.H.a.2: Pass ratio in Gr12 examinations	69.5%	76%	70.6%		-5.4%
PM 2.2.H.a.3: % of schools with a Grade 12 pass rate of less than 40%	8.0% 108	6%	96		
PM 2.2.H.b: Number of Grade 12 Trial Exam guidelines printed and distributed to schools.	3120	3180			
PM 2.2.H.f.a: % of learners counselled	60%	80%			
PM 2.2.H.f.b: % of educators counselled	57%	80%			
PM 2.2.I.a: % of sampled schools evaluated on Systemic Evaluation Programme	75%	100%			
PM 2.2.I.b: % of employees trained on Public Service code of Conduct	60%	75%			
PM 2.2.1.c: No. of educators trained on Batho Pele principles	60%	80%			

Specific Challenges and Responses

1. Late delivery of books by Publishers after first deliveries were rejected as they were not according to the order.
2. Problems with SAP(LTSM) and Version 5 (Finest) delayed processing of orders

SUB-PROGRAMME 2.3: PROFESSIONAL SERVICES

SUB-PROGRAMME OBJECTIVE:
To provide Educators and Learners in Public Ordinary schools with Departmentally managed support services

Description of Objective and Performance measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation form Target	
				Units	%
PM 2.3.A.a: Number of actual contact hours spent on support services at schools by professional support	18	24			
PM 2.3.A.b: % Improvement of Grade 8 – 12 results in nodal areas.	3%	4%	3.5%		0.5%
PM 2.3.A.b: Grades targeted for evaluation	n/a	Grade 6	Grade 6		

SUB-PROGRAMME 2.4: HUMAN RESOURCES DEVELOPMENT

SUB-PROGRAMME OBJECTIVE: To provide educators and learners in public ordinary schools with departmentally managed support services.

Description of Objective and Performance measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
				Units	%
PM 2.1.A: Average hours of development activities per educator in the primary phase	35	40			
PM 2.4.a: Number of employees trained: Office-based	2382	14485	8848	5,637	39%
PM. 2.4.C.a: % progress made with material development	70%	100%	100%	0	0%
PM 2.4.C.b: % completion of systemic linkages between PMS and other training programmes	60%	90%			
PM 2.4.C.c: % of completion of systemic linkages between Bursary and Leave administration	10%	80%			

Specific Challenges and Responses

PROGRAMME 3: INDEPENDENT SCHOOLS

Programme objective: To support independent schools in accordance with South African Schools Act.

Description of Objective and Performance measure Number of Independent schools	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Output 2004/05	Deviation from Target	
				Units	%
PM 3.A.a: No. of qualifying individual school learners receiving state subsidy	11,650	51,634	16,649	-34,985	-68%

Specific Challenges and Responses

Some schools, which qualify, failed to submit audited financial statements in time and as a result forfeited their subsidies.

Final allocation letters to include a reminder for schools to submit required documents and follow-ups to be done so as to enable the department to grant subsidies once more.

PROGRAMME 4: PUBLIC SPECIAL SCHOOL EDUCATION

Programme objective: To provide compulsory psychological- social- and special educational support from Grade R up to 12 and for out-of – school children and youth.

Sub- Programme: 4.1. To provide specific public special schools with resources.

Description of Objective and Performance measure Number of public special schools	Actual Outputs 2003/04	Target Outputs 2003/04	Actual Outputs 2004/5	Deviation from Target	
				Units	%
PM 4.1.A.a.a No. of learners in special schools MO 4.1.A.a:b No. of classrooms and hostels refurbished and built	3 866 n/a	8014 7500	4656		
MO 4.1.A.a.c: No. of LSEN learners provided with space	180	180			
PM 4.1.A.b % increase in the number of disabled children in public special schools	1.25%	0.96%			
PM 4.1.A.b: % increase in the no. of disabled learners in LSEN schools	2.25%	0.96%			

Description of Objective and Performance measure Number of public special schools	Actual Outputs 2003/04	Target Outputs 2003/04	Actual Outputs 2004/5	Deviation from Target	
				Units	%
PM 4.1.A.c: No. of Managers trained on Inclusive Education Policies	360	410			
PM 4.1.A.d: No. of phase completed with a School for Industry	1	2			
PM 4.1.B.a: % of schools provided with post establishment	95%	98%			
PM 4.1.B.b: % of school provided with revised post establishments	80%	98%			
PM 4.1.B.c: % progress on development of equity plan	60%	95%			
PM 4.1.B.d: % of posts filled	80%	90%			
PM 4.1.B.e: % off staff trained on code of conduct at LSEN schools	70%	90%			
PM 4.1.B.f: % of schools with institutional service standards	30%	70%			
PM 4.2.1.A.a: % of posts evaluated	10%	60%			

PROGRAMME 5: FURTHER EDUCATION AND TRAINING

Program Objective:

To provide Further Education and training (FET) at Pubic FET colleges in accordance with the FET Act.

Sub-program 5.1: Public Institutions

Description of Objective and Performance measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
				Units	%
PM 5.1.A.a: No. of adults enrolled in FET institutions	13391	17000	17139	-139	0.81%
PM 5.1.A.b: No. of full-time equivalent enrollments in FET institutions	11 667	13463	17137	3674	21.4%
PM 5.1.B.a: No. of students who are girls or women	6066	9220	7967	1253	13.6%

Description of Objective and Performance measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
				Units	%
PM. 5.1.B.b: No. of educators who are African	338	500	416	-84	16.8%
PM 5.1.D.A.1: % of colleges provided with revised post establishment	100%	100%			
PM 5.1.D.a% of colleges provided with revised organograms of support staff	100%	100%			
PM 5.1.D.c: % of progress with implementation of equity in colleges	50%	80%			
PM 5.1.D.d: % of posts filled	70%	85%			
PM 5.1.D.e: % of staff trained on code of conduct in FET colleges	85%	100%			
PM 5.1.D.f: No. of colleges which have developed institutional service standards	35%	65%			

PROGRAM 6: ADULT BASIC EDUCATION AND TRAINING

Program Objective: To provide Adult Basic Education and Training (ABET) in accordance with the Adult Basic Education Act.

Sub-program 6.1: Public Centres

Description of Objective and Performance measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
				Units	%
PM 6.1.A.a: No. of full-time equivalent enrolments in public ABET centres	30 126	32000	34000	2000	6.25%
PM 6.1.A.b: No of illiterate adults in the Province enrolled in public ABET centres	5132	10000	9399	611	6.11%
PM 6.1.A.c: % success rate per output level. ➢ Level 4	3.5%	12.3%			
PM 6.1.E: No. of staff employed for ABET centres	1304	1580			

Programme 7: Early Childhood Development

Programme objective: To provide early childhood Education at the Grade R and earlier levels in accordance with White Paper 5.

Sub-programme 7.1: Grade R in public schools

Programme objective: To provide specific public ordinary schools with resources required for Grade R.

Description of Objective and Performance measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
				Units	%
PM 7.1.A: Number of 5 year olds in public funded school grade R	10 959	12 440	12220	220	1.8%

Sub-programme 7.2: Grade R in community centres

Programme objective: To provide specific public ordinary schools with resources required for Grade R

Description of Objective and Performance measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
				Units	%
PM 7.2.B: No of learners in education funded community based ECD sites	14 160	15 120	14 443	677	4.5%

2.11 Transfer payments

NAME OF INSTITUTION	AMOUNT TRANSFERRED
Independent Schools	21,669
Special Schools	26,604
Further Education and Training (Colleges)	37,355
Other	16,267
Total	**101,895**

2.12 Conditional grants

Conditional grant	Total Allocation	Total Transfers
Infrastructure Grant	237,331	237,331
HIV and AIDS	19,415	19,415
Primary School Nutrition Programme	153,125	153,125
Total	**409,871**	**409,871**

2.13 CAPITAL INVESTMENT, MAINTANANCE AND ASSET MANAGEMENT PLAN

2.13.1 Capital Investment

(a) Projects completed within the financial year 1April 2004 to 31 March 2005
Classrooms completed: 1812
Toilets: 411
Storm damaged and asbestos schools: 151
Water Provisioning: 244
Schools provided with fence: 27
(b) There are no plans to close down or down grade existing facilities. Instead, some of the school buildings need renovation and maintenance.
(c) Provision budget in respect of infrastructure for the MTEF period 2004/05, 2005/06 and 2006/07 is R459 912 000, R455 909 000, and R375,526,000.

2.13.2 Asset Management

(a) Three (3) vehicles were stolen and reported to the police and assets were written off or auctioned. There were no disposals of other assets during the period under review.
(b) Departmental assets are recorded in the stock register as soon as they are received, and each office has a separate stock register, which must be maintained at all times. This exercise is now done electronically through the finest system. The assets need to be bar-coded before they are captured into the system. 18 offices are engaged in a project of recording assets under Capricorn District.
(c) 151 Storm damaged and asbestos schools, which were refurbished during 2003/04, were completed during 2004/5 financial year. Twenty-two (22) storm damaged were also repaired in the same year (2004/5).
(d) Maintanance was handled by 6 different institutions to the amount of R426,736 according to the Capital Projects Maintanance Register. The maintenance done included the following: Marking centres buildings; FET college shelves, upgrading of warehouses and air conditioners at Head office.
(e) No facilities were closed down or graded down during the year under review.
(f) The uncompleted projects to be carried over into the financial year 2005/06 are to the tune of R39 818 000.
(g) All our voted funded projects are forwarded to department of Public Works to pursue the tendering process. The department of Education goes on quotation on emergency cases using the delegation from the departmental Bid Committee.

2.13.3 Maintenance

The maintenance done cover the following:
Storm damaged schools: R7,280m

There is still a backlog on maintenance of storm damaged schools which could not be attended due to financial constraints.

PART THREE

REPORT OF THE AUDIT COMMITTEE

Limpopo
PROVINCIAL GOVERNMENT

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Provincial Internal Audit

CONFIDENTIAL

REPORT OF THE AUDIT COMMITTEE ON DEPARTMENT OF EDUCATION

Report of the Audit Committee required by Treasury Regulations 27.1.7 and 27.1.10 (b) and (c) issued in terms of the Public Finance Management Act 1 of 1999, as amended by Act 29 of 1999

We are pleased to present our report for the financial year ended 31 March 2005.

Audit Committee Members and Attendance

The audit committee consists of the members listed hereunder and meets 4 times per annum as per its approved terms of reference. During the current year 3 meetings were held.

Name of Member	Number of meeting attended
M Booi	3
JN Tshikovhi	3
MT Maphwanya	3
MF Morathi	0

Audit Committee Responsibility

The Audit Committee 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 it's responsibilities as contained therein.

The effectiveness of internal control

The system of controls is designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. In line with the PFMA and the King II Report on Corporate Governance requirements, Internal Audit provides the Audit

Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, the Audit Report on the Annual Financial Statements, the matters of emphasis and management letter of the Auditor-General, it was noted that no significant or material non-compliance with prescribed policies and procedures have been reported.

