



ANNUAL REPORT 2021/22

LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY



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**LIMPOPO PROVINCIAL
TREASURY
VOTE NO. 5
ANNUAL REPORT
2021/2022 FINANCIAL YEAR**

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GENERAL INFORMATION

PROVINCIAL
TREASURY

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"we are the best in what we do"
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General Information



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2. LIST OF ABBREVIATIONS/ACRONYMS

AC	Audit Committee
AGSA	Auditor General of South Africa
AIDS	Acquired Immunodeficiency Syndrome
CA	Chartered Accountant
CAC	Central Audit Committee
CFO	Chief Financial Officer
CoGHSTA	Cooperative Governance, Human Settlement and Traditional affairs
DDG	Deputy Director General
DORA	Division of Revenue Act
DPSA	Department of Public Service and Administration
DPWRI	Department of Public Works, Roads and Infrastructure
EH&W	Employee Health and Wellness
EPRE	Estimates of Provincial Revenue and Expenditure
EXCO	Executive Council
EXCOM	Executive Management Committee
HCT	Haematocrit
HIV	Human Immunodeficiency Virus
HOD	Head of Department
LPT	Limpopo Provincial Treasury
MCS	Modified Cash Standards
MEC	Member of Executive Council
MFMA	Municipal Finance Management Act

MIG	Municipal Infrastructure Grant
MMC	Member of Mayoral Council
MPL	Member of Provincial Legislature
MTSF	Medium Term Strategic Framework
N/A	Not Applicable
NCOP	National Council of Provinces
OAG	Office of the Attorney General
OHSA	Occupational Safety and Health Administration
OTP	Office of the Premier
PFMA	Public Finance Management Act, Act 1 of 1999
PPPFA	Preferential Procurement Policy Framework Act
PSCBC	Public Service Coordinating Bargaining Council
PTCF	Provincial Technical Committee on Finance
PVC	Packed Volume Cell
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SMMEs	Small Medium and Micro Enterprises
SMS	Senior Management Services
STIs	Sexually Transmitted Infections
TB	Tuberculosis

3. FOREWORD BY THE MEC

HON S.C. SEKOATI (MPL) MEC of FINANCE

The 2021/22 financial year was the most challenging year since the advent of the democratic dispensation. The global and our national economy were in decline for the last few years, and COVID-19 pandemic exacerbated the situation that resulted in the worst economic recessions ever in past twenty years.

South Africa's real GDP contracted year on year and this had a knock-on effect on the province's economy. Millions of jobs were lost and a significant number of businesses closed down.

Our province like many others in the country lost lots of lives and inevitably skills and talent that is required to build the economy to safe livelihoods and lives.