Accordingly, we can report that the systems of internal control for the period under review were partially effective for the year under review as compliance with prescribed polices and procedures were lacking in certain instances.

In certain instances, weaknesses reported previously have not been fully and satisfactorily addressed.

Evaluation of Annual Financial Statements

The Audit Committee has

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

The Audit Committee concurs and accepts the Auditor-General's conclusions 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.

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Chairperson of the Audit Committee

Date 26/08/05

CONFIDENTIAL 2

OFFICE OF THE PREMIER

PART FOUR
ANNUAL FINANCIAL STATEMENTS

Annual Financial Statements
for
Limpopo - Department of Education
for the year ended 31 March 2005

LIMPOPO DEPARTMENT OF EDUCATION
VOTE 3

ANNUAL FINANCIAL STATEMENTS

MANAGEMENT REPORT FOR THE YEAR ENDED 31 MARCH 2005

1. General Review of the State of Financial Affairs

The financial statements for the year ended 31 March 2005 are attached and the financial position is disclosed with the accompanying explanations

The major challenge facing the Department remains personnel expenditure which comprises 82% of R9.611b which is the total expenditure for the year under review.

Total Departmental spending recorded 99.2% of the adjusted budget of R9 689 857m. This shows a marked improvement on actual spending compared to the preceding year. The under spending for the year under review is R78m (0,8%) which is just under 1% of the adjusted budget. This shows a commitment on the part of the Department to effect payments in the year that the transactions originate.

The under spending is largely due to committed capital projects amounting to R45m and Learner Support Materials invoices which were not paid at the end of the financial year.

Department was able to deliver stationery to all grades by 30 November 2004 for the 2005 school year. The Department also met the target in terms of Delivery of text books.

Grade 12 results improved from 70% (2003) to just over 70.6% (2004).. The Department is committed to continue to improve quality, sustainable and relevant life-long education and training which is the core business of the Department.

The Department was engaged in the following areas of operation:-

- Acceleration of delivery of quality education
- Address infrastructure backlog through own budget and donor funding;
- Improvement of Grade12 results through intervention strategies
- Promoting effectiveness and efficiency within the Department.

2. Services rendered by the Department

A full list of services rendered by the Department and performance measures is disclosed under the Departmental part 3 of the annual report.

3. Capacity constraints

The Department is faced with an acute shortage of administrative staff and management systems to assist managers in planning for educational needs and resources.

4. Donor Funding

Local donors as well as international donors are playing a significant role in improving quality Education through provisioning of classrooms as well as effectiveness of the Department.

I acknowledge the following donors who contributed funds toward the Limpopo Development Trust for the building of quality classrooms:-

1. Transnet Foundation
2. Anglo Platinum
3. De Beers
4. Anglo American Chairman's Fund
5. Zenex Foundation
6. BHP Billiton
7. Sasol Nitro
8. Publishing Houses
9. Embassy of Ireland

Overseas donors include:-

1. DFID
2. Ireland Aid
3. JICA
4. Flemmish Government
5. USAID (DDSP II) & Connectivity

5. Transfer payments

The Department transfers funds direct to independent schools, special schools, Further Education and Training colleges and Public Ordinary Schools with section 21 functions. This is done in terms of the South African Schools Act, Act 84 OF 1996.

6. Corporate Governance arrangements

Risk Management and Prevention of Fraud

The Department is committed in the prevention of fraud and corruption. The Departmental Fraud Prevention Plan that was approved in 2002 has been implemented. Managers at all levels are responsible for the management of risks in their sphere of management.

All senior managers in the Department are complying with the requirement to declare their financial interests to the Executive Authority in order to minimize conflict of interest.

There is a risk unit, although it is not that effective due to capacity constraints.

Internal Audit
The Province has adopted a shared internal audit approach and this is centralized in the Office of the Premier. The Department discusses the reports of the Internal Auditors with the Audit Committee on a regular basis.

7. Events after the reporting date

No major events took place after the reporting date that should have any financial impact on the department.

8. Progress with Financial Management Improvement

New Chart of Accounts
Official s in all districts have been workshopped on budgeting and chart of accounts (SCOA). This will improve financial management in the Department.

Supply Chain Management
Senior Managers and other officials are on the Supply Chain Management Course conducted by the National Treasury in conjunction with the Provincial Treasury. This will improve their understanding of procurement procedures and service delivery will be enhanced.

Asset Management
The Department is busy compiling an electronic asset register which will be completed before the end of 2005/06 financial year.

9. Performance Information

The Department implemented its strategic plan and quarterly reports are submitted at the end of every quarter.

The in year monitoring reports are submitted to the Treasury and the MEC on or before 15th of every month.

The Department is well placed to commence reporting on non-financial deliverables on a monthly, quarterly and annual basis in the 2005/06 financial year.

Approval

The annual financial statements have been approved by me as the Accounting Officer of the Department.

....

PROF. RANWEDZI HARRY NENGWEKHULU
HEAD OF DEPARTMENT

AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL TO THE LIMPOPO PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS OF VOTE 3 – DEPARTMENT OF EDUCATION FOR THE YEAR ENDED 31 MARCH 2005

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 35 to 65 for the year ended 31 March 2005, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. NATURE AND SCOPE

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

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

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

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

3. AUDIT OPINION

In my opinion, the financial statements fairly present, in all material respects, the financial position of the Department of Education at 31 March 2005 and the results of its operations and cash flows for the year then ended in accordance with prescribed accounting practice and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) as amended by Act 29 of 1999.

4. EMPHASIS OF MATTER

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

4.1 LIMITATION ON SCOPE: PERSONNEL DOCUMENTS/FILES NOT SUBMITTED FOR AUDIT PURPOSES

Contrary to the Public Finance Management Act, 1999, as amended by Act 29 of 1999, several files and supporting documents of the selected sample, could not be submitted for audit purposes, with the result that the accuracy and completeness of personnel expenditure totalling an amount of R8 907 595 at all the regional offices visited could not be verified. The main root causes of the non-submission of the specified files and documents were due to improper filing and the PERSAL system which was not properly updated resulting in officials not being at that specific paypoint anymore.

4.2 Internal control weaknesses

In the following cases material internal control weaknesses were identified:

4.2.1 Expenditure

According to section 38(1)(j) of the PFMA and paragraph 8.4.1 of the Treasury Regulations, the Accounting Officer transferring funds to a school must maintain appropriate measures to ensure that the transfer payments are applied for their intended purposes. Included in the measures is submission of audited statements (par. 8.4.1 (b) of the Treasury Regulation) which appears not to have been complied with in case of several special schools.

4.2.2 Personnel Expenditure

Control over personnel expenditure was found to be inadequate as several cases were identified where:

(i) several payrolls were not certified by the delegated officials and in some cases could not be submitted for audit purposes;

(ii) employees did not sign the relevant payrolls since it was difficult to distribute and collect these payrolls at all the different paypoints as well as the fact that some staff members were on leave at the time;

(iii) educators were earning salaries which exceeded the maximum of the approved notch as it was incorrectly captured on PERSAL;

(iv) appointment letters for educators (Temporary Teachers) were not filed in their respective SP files. In the absence of an appointment letter, the accuracy of payments made for the given period cannot be determined;

(v) incorrect payments totaling R140 921 had been made to officials who had resigned or passed away after their services were terminated due to the fact that they had not been removed from the PERSAL system timeously;

(vi) contrary to Public Service Regulations, 2001, Part V.D.2(c) overtime worked were not authorized in advance; and

(vii) contrary to Treasury regulation 23.3.6 (Government Gazette No. 23246 dated 18 March 2002) it was discovered that total deduction for several officials constituted more than 40% of their basic salary since the human resource department did not implement controls to ensure that the regulation is adhered to.

4.2.3 Transport

Control over Government owned vehicles were inadequate. Cases were identified where:

(i) the vehicle asset registers at the regional offices were not fully completed since aspects such as the engine and chassis numbers were not recorded on the asset register;

(ii) when the asset registers at the regional offices were compared with the information obtained from the NATIS system, several vehicles recorded in the asset register could not be traced to NATIS; and,

(iii) several vehicles were withdrawn from service while no supporting documentation in this regard could be submitted for audit purposes since it was kept at the government garage.

4.2.4 Suspense Accounts

During the audit of suspense accounts, it was noticed that as on 31 March 2005, several accounts were not cleared as required by Treasury Regulations. The validity and accuracy of these balances was verified since documentation in this regard was submitted for audit purposes, however the recoverability of the debt accounts could not be determined due to the nature and extend of these accounts. The following accounts refer:

- Tax Debt of R12 910 255,
- Third party payments of R1 049 522,
- Disallowance: Miscellaneous Debt of R26 721 454, and
- Salary Deduction Disallowance of R675 951

4.2.5 Asset Management – Text Books

The control over the recording, issuing and receipt of text books were found to be inadequate as:

(i) text books delivered at various schools differed with those requested since record keeping of each school's request was inadequate;

(ii) several cases existed where books ordered were received late, although it had been ordered for the 2004 academic year;

(iii) numerous books ordered and received which were not yet issued to various schools were found in the warehouses;

(iv) most warehouses are temporary structures with the effect that the computerized system (SAP) as well as other labour saving equipment are not available at these locations; and

(v) the state of warehouses was not good since the roofs of several structures visited were leaking and could result in financial losses due to textbooks being damaged.

4.2.6 Primary School Nutrition Program (PSNP)

The control over the monitoring and implementation of the program were found to be inadequate as:

(i) the relevant tender specifications had not been adhered to by all the suppliers since the recipients of the service were not aware of the detail of the tender specifications. Numerous cases were identified where:

- The labeling and quality of food supplied to schools was not in accordance with the tender specifications; and,
- Food which had reached its expiry dates (vegetables which were not suitable for human consumption) was delivered to schools.

(ii) areas where food is stored and prepared do not comply with the normal hygienic standards and is not safeguarded or protected against any natural hazards;

(iii) a lack of vehicles had a detrimental effect on the monitoring process since vehicles were utilised for aspects not relating to this program (other official duties) and in some cases no vehicles were available for this purpose at all; and,

(iv) since this was the first year of implementation of the program at the department there was no formal reporting process (feedback on schools visited) whereby the findings of the monitors are evaluated to determine the effectiveness of the program.

5. APPRECIATION

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

AN Dzuguda
for Auditor-General

Polokwane

29 July 2005

STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS
for the year ended 31 MARCH 2005

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material respects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 7 of 2003.

Basis of preparation

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

Revenue

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

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

Donor Aid

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

Current expenditure

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

Unauthorised, irregular, and fruitless and wasteful expenditure

Unauthorised expenditure means:

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

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

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

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

Irregular expenditure is treated as expenditure in the income statement.

Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful must be recovered from a responsible official (a debtor account should be raised), or the vote if responsibility cannot be determined. It is treated as a current asset in the balance sheet until such expenditure is recovered from the responsible official or funded from future voted funds.

Debts written off

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of surplus funds available to the department. No provision is made for irrecoverable amounts.

Capital expenditure

Expenditure for physical items on hand on 31 March 2004 to be consumed in the following financial year, is written off in full when they are received and are accounted for as expenditure in the income statement.

Investments

Non-current investments excluding marketable securities are shown at cost and adjustments are made only where in the opinion of the directors, the investment is impaired. Where an investment has been impaired, it is recognised as an expense in the period in which the impairment is identified.
On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement.

Investments in controlled entities

Investments in controlled entities are those entities where the reporting entity has the ability to exercise any of the following powers to govern the financial and operating policies of the entity in order to obtain benefits from its activities:

- To appoint or remove all, or the majority of, the members of that entity's board of directors or equivalent governing body;
- To appoint or remove the entity's chief executive officer;
- To cast all, or the majority of, the votes at meetings of that board of directors or equivalent governing body; or
- To control all, or the majority of, the voting rights at a general meeting of that entity.

Investments in controlled entities are shown at cost.

Receivables

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

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

Payables

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

Provisions

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

Lease commitments

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

Accruals

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

Employee benefits

Short-term employee benefits

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

Termination benefits

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

Retirement benefits

The department provides retirement benefits for its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National/Provincial Revenue Fund and not in the financial statements of the employer department.

Medical benefits

The department provides medical benefits for (certain/all) its employees through defined benefit plans. These benefits are funded by employer and/or employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for medical benefits in the financial statements of the department.

Retirement medical benefits for retired members are expensed when the payment is made to the fund.

Capitalisation reserve

The capitalisation reserve represents an amount equal to the value of the investments and/or loans capitalised for the first time in the previous financial year. On disposal, repayment or recovery, such amounts are transferable to the Revenue Fund.

Recoverable revenue

Recoverable revenue represents payments made and recognised in the income statement as an expense in previous years due to non-performance in accordance with an agreement, which have now become recoverable from a debtor. Repayments are transferred to the Revenue Fund as and when the repayment is received.

Comparative figures

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

Limpopo - Department of Education
Vote 3

Appropriation Statement
for the year ended 31 March 2005

Appropriation per Programme									
	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	884,030			884,030	871,872	12,158	98.6%	864,398	853,630
Transfers and subsidies	23,626			23,626	22,111	1,515	93.6%	5,785	4,408
Expenditure for capital assets	64,000			64,000	65,372	(1,372)	102.1%	37,629	32,930
2. Public Schools									
Current payment	7,530,632			7,530,632	7,551,352	(20,720)	100.3%	6,903,814	6,462,580
Transfers and subsidies	52,213			52,213	53,117	(904)	101.7%	-	-
Expenditure for capital assets	429,274			429,274	382,938	46,336	89.2%	296,920	284,613
3. Independent Schools									
Transfers and subsidies	21,159			21,159	21,668	(509)	102.4%	13,844	13,844
4. Special Schools									
Current payment	106,932			106,932	104,338	2,594	97.6%	87,246	72,998
Transfers and subsidies	27,610			27,610	27,612	(2)	100.0%	24,235	24,235
Expenditure for capital assets	5,843			5,843	4,967	876	85.0%	7,760	2,479
5. Further Education & Training									
Current payment	93,616			93,616	94,445	(829)	100.9%	60,304	54,740
Transfers and subsidies	38,528			38,528	38,254	274	99.3%	36,977	36,975
Expenditure for capital assets	2,000			2,000	1,445	555	72.3%	1,000	1,632
6. ABET									
Current payment	45,522			45,522	35,975	9,547	79.0%	42,917	28,572
Transfers and subsidies	98			98	1	97	1.0%	-	-
Expenditure for capital assets	1,974			1,974	717	1,257	36.3%	1,898	40
7. ECD									
Current payment	25,157			25,157	23,294	1,863	92.6%	19,149	12,676
Transfers and subsidies	2			2	4	(2)	200.0%	-	-
Expenditure for capital assets	400			400	237	163	59.3%	849	133
8. Auxilliary Services									
Current payment	320,054			320,054	297,514	22,540	93.0%	319,870	255,916
Transfers and subsidies	9,598			9,598	10,094	(496)	105.2%	35	-
Expenditure for capital assets	6,946			6,946	1,996	4,950	28.7%	6,799	4,629
Subtotal	9,689,214	-	-	9,689,214	9,609,323	79,891	**99.2%**	8,731,429	8,147,030
Statutory Appropriation									
Current payments	643			643	619	24	96.3%	607	607
Total	**9,689,857**	**-**	**-**	**9,689,857**	**9,609,942**	**79,915**	**99.2%**	**8,732,036**	**8,147,637**
Reconciliation with Statement of Financial Performance									
Departmental receipts				13,727				-	
Local and foreign aid assistance				1,890				10,606	
Actual amounts per Statement of Financial Performance (Total				**9,705,474**				**8,742,642**	
Local and foreign aid assistance					2,970				10,606
Actual amounts per Statement of Financial Performance					**9,612,912**				**8,158,243**

Limpopo - Department of Education
Vote 3

Appropriation Statement
for the year ended 31 March 2005

Appropriation per Economic classification

	2004/05							2003/04	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Payment R'000	Variance R'000	Payment as % of final appropriation %	Final Appropriation R'000	Actual Payment R'000
Current payments									
Compensation to employees	7,767,410			7,767,410	7,857,054	(89,644)	101.2%	7,433,307	7,089,309
Goods and services	1,238,533			1,238,533	1,121,735	116,798	90.6%	859,991	651,043
Interest and rent on land								4,100	2,761
Transfers & subsidies									
Provinces & municipalities	23,348			23,348	22,728	620	97.3%	-	-
Departmental agencies & accounts	7,905			7,905	8,667	(762)	109.6%	-	-
Non-profit institutions	98,955			98,955	101,895	(2,940)	103.0%	80,841	79,462
Households	42,626			42,626	39,572	3,054	92.8%	-	-
Payment on capital assets									
Buildings & other fixed structures	459,912			459,912	416,480	43,432	90.6%	305,263	298,384
Machinery & equipment	50,125			50,125	41,192	8,933	82.2%	47,927	26,071
Software & other intangible assets	400			400	-	400	0.0%	-	-
Total	**9,689,214**	**-**	**-**	**9,689,214**	**9,609,323**	**79,891**	99.2%	**8,731,429**	**8,147,030**

Statutory Appropriation

	2004/05							2003/04	
Direct charge against Provincial Revenue Fund	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Payment R'000	Variance R'000	Payment as % of final appropriation %	Final Appropriation R'000	Actual Payment R'000
List all direct charges against the Revenue Fund									
Member of executive committee/parliamentary officers	643			643	619	24	96.3%	607	607
Total	**643**	**-**	**-**	**643**	**619**	**24**	**96.3%**	**607**	**607**

Detail per programme 1 - Administration

	2004/05							2003/04	
Programme per subprogramme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Payment R'000	Variance R'000	Payment as % of final appropriation %	Final Appropriation R'000	Actual Payment R'000
Current payment	884,030			**884,030**	871,872	12,158	98.6%	864,398	853,630
Transfers and subsidies	23,626			**23,626**	22,111	1,515	93.6%	5,785	4,408
Expenditure for capital assets	64,000			**64,000**	65,372	(1,372)	102.1%	37,629	32,930
Total	**971,656**	**-**	**-**	**971,656**	**959,355**	**12,301**	**98.7%**	**907,812**	**890,968**

Limpopo - Department of Education
Vote 3

Appropriation Statement
for the year ended 31 March 2005

Economic classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation to employees	745,529			**745,529**	735,536	9,993	98.7%	743,068	710,010
Goods and services	138,501			**138,501**	136,338	2,163	98.4%	119,927	147,349
Interest and rent on land								4,100	2,761
Transfers & subsidies									
Provinces & municipalities	2,226			**2,226**	2,211	15	99.3%		
Non-profit institutions	13,782			**13,782**	16,265	(2,483)	118.0%	5,785	4,408
Households	7,618			**7,618**	3,634	3,984	47.7%		
Payments for capital assets									
Buildings & other fixed structures	56,298			**56,298**	56,507	(209)	100.4%	12,982	12,473
Machinery & equipment	7,302			**7,302**	8,864	(1,562)	121.4%	21,950	13,967
Software & other intangible assets	400			**400**		400	0.0%		
Total	**971,656**	**-**	**-**	**971,656**	**959,355**	**12,301**	**98.7%**	**907,812**	**890,968**

Detail per programme 2 - Public Schools

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Public Primary Schools									
Current payment	4,317,643			**4,317,643**	4,394,889	(77,246)	101.8%	3,724,481	3,764,618
Transfers and subsidies	33,353			**33,353**	34,659	(1,306)	103.9%		
Expenditure for capital assets	267,962			**267,962**	232,809	35,153	86.9%	173,000	205,906
Public Secondary Schools									
Current payment	3,212,989			**3,212,989**	3,156,463	56,526	98.2%	3,179,333	2,697,962
Transfers and subsidies	18,860			**18,860**	18,458	402	97.9%		
Expenditure for capital assets	161,312			**161,312**	150,129	11,183	93.1%	123,920	78,707
Total	**8,012,119**	**-**	**-**	**8,012,119**	**7,987,407**	**24,712**	**99.7%**	**7,200,734**	**6,747,193**

Economic classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation to employees	6,618,892			**6,618,892**	6,711,022	(92,130)	101.4%	6,299,805	6,083,227
Goods and services	911,740			**911,740**	840,329	71,411	92.2%	603,009	379,307
Transfers & subsidies									
Provinces & municipalities	19,914			**19,914**	19,550	364	98.2%		
Non-profit institutions				**-**	3	(3)			
Households	32,299			**32,299**	33,564	(1,265)	103.9%		
Capital									
Buildings & other fixed structures	392,516			**392,516**	352,479	40,037	89.8%	272,427	272,584
Machinery & equipment	36,758			**36,758**	30,460	6,298	82.9%	25,493	12,075
Total	**8,012,119**	**-**	**-**	**8,012,119**	**7,987,407**	**24,712**	**99.7%**	**7,200,734**	**6,747,193**

Limpopo - Department of Education
Vote 3

Appropriation Statement
for the year ended 31 March 2005

Detail per programme 3 - Independent Schools

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Primary Phase									
Transfers and subsidies	12,037			**12,037**	12,036	1	100.0%		
Secondary Phase									
Transfers and subsidies	9,122			**9,122**	9,632	(510)	105.6%	13,844	13,844
Total	**21,159**	**-**	**-**	**21,159**	**21,668**	**(509)**	**102.4%**	**13,844**	**13,844**

Economic classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers & subsidies									
Non-profit institutions	21,159			**21,159**	21,668	(509)	102.4%	13,844	13,844
Total	**21,159**	**-**	**-**	**21,159**	**21,668**	**(509)**	**102.4%**	**13,844**	**13,844**