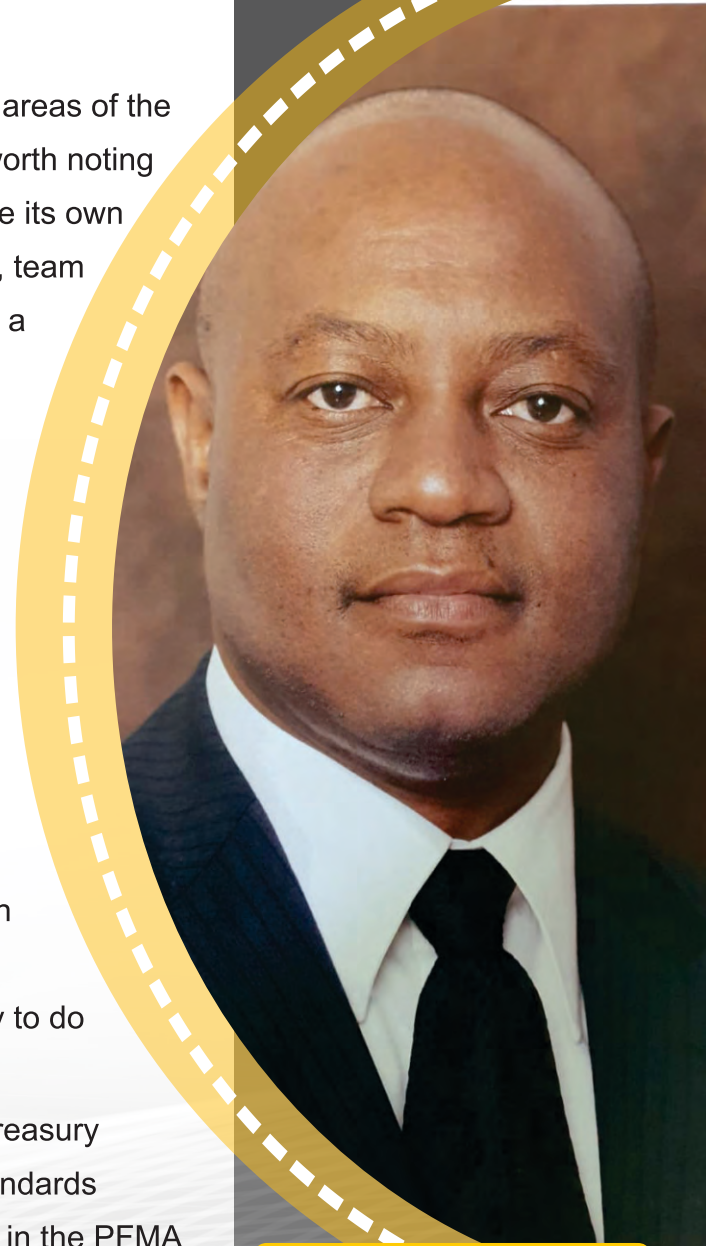
Despite all these difficulties Limpopo Provincial Treasury managed to remain at work and rose to the occasion and achieve impactful results in pursuit of prudent financial management and good governance as required by the supreme law of the republic.

This Annual Report collates the

shared efforts of different functional areas of the department. It is worth noting that over and above its own departmental work, team treasury also plays a major role in the province's fiscal and financial work.

The statutory obligations of the Provincial Treasuries as espoused in the Constitution and other relevant pieces of legislation compel Limpopo Provincial Treasury to do the following:

- Implement Treasury norms & standards provided for in the PFMA & MFMA;
- Enforce implementation of National and Provincial Treasury norms and standards in the province, including prescribed procurement systems, standards and generally recognised accounting practice, uniformly classified statements,



**HON S.C. SEKOATI (MPL)
MEC of FINANCE**

- Develop and implement fiscal policies in the province that are consistent with national macro-economic and fiscal objectives;
- Monitor compliance with the MFMA by municipalities and municipal entities in the province; and
- Monitor the presentation of municipal budgets in the province.

Provincial Treasury achieved most of its objectives which are set out in the Annual Performance Plan and is positioned for consolidation and improvement.

Going forward our fiscal strategy will aim to further stabilise the provincial economic environment by supporting critical sectors and continue to support social sector services.

I wish to thank the staff of the department for its dedication and commitment to the work of the department and the province.

Let me also extend my heartfelt thanks to the Head of Department (HoD) for working tirelessly to ensure that we are always on track and achieve all our prior set objectives.



Hon. S.C. Sekoati
MEC of Finance
31 May 2022



4 REPORT OF THE ACCOUNTING OFFICER

GAVIN PRATT HEAD OF DEPARTMENT

4.1 OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT:

Provincial Treasury is entrusted in section 18 of the Public Finance Management Act (PFMA), Act 1 of 1999, as amended, to exercise its mandate by:

- (a) Preparing the provincial budget
- (b) Exercising control over implementation of the provincial budget
- (c) Promoting and enforcing transparency and effective management in respect of revenue, expenditure, assets and liabilities of provincial departments and provincial public entities; and
- (d) Ensuring that its fiscal policies do not materially and unreasonably prejudice national economic policies.