Detail per programme 4 - Special Schools

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment	106,932			**106,932**	104,338	2,594	97.6%	87,246	72,998
Transfers and subsidies	27,610			**27,610**	27,612	(2)	100.0%	24,235	24,235
Expenditure for capital assets	5,843			**5,843**	4,967	876	85.0%	7,760	2,479
				-		-	0.0%		
Total	**140,385**	**-**	**-**	**140,385**	**136,917**	**3,468**	**97.5%**	**119,241**	**99,712**

Economic classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation to employees	106,932			**106,932**	104,244	2,688	97.5%	86,985	72,799
Goods and services				**-**	94	(94)		261	199
Transfers & subsidies									
Provinces & municipalities	363			**363**	309	54	85.1%		
Non-profit institutions	26,659			**26,659**	26,604	55	99.8%	24,235	24,235
Households	588			**588**	699	(111)	118.9%		
Capital									
Buildings & other fixed structures	5,843			**5,843**	4,967	876	85.0%	7,760	2,479
Total	**140,385**	**-**	**-**	**140,385**	**136,917**	**3,468**	**97.5%**	**119,241**	**99,712**

Limpopo - Department of Education
Vote 3

Appropriation Statement
for the year ended 31 March 2005

Detail per programme 5 - Further Education & Training

Programme per subprogramme	2004/05 Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Payment R'000	Variance R'000	Payment as % of final appropriation %	2003/04 Final Appropriation R'000	Actual Payment R'000
Current payment	93,616			**93,616**	94,445	(829)	100.9%	60,304	54,740
Transfers and subsidies	38,528			**38,528**	38,254	274	99.3%	36,977	36,975
Expenditure for capital assets	2,000			**2,000**	1,445	555	72.3%	1,000	1,632
Total	**134,144**	**-**	**-**	**134,144**	**134,144**	**-**	**100.0%**	**98,281**	**93,347**

Economic classification	2004/05 Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Payment R'000	Variance R'000	Payment as % of final appropriation %	2003/04 Final Appropriation R'000	Actual Payment R'000
Current									
Compensation to employees	94,317			**94,317**	94,172	145	99.8%	60,124	54,495
Goods and services	(701)			**(701)**	273	(974)	-38.9%	180	245
Transfers & subsidies									
Provinces & municipalities	281			**281**	209	72	74.4%		
Non-profit institutions	37,355			**37,355**	37,355	-	100.0%	36,977	36,975
Households	892			**892**	690	202	77.4%		
Capital									
Buildings & other fixed structures	2,000			**2,000**	1,445	555	72.3%	1,000	1,632
Total	**134,144**	**-**	**-**	**134,144**	**134,144**	**-**	**100.0%**	**98,281**	**93,347**

Detail per programme 6 - ABET

Programme per subprogramme	2004/05 Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Payment R'000	Variance R'000	Payment as % of final appropriation %	2003/04 Final Appropriation R'000	Actual Payment R'000
Current payment	45,522			**45,522**	35,975	9,547	79.0%	42,917	28,572
Transfers and subsidies	98			**98**	1	97	1.0%		
Expenditure for capital assets	1,974			**1,974**	717	1,257	36.3%	1,898	40
Total	**47,594**	**-**	**-**	**47,594**	**36,693**	**10,901**	**77.1%**	**44,815**	**28,612**

Economic classification	2004/05 Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Payment R'000	Variance R'000	Payment as % of final appropriation %	2003/04 Final Appropriation R'000	Actual Payment R'000
Current									
Compensation to employees	35,830			**35,830**	29,830	6,000	83.3%	33,577	21,190
Goods and services	9,692			**9,692**	6,145	3,547	63.4%	11,159	7,274
Transfers & subsidies									
Provinces & municipalities	98			**98**	1	97	1.0%		
Capital									
Buildings & other fixed structures								79	148
Machinery & equipment	1,974			**1,974**	717	1,257	36.3%		
Total	**47,594**	**-**	**-**	**47,594**	**36,693**	**10,901**	**77.1%**	**44,815**	**28,612**

Limpopo - Department of Education
Vote 3

Appropriation Statement
for the year ended 31 March 2005

Detail per programme 7 - ECD

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment	25,157			**25,157**	23,294	1,863	92.6%	19,149	12,676
Transfers and subsidies	2			**2**	4	(2)	200.0%		
Expenditure for capital assets	400			**400**	237	163	59.3%	849	133
Total	**25,559**	**-**	**-**	**25,559**	**23,535**	**2,024**	**92.1%**	**19,998**	**12,809**

Economic classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation to employees	1,069			**1,069**	2,534	(1,465)	237.0%	1,298	33
Goods and services	24,088			**24,088**	20,760	3,328	86.2%	18,700	12,776
Transfers & subsidies									
Provinces & municipalities	2			**2**	4	(2)	200.0%		
Capital									
Machinery & equipment	400			**400**	237	163	59.3%		
Total	**25,559**	**-**	**-**	**25,559**	**23,535**	**2,024**	**92.1%**	**19,998**	**12,809**

Detail per programme 8 - Auxilliary Services

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
SETA									
Current payment								7,376	7,376
Transfers and subsidies	7,905			**7,905**	8,667	(762)	109.6%		
Special Projects									
Current payment	33,759			**33,759**	23,103	10,656	68.4%	30,027	15,645
Transfers and subsidies								35	
Expenditure for capital assets	70			**70**		70	0.0%		
External Examination									
Current payment	76,171			**76,171**	64,527	11,644	84.7%	64,856	55,183
Transfers and subsidies	128			**128**		128	0.0%		
Expenditure for capital assets	316			**316**	233	83	73.7%		
Multi-purpose Centres									
Current payment	210,124			**210,124**	209,884	240	99.9%	217,611	177,712
Transfers and subsidies	1,565			**1,565**	1,427	138	91.2%		
Expenditure for capital assets	6,560			**6,560**	1,763	4,797	26.9%	6,799	4,629
Total	**336,598**	**-**	**-**	**336,598**	**309,604**	**26,994**	**92.0%**	**326,704**	**260,545**

Limpopo - Department of Education
Vote 3

Appropriation Statement
for the year ended 31 March 2005

Economic classification	2004/05 Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Payment R'000	Variance R'000	Payment as % of final appropriation %	2003/04 Final Appropriation R'000	Actual Payment R'000
Current									
Compensation to employees	164,841			**164,841**	179,716	(14,875)	109.0%	208,450	147,555
Goods and services	155,213			**155,213**	117,796	37,417	75.9%	106,755	103,893
Transfers & subsidies									
Provinces & municipalities	464			**464**	444	20	95.7%		
Dept agencies & accounts	7,905			**7,905**	8,667	(762)	109.6%		
Households	1,229			**1,229**	985	244	80.1%		
Capital									
Buildings & other fixed structures	3,255			**3,255**	1,082	2,173	33.2%	11,015	9,068
Machinery & equipment	3,691			**3,691**	914	2,777	24.8%	484	29
Total	**336,598**	**-**	**-**	**336,598**	**309,604**	**26,994**	**92.0%**	**326,704**	**260,545**

Limpopo - Department of Education
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Notes to the Appropriation Statement
for the year ended 31 March 2005

1. **Detail of transfers and subsidies as per Appropriation Act (after Virement):**
Detail of these transactions can be viewed in note 11 (Transfers and subsidies) and Annexure 1 (A-K) to the annual financial statements.

2. **Detail of specifically and exclusively appropriated amounts voted (after Virement):**
Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the annual financial statements.

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

3.1 **Per programme:**

	Voted Funds after virement	Actual Expenditure	R'000	%	
Administration	971,656	959,355	12,301	1.27%	
Public Schools	8,012,119	7,987,407	24,712	0.31%	
Independent Schools	21,159	21,668	(509)	-2.41%	
Special Schools	140,385	136,917	3,468	2.47%	
Further Education & Training	134,144	134,144	-	0.00%	
ABET	47,594	36,693	10,901	22.90%	Posts estimated for were not filled during the year
ECD	25,559	23,535	2,024	7.92%	The envisaged training for ECD did not take place.
Auxilliary Services	336,598	309,604	26,994	8.02%	Orders placed during the year have not yet been paid

Limpopo - Department of Education
Vote 3

Notes to the Appropriation Statement
for the year ended 31 March 2005

3.2 Per economic classification: **R'000**

Current expenditure

Compensation of employees	89,644	Over expenditure as a result of temporary educators
Goods and services	116,798	Funds already committed with the purchase of learner support material. Payments to be made during 2005/06

Transfers and subsidies

Provinces and municipalities	620	
Departmental agencies and accounts	762	
Non-profit institutions	2,430	
Households	3,054	

Payments for capital assets

Buildings and other fixed structures	43,432	Funds for capital projects already committed i.r o projects in progress. Payments to be made in 2005/06
Machinery and equipment	8,933	Vehicles and furniture were delivered late in the Financial year and payments are still due and will be done in 2005/06
Software and other intangible assets	400	

Limpopo - Department of Education
Vote 3

Statement of Financial Performance
for the year ended 31 March 2005

	Note	2004/05 R'000	2003/04 R'000
REVENUE			
Annual appropriation	1.	9,689,214	8,731,429
Statutory appropriation	2.	643	607
Departmental revenue	3.	13,727	-
Local and foreign aid assistance	4.	1,890	10,606
TOTAL REVENUE		9,705,474	8,760,800
EXPENDITURE			
Current expenditure			
Compensation of employees	5.	7,857,673	7,089,916
Goods and services	6.	1,121,735	651,043
Interest and rent on land	7.	-	2,761
Local and foreign aid assistance	4.	2,970	10,606
Total current expenditure		8,982,378	7,754,326
Transfers and subsidies	9	172,862	79,462
Expenditure for capital assets			
Buildings and other fixed structures	10	416,480	298,384
Machinery and Equipment	10	41,192	26,071
Total expenditure for capital assets		457,672	324,455
TOTAL EXPENDITURE		9,612,912	8,158,243
NET SURPLUS/(DEFICIT)		92,562	584,399
Add back unauthorised expenditure	8	510	-
NET SURPLUS/(DEFICIT) FOR THE YEAR		93,072	584,399
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds to be surrendered to the Revenue Fund	13	80,425	584,399
Departmental revenue to be surrendered to revenue fund	14	13,727	-
Local and foreign aid assistance	4.	(1,080)	
NET SURPLUS/(DEFICIT) FOR THE YEAR		93,072	584,399

Limpopo - Department of Education
Vote 3

Statement of Financial Position
as at 31 March 2005

	Note	2004/05 R'000	2003/04 R'000
ASSETS			
Current assets		943,640	1,454,592
Unauthorised expenditure	8	812,827	812,317
Cash and cash equivalents	11	80,264	596,304
Receivables	12	50,549	45,971
TOTAL ASSETS		943,640	1,454,592
LIABILITIES			
Current liabilities		943,640	1,454,592
Voted funds to be surrendered to the Revenue Fund	13	850,468	1,393,925
Departmental revenue to be surrendered to the Revenue Fund	14	(2,912)	3,114
Payables	15	94,133	57,553
Local and foreign aid assistance unutilised	4.	1,951	3,031
TOTAL LIABILITIES		943,640	1,454,592

Limpopo - Department of Education
Vote 3

Cash Flow Statement
for the year ended 31 March 2005

	Note	2004/05 R'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		9,717,116
Annual appropriated funds received		9,689,214
Statutory appropriated funds received		643
Departmental revenue received		29,947
Local and foreign aid assistance received	4.	1,890
Net (increase)/decrease in working capital		(4,578)
Surrendered to Revenue Fund		(656,824)
Current payments		(8,945,798)
Transfers and subsidies paid		(172,862)
Net cash flow available from operating activities	16	(58,368)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for capital assets		(457,672)
Net cash flows from investing activities		(457,672)
Net increase/(decrease) in cash and cash equivalents		(516,040)
Cash and cash equivalents at beginning of period		596,304
Cash and cash equivalents at end of period		80,264

Limpopo - Department of Education
Vote 3

Notes to the Annual Financial Statements
for the financial year ended 31 March 2005

Note No.	Note	2004/05 R'000	2003/04 R'000

1. **Annual Appropriation**

1.1 **Annual Appropriation**
Included are funds appropriated in terms of the Appropriation Act for Provincial

	Final Appropriation R'000	Actual Funds Received R'000	Variance over/(under) R'000	Total Appropriation 2003/04 R'000
Administration	971,656	971,656	-	907,812
Public Schools	8,012,119	8,012,119	-	7,200,734
Independent Schools	21,159	21,159	-	13,844
Special Schools	140,385	140,385	-	119,241
Further Education & Training	134,144	134,144	-	98,281
ABET	47,594	47,594	-	44,815
ECD	25,559	25,559	-	19,998
Auxilliary Services	336,598	336,598	-	326,704
	-	-	-	-
Total	**9,689,214**	**9,689,214**	**-**	**8,731,429**

1.2 **Conditional grants**

	Note	2004/05 R'000	2003/04 R'000
Total grants received	*ANNEXURE 1A*	409,871	255,534

*(** It should be noted that the Conditional grants are included in the amounts per the Total Appropriation in Note 1.1)*

2. **Statutory Appropriation**

	2004/05 R'000	2003/04 R'000
Member of executive committee/parliamentary officers	643	607
	643	**607**

3. **Departmental revenue to be surrendered to revenue fund**

Description	Note	2004/05 R'000	2003/04 R'000
Sales of goods and services other than capital assets		17,363	15,164
Financial transactions in assets and liabilities	*3.1*	12,584	5,361
Total revenue collected		29,947	20,525
Less: Departmental revenue budgeted *	14	16,220	20,525
Departmental revenue collected		13,727	-

Limpopo - Department of Education
Vote 3

Notes to the Annual Financial Statements
for the financial year ended 31 March 2005

Note No.		Note	2004/05 R'000	2003/04 R'000
3.1	**Financial transactions in assets and liabilities**			
	Nature of loss recovered			
	Cheques written back		4,859	5,361
	Other		7,725	
			12,584	**5,361**

4. Local and foreign aid assistance

4.1 Assistance received in cash Name of donor and purpose	Opening Balance	Revenue	Expenditure	Closing balance
Foreign				
USAID (District Improvement - IEP)	7,107			7,107
Flemish Aid (IDDP)	1,925	879	880	1,924
Flemish Aid (ESEP)	1,106	1,011	2,090	27
Netherland	8,020			8,020
Prior year adjustment	(15,127)			(15,127)
				-
	3,031	**1,890**	**2,970**	**1,951**

Analysis of balance	2004/05	2003/04
Local and foreign aid unutilised	1,951	3,031
Closing balance	**1,951**	**3,031**

4.2 Assistance received in kind

Name of donor and purpose	2004/05	2003/04
Local		
Transnet Foundation	4,855	6,316
BHP Billiton	506	1,418
De Beers	5,000	407
Anglo American Chairman's fund	3,411	-
Zenex Foundation	997	1,450
Sasol Nitro	400	400
Anglo Platinum	3,039	5,234
Publishing Houses	1,957	2,063
Office of the Premier	150	-
Samancor Foundation	-	185
South African Breweries	-	126
Human Science Research Council	-	4
	20,315	17,603

Limpopo - Department of Education
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Notes to the Annual Financial Statements
for the financial year ended 31 March 2005

Note No.		Note	2004/05 R'000	2003/04 R'000
	Foreign			
	DFID (Khanyisa)		12,083	25
	Embassy of Ireland		29,016	23,878
	Canon Collins		58	66
	JICA (Japan's Grant Aid - Classroom Construction)		47,487	-
	Eskom Rural Development		4,184	-
	USAID (District Improvement - IEP)		7,107	
	Thuthuka Project		20,686	
	Netherlands		8,020	
	Boabab			800
			128,641	24,769
	Total local and foreign aid assistance received in kind		**148,956**	**42,372**

The donations that are made throught the Education Trust are not reflected in the statement of Financial Performance

			2004/05 R'000	2003/04 R'000
5.	**Compensation of employees**			
5.1	**Salaries and wages**			
	Basic salary		6,016,839	5,316,426
	Performance award		59,081	
	Service Based		17,052	
	Compensative/circumstantial		113,623	
	Periodic payments		36,066	
	Other non-pensionable allowances		465,903	657,898
			6,708,564	**5,974,324**
5.2	**Social contributions**			
	Short term employee benefits			
	Pension		796,039	753,763
	Medical		351,488	361,829
	Bargain council		515	
	Official unions and associations		1,067	
			1,149,109	1,115,592
	Total compensation of employees		**7,857,673**	**7,089,916**
	Average number of employees		62,422	59,355

Limpopo - Department of Education
Vote 3

Notes to the Annual Financial Statements
for the financial year ended 31 March 2005

Note No.		Note	2004/05 R'000	2003/04 R'000
6.	**Goods and services**			
	Advertising		3,595	896
	Attendance fees (including registration fees)		250	382
	Bursaries (employees)		8,352	3,685
	Communication		15,015	11,757
	Computer services		6,959	
	Consultants, contractors and special services		48,148	26,121
	Courier and delivery services		119	
	Entertainment		41	42
	Equipment less than R5 000		1,622	
	Freight service		-	202
	Honoraria (Voluntary workers)		14,056	
	Inventory	*6.2*	803,376	335,279
	Maintenance, repair and running costs		83,739	107
	Operating leases		5,657	
	Personnel agency fees		149	
	Plant flowers and other decorations		69	
	Professional bodies and membership fees		1,387	
	Resettlement costs		5,044	7,711
	Subscriptions		3	
	Owned and leasehold property expenditure		54,094	
	Travel and subsistence	*6.3*	69,854	49,347
	Venues and facilities		206	
	Previous years unallocated items			215,514
			1,121,735	**651,043**

			2004/05 R'000	2003/04 R'000
6.2	**Inventory**			
	Construction work in progress		-	3,464
	Other inventory		-	40,298
	Domestic Consumables		1,888	25
	Learning and teaching support material		590,118	288,388
	Food and Food supplies		169,111	
	Fuel, oil and gas		7,438	
	Laboratory consumables		-	3,104
	Other consumables		1,397	
	Parts and other maint mat		90	
	Sport and recreation		92	
	Stationery and Printing		33,240	
	Medical Supplies		2	
	Total Inventory		**803,376**	**335,279**

Limpopo - Department of Education
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Notes to the Annual Financial Statements
for the financial year ended 31 March 2005

Note No.		Note	2004/05 R'000	2003/04 R'000
6.3	**Travel and subsistence**			
	Local		69,844	49,286
	Foreign		10	61
	Total travel and subsistence		**69,854**	**49,347**
7.	**Interest and rent on land**			
	Rent on land		-	2,761
	Total interest and rent on land		**-**	**2,761**
8	**Unauthorised expenditure**			
	Reconciliation of unauthorised expenditure			
	Opening balance		812,317	812,317
	Unauthorised expenditure – current year		510	-
	Unauthorised expenditure awaiting authorisation		**812,827**	**812,317**
9	**Transfers and subsidies**			
	Provinces and municipalities	*ANNEXURE 1B*	22,728	
	Departmental agencies and accounts	*ANNEXURE 1C*	8,667	
	Non-profit institutions	*ANNEXURE 1D*	101,895	79,462
	Households	*ANNEXURE 1E*	39,572	
	Gifts and donations			
			172,862	**79,462**
10	**Expenditure for capital assets**			
	Buildings and other fixed structures	*ANNEXURE 3*	416,480	298,384
	Machinery and equipment	*ANNEXURE 3*	41,192	26,071
	Total		**457,672**	**324,455**
11	**Cash and cash equivalents**			
	Consolidated Paymaster General Account		242,005	636,278
	Cash receipts		-	2,518
	Disbursements		(106,735)	(38,857)
	Cash in transit		(55,006)	(3,635)
			80,264	**596,304**

Limpopo - Department of Education
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Notes to the Annual Financial Statements
for the financial year ended 31 March 2005

Note No.					Note	2004/05 R'000	2003/04 R'000
12 Receivables							
		Less than one year	One to three years	Older than three years		Total	Total
Staff debtors	*12.1*		12,910	10,002		22,912	19,014
Other debtors	*12.2*		27,637			27,637	26,957
		-	**40,547**	**10,002**		**50,549**	**45,971**

		2004/05 R'000	2003/04 R'000
12.1 Staff debtors			
(Group major categories, but list material items)			
Tax Debt		12,910	11,310
Subsistace and Travel			3
Debt Account		10,002	7,701
		22,912	**19,014**
12.2 Other debtors			
Nature of advances			
(Group major categories, but list material items)			
Diusallowances		27,637	1,308
Deposit control account			25
Persal control account			3,132
Department of Finance			7,808
Receiver of Revenue			14,684
		27,637	**26,957**
13 Voted Funds to be surrendered to the Revenue Fund			
Opening balance		1,393,925	1,005,425
Transfer from Statement of Financial Performance		80,425	584,399
Voted funds not requested/not received			
Paid during the year		(623,882)	(195,899)
Closing balance		**850,468**	**1,393,925**
14 Departmental revenue to be surrendered to revenue fund			
Opening balance		83	4,155
Transfer from Statement of Financial Performance		13,727	-
Departmental revenue budgeted *	3	16,220	20,525
Transfer from local and foreign aid assistance**			(3,031)
Paid during the year		(32,942)	(21,566)
Closing balance		**(2,912)**	**83**

** Amount not used at end of project, which donors allow department to maintain should be paid over to the Revenue Fund.

Limpopo - Department of Education
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Notes to the Annual Financial Statements
for the financial year ended 31 March 2005

Note No.		Note			2004/05 R'000	2003/04 R'000
15	**Payables – current**					
	Description		**30 Days**	**30+ Days**	**Total**	**Total**
	Advances received	*21.1*			-	3,669
	Clearing accounts	*21.2*		93,940	93,940	53,884
	Other payables	*21.3*		193	193	-
			-	**94,133**	**94,133**	**57,553**

Note No.		2004/05 R'000	2003/04 R'000
15.1	**Advances received**		
	Identify major categories, but list material items		
	IEC - Preparation of polling stations		3,669
		-	**3,669**
15.2	**Clearing accounts**		
	Description		
	(Identify major categories, but list material amounts)		
	Outstanding Payments	92,958	45,348
	Recoveries received without the creation of Debts		1,519
	Credits due to Persal interface	982	7,017
		93,940	**53,884**
15.3	**Other payables**		
	Description		
	(Identify major categories, but list material amounts)		
	Cheques to be Re-issued	193	
		193	**-**

Note No.		2004/05 R'000
16	**Reconciliation of net cash flow from operating activities to surplus/(deficit)**	
	Net surplus/(deficit) as per Statement of Financial Performance	93,072
	(Increase)/decrease in receivables – current	(4,578)
	(Increase)/decrease in other current assets	(510)
	Increase/(decrease) in payables – current	36,580
	Surrenders	(656,824)
	Capital expenditure	457,672
	Departmental revenue budgeted	16,220
	Net cash flow generated by operating activities	**(58,368)**

Limpopo - Department of Education
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Disclosure notes to the annual financial statements
for the financial year ended 31 March 2005

These amounts are not recognised in the financial statements and are disclosed to enhance the usefulness of the financial statements.