The Provincial Treasury is also entrusted in terms of section 5 of the Municipal Finance Management Act (MFMA), Act 56 of 2003, as amended to

- (a) Fulfil its responsibilities and promote the object of the MFMA
- (b) Assist National Treasury in enforcing compliance with the measures established in terms of section 216 of the Constitution of the Republic of South Africa and the MFMA:
- (c) Monitor,
 - (i) Compliance with the MFMA
 - (ii) Preparation of municipal budgets and where necessary assist
 - (iii) Monthly outcomes of the budgets
 - (iv) Submission of reports required in terms of the MFMA

- (d) Exercise any powers and perform any duties delegated to it by the National Treasury in terms of the MFMA
- (e) Take any appropriate steps if a provincial municipality or municipal entity commits a breach of the MFMA

During the year under review Provincial Treasury managed to allocate and monitor the appropriated provincial budget to all departments. The province managed to spend 97.1% of the budget as at year end. The province is however still faced with a high percentage of the provincial budget that is being spent on Compensation of Employees (COE). In the previous year the province spent 69.8% of the provincial budget on COE which has been managed down to 66.8% of the total provincial spending in 2021/22. The Treasury in cooperation with the Office of the Premier will continue with the plans to reduce the COE expenditure in the forthcoming financial year.

Provincial Treasury in 2021/22 recorded a 30 day payment compliance rate 99.87% (1483/1485), for all invoices received and verified. The provincial consolidated average 30-day payment compliance rate, for all departments, for the year was 98.7%.

Provincial Treasury seconded officials to the Departments of Agriculture, Economic Development, Environment and Tourism and Sports, Arts and Culture to assist with financial management challenges.

There is a good working relationship between the Employer and Employees and both parties consult one another through the Labour Consultative Forum which has succeeded in promoting a cordial and positive Labour Relations environment.

During the year under review, Provincial Treasury continued with capacity building programmes which provided skills and knowledge to officials in departments, in financial management, governance and supply chain management through short courses and on the job training. The Treasury is however still faced with capacity challenges in this area that will need to be addressed in 2022/23.

Limpopo Treasury was successfully approved by the South African Institute of Chartered Accountants (SAICA) as an accredited training office for the purpose of training prospective Chartered Accountants (SA) in the discipline of financial management, management decision making and control. The first five CA(SA) trainees appointed in 2020 have all successfully passed the SAICA Initial Test of Competence (Board Exam) and recently completed the Assessment of Professional Competence, we trust to have the first batch of five trainees qualified as CA(SA)'s in 2023. The 2021 batch of five (5) additional CA(SA) learners have also completed their SAICA Initial Test of Competence (Board Exam).

The support provided by Provincial Treasury in 2020/21 resulted in improvement in the 2020/21 audit outcome of one (1) vote, which was the Department of Economic Development, Environment and Tourism, that improved from an Unqualified to Clean Audit status, joining the other three (3) departments that maintained their Clean Audit Status, with Provincial Treasury maintaining its clean audit for the fifth successive year. Unfortunately, the Department of Health and Provincial Legislature regressed to a qualified and unqualified audit status respectively. Five (5) other provincial departments maintained their unqualified audit status, In the province only the Department of Education and the Department of Health received qualified audit opinions. During 2021/22 the Provincial Treasury has been assisting the two qualified Departments to deal with the audit findings with the hope that their audit opinions improve during the current 2021/22 audit cycle.

The province recorded a decline in the 2020/21 audit outcomes of the provincial public entities, with Limpopo Economic Development Agency (LEDA) regressing from an unqualified opinion to a qualified audit opinion and Gateway Airports Authority Limited (GAAL) regressing from a qualified audit opinion to an adverse opinion. Limpopo Gambling Board (LGB) maintained its clean audit status and the other two entities maintained their unqualified status. Provincial Treasury had identified the

need to provide focused financial management support to GAAL in 2021/22 in an endeavour to improve the audit outcome.

There is still a need for continuous monitoring and support to ensure that these audit outcome trends are improved and sustained and that the qualified audit opinions are eliminated in the province.

The COVID-19 pandemic and related national lockdowns certainly had, and continues to have, an impact on the functioning of the Provincial Treasury, however, the Provincial Treasury has implemented the use of virtual tools to ensure that we deliver on our mandates including the monitoring and support functions to our stakeholders and various governance structures such as the risk and audit committees.