Note No.			Note	2004/05 R'000	2003/04 R'000
17	**Contingent liabilities**				
	Liable to	**Nature**			
	Housing loan guarantees	Employees	*ANNEXURE 3*	117,065	109,611
	Capped Leave Commitments			1,844,384	1,332,809
				1,961,449	1,442,420

Capped leave is as per the days captured on PERSAL

		2004/05 R'000	2003/04 R'000
18	**Commitments**		
	Current expenditure		
	Approved and contracted	23,422	199,982
	Approved but not yet contracted	1,183	1,400
		24,605	201,382
	Capital expenditure		
	Approved and contracted	40,694	103,200
	Approved but not yet contracted		106,000
		40,694	209,200
	Total Commitments	65,299	410,582

		2004/05 R'000	2003/04 R'000
19	**Employee benefits**		
	Leave entitlement		
	Thirteenth cheque	465,903	433,012
	Performance awards	59,081	6,942
		524,984	439,954

Limpopo - Department of Education
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Disclosure notes to the annual financial statements
for the financial year ended 31 March 2005

These amounts are not recognised in the financial statements and are disclosed to enhance the usefulness of the financial statements.

Note No.		*Note*	2004/05 R'000	2003/04 R'000
20	**Senior management personnel**			

The aggregate compensation of the senior management of the department and the number of individuals determined on a full time equivalent basis receiving compensation within this category, showing separately major classes of key management personnel and including a description of each class for the current period and the comparative period. Detail on each type of compensation should be disclosed.

	2004/05 R'000	2003/04 R'000
- The Minister, Deputy Ministers, Director-General	834	787
- Deputy Director Generals	1,604	1,967
- General Managers	3,260	3,060
- Senior Managers	11,693	10,494
	17,391	16,308

Limpopo - Department of Education
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Annexures to the Annual Financial Statements
for the year ended 31 March 2005

ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION				SPENT			2003/04	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Amount received by department R'000	Amount spent by department R'000	% of Available funds spent by department %	Division of Revenue Act R'000	Amount spent by departments R'000
Infrastructure Grant	237,331			237,331	237,331	237,331	100.0%	168,253	168,253
Flood Rehabilitation								4,800	4,800
Financial Management								36,803	24,657
HIV and AIDS	19,415			19,415	19,415	19,415	100.0%	30,062	15,648
Early Chilhood Development				-				15,616	11,833
PSNP	153,125			153,125	153,125	153,125	100.0%		
				-					
	409,871	**-**	**-**	**409,871**	**409,871**	**409,871**		**255,534**	**225,191**

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ANNEXURE 1B
STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2003/04
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Funds Transferred %	Amount received by municipality R'000	Amount spent by municipality R'000	% of available funds spent by municipality %	Division of Revenue Act R'000
Vhembe					4,717					
Capricorn					8,851					
Waterberg					2,030					
Bohlabela					1,268					
Mopani					2,392					
Sekhukhune					3,470					
	-	-	-	-	22,728		-	-		-

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ANNEXURE 1C
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2003/04
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Funds Transferred %	Final Appropriation Act R'000
SETA	7,905			7,905 -	8,667	109.6%	7,905
	7,905	**-**	**-**	**7,905**	**8,667**		**7,905**

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ANNEXURE 1D
STATEMENT OF TRANSFERS/SUBSIDIES TO NON-PROFIT INSTITUTIONS

	TRANSFER ALLOCATION				EXPENDITURE		2003/04
NON PROFIT ORGANISATION	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Transferred %	Final Appropriation Act R'000
Transfers							
INDEPENDENT SCHOOLS	21,159			21,159	21,669	102.4%	13,844
SPECIAL SCHOOLS	26,659			26,659	26,604	99.8%	24,235
FET	37,355			37,355	37,355	100.0%	36,975
OTHER	13,782			13,782	16,267	118.0%	4,408
	98,955	**-**	**-**	**98,955**	**101,895**		**79,462**

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ANNEXURE 1E
STATEMENT OF TRANSFERS/SUBSIDIES TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2003/04
NON PROFIT ORGANISATION	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Transferred %	Final Appropriation Act R'000
Transfers							
H/H EMPLOYER SOC BENE	42,626			42,626	39,572	92.8%	
	42,626	-	-	42,626	39,572		-

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Annexures to the Annual Financial Statements
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ANNEXURE 2
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2005 - LOCAL

Guarantor institution	Guarantee in respect of Housing	Original Guaranteed capital amount R'000	Opening Balance 01/04/2004 R'000	Guarantees issued during the year R'000	Guarantees Released during the year R'000	Guaranteed interest outstanding as at 31 March 2005 R'000	Closing Balance 31/03/2005 R'000	Realised losses i.r.o. claims paid out R'000
Standard Bank	399		7,763	1,506	39		9,230	
Nedbank	245		5,184	992	84		6,092	
Firstrand Bank	525		10,343	469	34		10,778	
BOE Bank	2		29				29	
Mercantile Bank	1		5				5	
ABSA	2150		47,761	2,810	632		49,939	
African Bank							-	
Old Mutual	866		17,165	197	145		17,217	
Peoples Bank	237		5,058		37		5,021	
Hlano Finance	2		18				18	
VBS Mutual Bank	209		3,585	395	24		3,956	
Investec Bank	1		25				25	
Mpumalanga	3		37				37	
Yskor Landgeod	1		30				30	
NP Dev Corp	432		7,102	2,108	50		9,160	
S A Home Loans	4		116				116	
Green Start	2		26				26	
Southnet Financial Serv	2		23	22			45	
Co. Unique Finance	241		5,321				5,321	
Nedbank inc B O E	1		20				20	
		-	109,611	8,499	1,045	-	117,065	-

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Annexures to the Annual Financial Statements
for the year ended 31 March 2005

ANNEXURE 3
PHYSICAL ASSET MOVEMENT SCHEDULE AS AT 31 MARCH 2005

	Opening Balance R'000	Additions R'000	Disposals R'000	Transfers in R'000	Transfers Out R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	584,862	416,480	-	-	-	1,001,342
						-
Non-residential buildings	584,862	416,480				1,001,342
MACHINERY AND EQUIPMENT	78,199	41,192	-	-	-	119,391
Computer equipment	6,730	669				7,399
Furniture and office equipment	13,359	6,430				19,789
Other machinery and equipment	42,684	8,445				51,129
Transport assets	15,426	25,648				41,074
	663,061	**457,672**	**-**	**-**	**-**	**1,120,733**

PHYSICAL ASSET MOVEMENT SCHEDULE AS AT 31 MARCH 2004

	Opening Balance R'000	Additions R'000	Disposals R'000	Transfers in R'000	Transfers Out R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	272,518	298,384	-	13,960	-	584,862
Dwellings						-
Non-residential buildings	272,518	298,384		13,960		584,862
MACHINERY AND EQUIPMENT	52,128	26,071	-	-	-	78,199
Computer equipment	4,145	2,585				6,730
Furniture and office equipment	7,745	5,614				13,359
Other machinery and equipment	29,839	12,845				42,684
Transport assets	10,399	5,027				15,426
	324,646	**324,455**	**-**	**13,960**	**-**	**663,061**

PART FIVE
HUMAN RESOURCE MANAGEMENT

5.1 Service delivery

Table 1.1 – Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
1. Coordination of development and review of Service delivery Standards	District Employees Head Office Employees Learners Teachers Communities SGB'S Publisher FET'S/EMPC'S employees ABET Centres Bidders Creditors Supplies Auditor General Other Departments Institutions of Higher learning Public Schools and Specialized Schools	Same Same	That Service delivery Standards of the Department will be developed and reviewed every year	Standards have been developed and disseminated to actual customers.
2. Coordination of Service delivery improvement program Plan and Citizens report	As indicated above	As indicate above	Citizens report and Service delivery improvement program plan of the Department are developed every year	Citizens report & Service delivery improvement program plan of the Department were developed, published and disseminated to the potential Clients
3. Coordination of Departmental Awards, and participation in Provincial Awards such as Premier Service Excellence Awards	District Employees Head Office employees Public Schools and Specialized Schools FET'S/EMPC'S	Same	Departmental Batho Pele Coordinator arranges nominations from each District and complete necessary tools per identified institution every year	During the year the Department scooped five prizes including Platinum, Gold and Silver.
4. Monitoring of Service delivery Standards at all Service points	Schools FET'S/EMPC'S District Offices Head Office	Employees of all identified institutions or Service points	Monitoring is being done during Batho Pele road-shows and EXCO meets people	Imbizos and EXCO meets people held during the year to check

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
				compliance of Service Standards.