The department has a functional Audit Committee that meets regularly to assess the performance of the department and an active Risk Management Committee that meets quarterly or when necessary to address risk management implementation processes and all relevant risk areas the department encounters, and advise the Executive Management. The Risk Management Committee is chaired by an Independent Risk Committee Chairperson that oversees the performance of the Risk Management Committee and Enterprise Risk Management unit and also monitors the overall implementation and effectiveness of risk management processes in the department.

4.1.1 DEPARTMENTAL RECEIPTS

Departmental receipts	2021/22			2020/21		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	-	-	-	-	-	-
Sale of goods and services other than capital assets	276	269	7	364	305	59
Transfers received				-	-	-
Interest, dividends and rent onland	248,843	254,808	(5,965)	201,243	244,456	(43,213)
Sale of capital assets				-	-	-
Financial transactions in assets and liabilities	909	987	(78)	106	273	(167)
Total	250,028	256,064	(6,036)	201,713	245,034	(43,321)

The main sources of revenue within Provincial Treasury are derived from interest received, parking fees and commission earned on insurance.

The department projected to collect R250 million as at 31 March 2022, however the actual collection is R256 million. The over collection of R6 million mainly emanates from interest earned on favourable bank balance and debt collections.

The department projected to collect R0.909 million as at 31 March 2022 from Financial Transactions in Assets and Liabilities. The actual collection was R0.987 million. The over collection of R0.78 million emanates from recovery of overpayments for performance bonus paid to SMS members Provincial Treasury does not render any free services, that if charged would yield significant revenue, other than the related party transactions as disclosed in Note 24 to the Annual Financial Statements.

4.1.2 PROGRAMME EXPENDITURE

Programme Name	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	157,448	149,778	7,670	180,587	170,581	10,006
Sustainable Resource Management	53,892	52,614	1,278	67,992	66,663	1,329
Assets, Liabilities & SCM	44,222	43,687	535	54,739	50,609	4,130
Financial Governance	69,499	65,276	4,223	96,345	93,004	3,341
Shared Internal Audit Services	39,849	39,540	309	39,339	39,120	219
Total	364,910	350,895	14,015	439,002	419,977	19,025

PROGRAMME 1

In 2021/22 Programme 1 spent R149.8 million or 95.1% of its final appropriated budget of R157.5 million (2020/21: R170.6 million or 98.3% of R180.6 million budget). The underspending is as a result of non-filling of vacant funded posts. IT equipment not delivered before year end as well as Travel and Subsistence budget that was not spent due to the COVID-19 lockdowns.

PROGRAMME 2

In 2021/22 Programme 2 spent a total amount of R52.6 million or 97.6% of its final appropriated budget of R53.9 million. (2020/21: R66.7 million or 98% of R67.9 million budget). The underspending is mainly due to delay in filling vacant funded posts as well as COVID-19 lockdown restrictions.

PROGRAMME 3

In 2021/22 Programme 3 spent a total amount of R43.7 million or 98.8% of its appropriated budget of R44.2 million. (2020/21: R50.6 million or 92.5% of R54.7 million budget). The underspending is a result of delay in filling of the vacant funded posts.

PROGRAMME 4

In 2021/22 Programme 4 spent a total amount of R65.3 million or 93.9% of its final appropriated budget of R69.5 million. (2020/21: R93 million or 96.5% of R96.3 million budget). The underspending in programme 4 is as a result of the delay in the filling of the vacant funded posts, delay in the procurement process to appoint the forensic audit service provider that could not be finalised before year end.

PROGRAMME 5

In 2021/22 Programme 5 spent a total amount of R39.5 million or 99.2% of its final appropriated budget of R39.9 million. (2020/21: R39.1 million or 99.4% of R39.3 million budget).

A brief analysis of the spending trends per economic classification is reported below:

Compensation of Employees (COE)

The department spent R273.8 million or 98.1% of its final COE appropriation of R279.1 million during 2021/22 financial year. (2020/21: R291.2 million or 97.5% of R298.7 million budget). The underspending is as a result of delays in filling vacant funded posts before year end.

Goods and Services

The department spent R69.9 million or 93.0% of its final appropriation of R75.3 million during the year 2021/22. (2020/21: R114.4 million or 96.7% of R118.2 million budget). The underspending is as result of underspending on non-core items such as travel & subsistence and the impact of the National Lockdown due to COVID-19 which negatively affected spending.

Transfers and Subsidies

The department spent R5.0 million or 81.4% of its final appropriation of R6.2 million during the year 2021/22. (2020/21: R12.9 million or 74.8% of R17.4 million budget).

Capital Payments

The department spent R2.1 million or 47.8% of its final appropriation of R4.3 million during 2021/22 financial year. (2020/21: R1.5 million or 31.51% of R 4.6 million budget). The underspending is as a result of non- delivery of procured IT equipments before year end.

4.1.3 VIREMENTS / ROLL OVERS

A virement, in terms of Section 43 of the Public Finance Management Act (Act 1 of 1999) and Treasury Regulations 6.3.1, of R1.4 million from Programme 1 to address budget pressures in Programmes 2, 3, 4 and 5 respectively was approved by the Accounting Officer of Provincial Treasury.

4.1.4 UNAUTHORISED, FRUITLESS AND WASTEFUL EXPENDITURE

During the year under review the Provincial Treasury did not incur any unauthorised expenditure or fruitless and wasteful expenditure.

4.2 FUTURE PLANS ON THE DEPARTMENT

Provincial Treasury will continue to strengthen its ability to deliver on its mandate to improve financial management in departments, municipalities and public entities in the province. Provincial Treasury will also improve accountability in an effort to improve provincial audit outcomes.

4.3 PUBLIC PRIVATE PARTNERSHIPS (PPP)

The Provincial Treasury did not have or enter into any PPP, as defined, during the year under review.

4.4 DISCONTINUED ACTIVITIES/ ACTIVITIES TO BE DISCONTINUED

No activity was discontinued during the year under review.

4.5 NEW OR PROPOSED ACTIVITIES

There were no new or proposed activities during the year under.

4.6 SUPPLY CHAIN MANAGEMENT

Provincial Treasury did not conclude any unsolicited bids or experience significant SCM challenges during the year under review and had systems and processes in place to prevent irregular expenditure.

4.7 GIFTS AND DONATIONS RECEIVED IN KIND FROM NON-RELATED PARTIES

Provincial Treasury, did receive donations in 2021/22 from Standard Bank South Africa as disclosed in Annexure 1D.

4.8 EXEMPTIONS AND DEVIATIONS RECEIVED FROM THE NATIONAL TREASURY

No exemptions from the PFMA or Treasury Regulations or deviation from the financial reporting requirements were applied for, or received, for the current financial year.

4.9 EVENTS AFTER THE REPORTING DATE

The Department did not have any events after the reporting date and the date of approval of the Annual Financial Statements. It must be noted that the effect of the lockdown continues to have an impact on the operations of the Provincial Treasury, but we have been able to implement the COVID-19 regulations without negatively affecting the operations of the departments. Our Business Continuity Plan is being implemented and I am happy to report that we have been able to keep key and fundamental services running during the period, such as the provincial financial systems and payments to suppliers by the various departments. Provincial Treasury has also been able to meet all its financial commitments.

4.10 OTHER

The other material issue that should be noted is the recent Constitutional Court Judgement on the Preferential Procurement Policy Framework Act Regulations, 2017, handed down on the 16 February 2022. In this judgement the Constitutional Court upheld a Supreme Court of Appeal judgement that found the 2017 Preferential Procurement Regulations invalid. Please refer to Part B, paragraph 2.4 for more detail on the Judgement.