Table 1.2 – Consultation arrangements with customers

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
Meetings Visitations Training Workshops Questionnaires Correspondences	District employees FET'S/EMPC'S representatives Head Office employees Learners Teachers Communities SGB'S Publishers ABET centres Bidders Creditors Suppliers Auditor General Other Departments	Same	Meetings were held on monthly basis Batho Pele road shows were held on a quarterly basis. Service delivery standards were mock reviewed with external and internal customers once per annum

Table 1.3 – Service delivery access strategy

Access Strategy	Actual achievements
- Putting up of Signage in almost all Departmental Service points - Mounting of suggestion boxes in Head Office buildings, District Offices and Circuit Offices - Modification of buildings at ground floors to be user friendly to disable persons. - Putting up posters regarding pandemic diseases such as HIV/AIDS, Batho Pele principles, Generic Standards and all other issues dealing with human beings behavior to spark positive attention to the matter. - Multi Skilling of personnel in all transformation issues to become change agents.	- Signage is in place in almost all service delivery points. - Suggestion boxes mounted and are opened once every week. - Buildings especially those serving as headquarters of serving points have been modified to suit disable persons on the ground floor. - Impact on posters to bring awareness campaign on issues regarding such as HIV/AIDS, cancer and change behavior regarding Batho Pele campaigns. - Everybody as an employee to act as change agent

Table 1.4 – Service information tool

Types of information tool	Actual achievements
- Batho Pele monitoring tool - Quality assessment questionnaire	- Utilized during monitoring of service delivery standards. - Completed by both internal and external customers in order to assess the impact of services by employees

5.2 EXPENDITURE

TABLE 2.1 - Personnel costs by Programme,2004/05

Programme	Total Expenditure (R'000)	Compensation of Employees (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Compen-sation of Employees as percent of Total Expenditure
Programme 1: Administration	959,974	736,154	0	0	76.7
Programme 2: Public ordinary school education	7,987,407	6,711,023	0	0	84
Programme 3: Independent school subsidies	21,668	0	0	0	0
Programme 4: Public special school education	136,917	104,243	0	0	76.1
Programme 5: FET	134,144	94,172	0	0	70.2
Programme 6: ABET	36,693	29,830	0	0	81.3
Programme 7: ECD	23,535	2,534	0	0	10.8
Programme 8: Auxiliary and associated services	309,604	179,716	0	0	58
Total	**9,609,942**	**7,857,672**	**0**	**0**	**81.8**

TABLE 2.2 - Personnel costs by Salary band, 2004/05

Salary Bands	Compensation of Employees Cost (R'000)	Percentage of Total Personnel Cost for Department	Average Compensation Cost per Employee (R)
Lower skilled (Levels 1-2)	139,536	1.8	220,436
Skilled (Levels 3-5)	345,705	4.3	99,056
Highly skilled production (Levels 6-8)	6,245,665	78.3	120,231
Highly skilled supervision (Levels 9-12)	1,082,225	13.6	141,578
Senior management (Levels 13-16)	17,391	0.2	503,057
Contract (Levels 1-2)	5,555	0.1	150,135
Contract (Levels 3-5)	10,661	0.1	33,212
Contract (Levels 6-8)	1,054	0	75,286
Contract (Levels 9-12)	721	0	180,250
Contract (Levels 13-16)	668	0	668,000
Periodical Remuneration	35,451	0.4	13,258
Abnormal Appointment	180	0	3,214
TOTAL	**7,884,812**	**98.9**	**117940**

TABLE 2.3 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme, 2004/05

Programme	Salaries (R'000)		Over-time (R'000)	HOA (R'000)	Medical Ass. (R'000)			
	Amount	Salaries as % of Personnel Cost	Amount (R'000)	Over-time as a % of personnel cost	Amount (R'000)	HOA as % of Personnel Cost	Amount (R'000)	Medical assis-tance as a % of person-nel cost
Administration	529,502	68.4	18,237	2.4	5,490	0.7	33,131	4.3
Public ordinary school education	5,223,804	76.6	1,109	0	40,340	0.6	304,083	4.5
Public special school education	76,921	72.9	60	0.1	704	0.7	4,791	4.5
Further education and training	68,706	75.7	66	0.1	645	0.7	3,430	3.8
Adult basic education and training	190	0.9	0	0	1	0	15	0.1
Auxiliary and associated services	90,106	71	1,277	1	1,046	0.8	5,062	4
Statutory	2	100	0	0	0	0	0	0
Suspense account controle	547	70.1	4	0.5	0	0	0	0
Teachers training	20,558	66.9	446	1.5	153	0.5	1,220	4
Unknown	39	53.4	3	4.1	0	0	0	0
TOTAL	**6,010,374**	**75.4**	**21,202**	**0.3**	**48,379**	**0.6**	**351,732**	**4.4**

Table 2.4: Salaries, overtime, Home owners allowance and Medical assistance by salary bands – 2004/05

Salary bands	Salaries (R'000)		Over-time (R'000)	HOA (R'000)	Medical Ass. (R'000)			
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Over-time as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical assis-tance as a % of personnel cost
Lower skilled (Levels 1-2)	97,669	68.5	508	0.4	344	0.2	3,756	2.6
Skilled (Levels 3-5)	281,332	80.3	984	0.3	1,388	0.4	13,595	3.9
Highly skilled production (Levels 6-8)	4,792,217	76.1	12,913	0.2	39,606	0.6	291,767	4.6
Highly skilled supervision (Levels 9-12)	813,199	73.5	4,790	0.4	7,041	0.6	42,069	3.8
Senior management (Levels 13-16)	10,488	54.2	0	0	0	0	497	2.6
Contract (Levels 1-2)	4,955	88.8	249	4.5	0	0	13	0.2
Contract (Levels 3-5)	8,622	80	1,613	15	0	0	21	0.2
Contract (Levels 6-8)	933	88.1	90	8.5	0	0	0	0
Contract (Levels 9-12)	587	78.5	54	7.2	0	0	0	0
Contract (Levels 13-16)	372	54.5	0	0	0	0	13	1.9
Periodical Remuneration	0	0	0	0	0	0	0	0
Abnormal Appointment	0	0	0	0	0	0	0	0
TOTAL	**6,010,374**	**75.4**	**21,201**	**0.3**	**48,379**	**0.6**	**351,731**	**4.4**

5.3 EMPLOYMENT AND VACANCIES

TABLE 3.1 – Employment and vacancies by programme, 31 March 2005

Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Administration	65,360	54,532	10,828	0
Total	**65,360**	**54,532**	**10,828**	**0**

TABLE 3.2 – Employment and vacancies by salary bands, 31 March 2005

Salary band	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2)	2,544	1,411	1,083	0
Skilled (Levels 3-5)	1,424	865	559	0
Highly skilled production (Levels 6-8)	55,041	47,821	7,220	0
Highly skilled supervision (Levels 9-12)	6,312	4,350	1,962	0
Senior management (Levels 13-16)	39	35	4	0

TABLE 3.3 – Employment and vacancies by critical occupation, 31 March 2005

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Management	39	35	4	0
Total	**39**	**35**	**4**	**0**

5.4 JOB EVALUATION

TABLE 4.1 – Job Evaluation, 1 April 2004 to 31 March 2005

Salary band	Number of posts	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	2544	0	0%	0	0%	0	0%
Skilled (Levels 3-5)	1424	2	0.14%	2	100%	0	0%
Highly skilled production (Levels 6-8)	55041	35	0.06%	35	100%	0	0%
Highly skilled supervision (Levels 9-12)	6313	0	0%	0	0%	0	0%
Senior Management Service Band A	26	19	73%	0	0%	0	0%
Senior Management Service Band B	6	4	67%	2	50%	0	0%
Senior Management Service Band C	3	0	0%	0	0%	0	0%
Senior Management Service Band D	3	0	0%	0	0%	0	0%
Total	**65,360**	**60**	**0.09%**	**39**	**65%**	**0**	**0%**

TABLE 4.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2004 to 31 March 2005

Beneficiaries	African	Asian	Coloured	White	Total
Female	31	0	0	1	32
Male	1	0	0	0	1
Total	32	0	0	1	33
Employees with a disability: **Nil**					

TABLE 4.3 – Employees whose salary level exceed the grade determined by job evaluation, 1 April 2004 to 31 March 2005 (in terms of PSR 1.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	None	None	None	None
Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2003/04				0
Percentage of total employment: None				

TABLE 4.4 – Profile of employees whose salary level exceed the grade determined by job evaluation, 1 April 2004 to 31 March 2005 (in terms of PSR 1.V.C.3)

Beneficiaries	African	Asian	Coloured	White	Total
Female	None	None	None	None	None
Male	None	None	None	None	None
Total	None	None	None	None	None

Employees with a disability	
Total Number of Employees whose salaries exceeded the grades determined by job evaluation in 2003/ 04	None

5.5 EMPLOYMENT CHANGES

TABLE 5.1 – Annual turnover rates by salary band for the period 1 April 2004 to 31 March 2005

Salary Band	Number of employees per band as on 1 April 2004	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	2,544	0	59	1,8%
Skilled (Levels 3-5)	1,424	0	210	0,50
Highly skilled production(Levels 6-8)	55,041	0	725	7,9
Highly skilled supervision(Levels 9-12)	6,312	0	0	0
Senior Management Service Band A	0	0	1	11,0
Senior Management Service Band B	0	0	0	0
Senior Management Service Band C	39	0	0	0
Senior Management Service Band D	0	0	0	0
Total	**54,532**	**0**	**995**	**21,4**

TABLE 5.2 – Annual turnover rates by critical occupation for the period 1 April 2004 to 31 March 2005

Occupation:	Number of employees per occupation as on 1 April 2004	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative – Permanent		0	1	
Building & other property caretakers – Permanent		0	1	
Cleaners in offices workshops hospital		100	17	
Cleaners in offices worshops hospital		45	0	
Educationaists, Permanent		0	3	
Educationists, Temporary		0	0	
Financial clerks and credit cobtriolle		1	0	
Household and laundry workders - Permanent		1	48	
Household and laundry – Temporary		0	1	
Human resource clersks – Permanent		5	2	
Human resource clerks – Temporary		4	0	
Legal related - Permanent		2	0	
Light vehicle drivers - Temporary		1	1	
Material recording and transport clerk		0	1	
Medical Practitioners - Permanent		1	1	
Messengers, potters and deliveries		1	1	
Other administrat & related clerks		20	13	
Other admin. & related clerks		3	3	
Other admin. & related officers - Permanent			1	
Other occupations - Permanent		122	205	
Other occupations - temporary		598	720	
Secretaries and other keyboard operating clerks			1	
Security Officers – Permanent			1	
Senior Managers - Permanent			1	
TOTAL		**904**	**1,022**	

Table 5.3 – Reasons why staff are leaving the department

Termination Type	Number	% of total
Death	32	0.06
Resignation	9	0.00012
Expiry of contract	288	0.53
Dismissal – operational changes	0	0
Dismissal – misconduct	3	0.01
Dismissal – inefficiency	16	0
Discharged due to ill-health	83	0.03
Retirement	3	0.15
Transfers to other Public Service Departments	0	0.01
Other	0	0
Total	**434**	**#**
Total number of employees who left as a % of the total employment		

Table 5.4 – Promotions by critical occupation

Occupation	Employees as at 1 April 2004	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Support Service	54,532	3	0.02	4837	8,87%
Total	**54,532**	**3**	**0.02**	**4837**	**8,87%**

Table 5.5 – Promotions by salary band

Salary Band	Employees 1 April 2004	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0
Highly skilled supervision (Levels9-12)	0	0	0	0	0
Senior management (Levels13-16)	0	0	0	0	0
Total	0	0	0	0	0

5.6 Employment equity

Table 6.1 – Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2005

Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	21	0	2	0	6	0	0	1	30
Professionals	22,736	18	56	401	26,533	21	52	992	50,809
Technicians and associate professionals	83	1	0	1	65	1	0	113	264
Clerks	643	0	0	8	844	0	0	0	1,495
Service and sales workers	287	0	0	1	32	0	0	0	320
Skilled agriculture and fishery workers		0	0	0	0	0	0	0	0
Craft and related trades workers	10	0	0	0	1	0	0	0	11
Plant and machine operators and assemblers	27	0	0	0	2	0		0	29
Elementary occupations	761	0	0	9	847	2	1	97	1,717
Total	**24,568**	**19**	**58**	**420**	**28,330**	**24**	**53**	**1203**	**54675**
Employees with disabilities									

Table 6.2 – Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2005

Occupational Bands	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Top Management	5	0	1	0	4	0	0	0	10
Senior Management	18	1	1	0	4	0	0	1	25
Professionally qualified and experienced specialists and mid-management	2,125	1	3	42	840	0	0	0	3,011
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1,615	2	9	60	606	1	1	28	2,322
Semi-skilled and discretionary decision making	19,080	13	41	215	25,711	18	48	771	45,897
Unskilled and defined decision making	1,667	0	0	14	1,501	2	0	83	3,267
Total	**24,510**	**17**	**55**	**331**	**28,666**	**21**	**49**	**883**	**54,532**

Table 6.3 – Recruitment for the period 1 April 2004 to 31 March 2005

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

Employees with disabilities

Table 6.4 – Promotions for the period 1 April 2004 to 31 March 2005

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

Employees with disabilities									

Table 6.5 – Terminations for the period 1 April 2004 to 31 March 2005

Occupational Bands	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Top Management	0	0	0	0	0	0	0	0	
Senior Management	0	0	0	0	0	0	0	0	
Professionally qualified and experienced specialists and mid-management	40	0	0	0	39	0	0	0	79
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	54	0	0	0	0	0	0	0	
Semi-skilled and discretionary decision making		0	0	0	0	0	0	0	
Unskilled and defined decision making	90	0	0	0	161	0	0	0	15
Total	**184**				**247**				**431**

Employees with disabilities	

5.7 Performance rewards

TABLE 7.1 – Performance Rewards by race, gender, and disability, 1 April 2004 to 31 March 2005

	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
African	0	0	0	0	0
Male	0	0	0	0	0
Female	0	0	0	0	0
Asian	0	0	0	0	0
Male	0	0	0	0	0
Female	0	0	0	0	0
Coloured	0	0	0	0	0
Male	0	0	0	0	0
Female	0	0	0	0	0
White	0	0	0	0	0

	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
Male	0	0	0	0	0
Female	0	0	0	0	0
Employees with a disability	0	0	0	0	0
Total	0	0	0	0	0

TABLE 7.2 – Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2004 to 31 March 2005

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

Table 7.3 – Performance Rewards by critical occupations, 1 April 2004 to 31 March 2005

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
NONE	NONE	NONE	NONE	NONE	NONE
TOTAL	**NONE**	**NONE**	**NONE**	**NONE**	**NONE**

TABLE 7.4 – Performance related rewards (cash bonus), by salary band, for Senior Management Service

Salary Band	Beneficiary Profile			Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within band			
Band A	0	0	0	0	0	0
Band B	0	0	0	0	0	0
Band C	0	0	0	0	0	0
Band D	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**

5.8 Foreign workers

TABLE 8.1 – Foreign Workers, 1 April 2004 to 31 March 2005, by salary band

Salary Band	1 April 2004		31 March 2005		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	55	100%	19	100%	36	100%
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	**55**	**100%**	**0**	**100%**	**36**	**100%**

TABLE 8.2 – Foreign Worker, 1 April 2004 to 31 March 2005, by major occupation

Major Occupation	1 April 2004		31 March 2005		Change	
	Number	% of total	Number	% of total	Number	% change
Highly skilled production (Levels 6-8)	55	100%	19	100%	36	100%
Total	**55**	**100%**	**19**	**100%**	**36**	**100%**

5.9 Leave utilisation for the period 1 January 2004 to 31 December 2004

TABLE 9.1 – Sick leave, 1 January 2004 to 31 December 2004

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	1,419	75%	3,267	6%	0.4	125 000
Skilled (Levels 3-5)	1,437	80%	45,897	84%	0.03	3,000,000
Highly skilled production (Levels 6-8)	23,985	59%	2,322	4%	10.3	245,000
Highly skilled supervision (Levels9-12)	2,446	48%	3,011	6%	0.8	774,000
Senior management (Levels 13-16)	49	39%	35	0.06%	1.4	24,000
Total	**29,336**	**#**	**54,532**	**#**		**4,168,000**

TABLE 9.2 – Disability leave (temporary and permanent), 1 January 2004 to 31 Dec. '04

Salary Band	Total days taken	% days with medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	31	100%	3,267	0.9%	105	4,000
Skilled (Levels 3-5)	0	0	45,897	0%	0	0
Highly skilled production (Levels 6-8)	204	100%	2,322	8.8%	11	1,000
Highly skilled supervision (Levels 9-12)	13	100%	3,011	0.4%	232	60,000
Senior management (Levels 13-16)	0	0	35	0%	0	0
Total	**248**	**#**	**54,532**	**#**	**#**	**65,000**

TABLE 9.3 – Annual Leave, 1 January 2004 to 31 December 2004

Salary Bands	Total days taken	Average per employee
Lower skilled (Levels 1-2)	11,322	22
Skilled Levels 3-5)	3,173	6
Highly skilled production (Levels 6-8)	30,654	59
Highly skilled supervision(Levels 9-12)	6,612	13
Senior management (Levels 13-16)	363	0.7
Total	**52,124**	**#**

TABLE 9.4 – Capped leave, 1 January 2004 to 31 December 2004

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2004
Lower skilled (Levels 1-2)	73	0.4	90
Skilled Levels 3-5)	364	2	3
Highly skilled production (Levels 6-8)	14,779	83	1,155
Highly skilled supervision(Levels 9-12)	2,510	14	165
Senior management (Levels 13-16)	0	0	96
Total	**17,726**	**#**	**#**

TABLE 9.5 – Leave payouts for the period 1 April 2004 to 31 March 2005
The following table summarises payments made to employees as a result of leave that was not taken.

REASON	Total Amount	Number of Employees	Average payment per employee
Leave payout for 2004/05 due to non-utilisation of leave for the previous cycle	R71,838	10	R7,183
Capped leave payouts on termination of service for 2004/05	R8,515,000	131	R65,000
Current leave payout on termination of service for 2004/05	R466,947	65	R7,183
Total	**R9,053,785**	**206**	**R79,366**

5.10 HIV and AIDS & health promotion programmes

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

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Not applicable	Not applicable

TABLE 10.2 – Details of Health Promotion and HIV and AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	√		
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.	√		
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.	√		
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.	√		
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.	√		
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.		√	
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.		√	
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.		√	

5.11 Labour relations

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

TABLE 11.1 – Collective agreements, 1 April 2004 to 31 March 2005

SUBJECT MATTER	DATE
Vote Weights	NO.1 OF 2004
Salary Progression	NO.2 OF 2004
Full time Shop Steward	NO.3 OF 2004
IQMS for Therapists	NO.4 OF 2004
IQMS for FET Colleges	NO.5 OF 2004

If there were no agreements, then use the following table

Total collective agreements	**None**

TABLE 11.2 – Misconduct and disciplinary hearings finalised, 1 April 2004 to 31 March 2005

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	02	4
Verbal warning	00	0
Written warning	05	10
Final written warning	00	0
Suspended without pay	00	0
Fine	07	14
Demotion	04	8
Dismissal	12	24
Not guilty	04	8
Case withdrawn	16	32
Total	**50**	**100**

If there were no disciplinary hearings, then use the following table

Disciplinary hearings – 2003/04	**None**

TABLE 11.3 – Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	% of total
Insurbodination	10	29,4
Negligence	6	17,6
Absenteeism	7	20,6
Sexual Relationships with Learn	5	14,7
Mismanagement of Funds	3	8,8
Fraud	1	3
Distruption of Class	2	5,9
Total	**34**	**100**

TABLE 11.4 – Grievances lodged for the period 1 April 2004 to 31 March 2005

	Number	% of Total
Number of grievances resolved	5	45,5
Number of grievances not resolved	6	54,5
Total number of grievances lodged	**11**	**100**

TABLE 11.5 – Disputes lodged with Councils for the period 1 April 2004 to 31 March 2005

	Number	% of Total
Number of disputes upheld	51	73,9
Number of disputes dismissed	09	13,04
Total number of disputes lodged	**69**	**86,94**

TABLE 11.6 – Strike actions for the period 1 April 2004 to 31 March 2005

Total number of person working days lost	
Total cost (R) of working days lost	19,963
Amount (R) recovered as a result of no work no pay	997,840

5.12 Skills development

12.1 – Training needs identified 1 April 2004 to 31 March 2005

Occupational Categories	Gender	Number of employees as at 1 April 2004	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female		200	500	100	800
	Male		200	500	100	800
Professionals	Female		150	5500	1000	6650
	Male		150	5500	1000	6650
Technicians and associate professionals	Female		2500	5000	1000	8500
	Male		2500	5000	1000	8500
Clerks	Female		500	1000	1000	2500
	Male		500	1000	1000	2500
Service and sales workers	Female		0	0	0	0
	Male		0	0	0	0
Skilled agriculture and fishery workers	Female		0	0	0	0
	Male		0	0	0	0
Craft and related trades workers	Female		0	0	0	0
	Male		0	0	0	0
Plant and machine operators and assemblers	Female		0	0	0	0
	Male		0	0	0	0
Elementary occupations	Female		0	0	0	0
	Male		0	0	0	0
Sub Total	Female		3350	12000	3200	18550
	Male		3350	12000	3200	18550
			6700	24000	6400	37100

12.2 – Training provided 1 April 2004 to 31 March 2005

Occupational Categories	Gender	Number of employees as at 1 April 2005	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female		0	247	0	247
	Male		0	237	0	237
Professionals	Female		0	4015	106	4175
	Male		0	3865	258	4123
Technicians and associate professionals	Female		0	51	0	51
	Male		0	160	0	160
Clerks	Female		0	2	0	2
	Male		0	3	0	3
Service and sales workers	Female		0	0	0	0
	Male		0	0	0	0
Skilled agriculture and fishery workers	Female		0	0	0	0
	Male		0	0	0	0
Craft and related trades workers	Female		0	0	0	0
	Male		0	0	0	0
Plant and machine operators and assemblers	Female		0	0	0	0
	Male		0	0	0	0
Elementary occupations	Female		0	0	0	0
	Male		0	0	0	0
Sub Total	Female		0	4315	106	4421
	Male		0	4265	258	4523
			0	8580	364	8944

5.13 Injury duty

The following tables provide basic information on injury on duty.

TABLE 13.1 – Injury on duty, 1 April 2004 to 31 March 2005

Nature of injury on duty	Number	% of total
Required basic medical attention only	NONE	
Temporary Total Disablement	NONE	
Permanent Disablement	NONE	
Fatal		
Total		