Subsequent to the Constitutional Court judgement National Treasury advised that

- tenders advertised before 16 February 2022 be finalised in terms of the procurement regulations;
- tenders advertised on or after 16 February 2022 be held in abeyance; and
- no tenders to be advertised

This judgement has resulted in a procurement standstill in the province, with effect from 16 February 2022 until year end, and unless institutions have applied for and received an exemption in terms of Section 3 of the Preferential Procurement Policy Framework Act from the Minister of Finance or new regulations are promulgated this impact will also carry through to the 2022/23 financial year,

4.11 ACKNOWLEDGEMENTS AND APPRECIATION

I acknowledge the continuous value adding oversight provided during the year by the Audit Committee and Portfolio Committee on Treasury. I would further wish to express my sincere appreciation to the commitment of all the Provincial Treasury staff and for the manner in which they conducted their functions to enable Provincial Treasury to keep all financial systems functional in the province despite the COVID-19 restrictions and regulations.

4.12 CONCLUSION

Provincial Treasury has continued to improve delivery in terms of its mandate despite the impact of the COVID-19 pandemic and remains committed to improved monitoring and support. Please refer to the full Annual Report herewith for more details.



Mr GC Pratt CA (SA)

Accounting Officer

Limpopo Provincial Treasury
31 May 2022



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

To the best of my knowledge and belief, I confirm the following: All information and amounts disclosed throughout the annual report are consistent. The annual report is complete, accurate and is free from any omissions.

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

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

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

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

The external auditors are engaged to express an independent opinion on the annual financial statements.

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

Yours faithfully



Mr GC Pratt CA(SA)
Accounting Officer
Limpopo Provincial Treasury
31 May 2022



6. STRATEGIC OVERVIEW



7. LEGISLATIVE AND OTHER MANDATES

Limpopo Provincial Treasury has been established in terms of section 17 of the **Public Finance Management Act 1** of 1999 (as amended by Act 29 of 1999). The functions and powers of the provincial treasury are provided in the Act under section 18 (1) and (2).

The organisation is directly responsible for implementing, managing or overseeing the following legislation and their relevant regulations:

- Public Finance Management Act (PFMA) of 1999 (as amended by Act 29 of 1999);
- Municipal Finance Management Act (MFMA) 56 of 2003;
- Annual Division of Revenue Act
- Appropriation Act
- Adjustments Appropriation Act
- Preferential Procurement Policy Framework Act

7.1 CONSTITUTIONAL MANDATES

The Provincial Treasury is responsible for assisting the National Treasury in enforcing compliance with the measures established in terms of section 216 (1) of the Constitution.

7.2 LEGISLATIVE AND POLICY MANDATES

The functions and powers of the provincial treasury as provided by the PFMA are as follows:

Section	Function and powers
18 (1)	A Provincial treasury must:
(a)	Prepare the provincial budget
(b)	Exercise control over the implementation of the provincial budget
(c)	Promote and enforce transparency and effective management in respect of revenue, expenditure, assets and liabilities of provincial departments and
(d)	Ensure its fiscal policies do not materially and unreasonably prejudice national economic policies.
18 (2)	A provincial treasury
(a)	Must issue provincial instructions not inconsistent with the Act;
(b)	Must enforce the PFMA and any prescribed national and provincial norms and standards, including any prescribed standards of generally recognized accounting practice and uniform classification systems, in provincial departments
(c)	Must comply with annual DORA and monitor and assess the implementation of that Act in public entities;
(d)	Must monitor and assess implementation in provincial public entities of national and provincial national norms and standards
(e)	May assist provincial departments and provincial public entities in building their capacity for efficient, effective and transparent financial management;
(f)	May investigate any system of financial management and internal control applied by a provincial department or public entity
(g)	Must intervene by taking appropriate steps to address a serious and persistent material breach of the PFMA by a provincial department or a provincial public entity, including withholding of funds.
(h)	Must promptly provide National Treasury with any information required in terms of the PFMA
(i)	May do anything further that is necessary to fulfil its responsibilities effectively

Provincial Treasury is also mandated by section 5 of **the Municipal Finance Management Act 56 of 2003** and the functions and powers are tabled below:

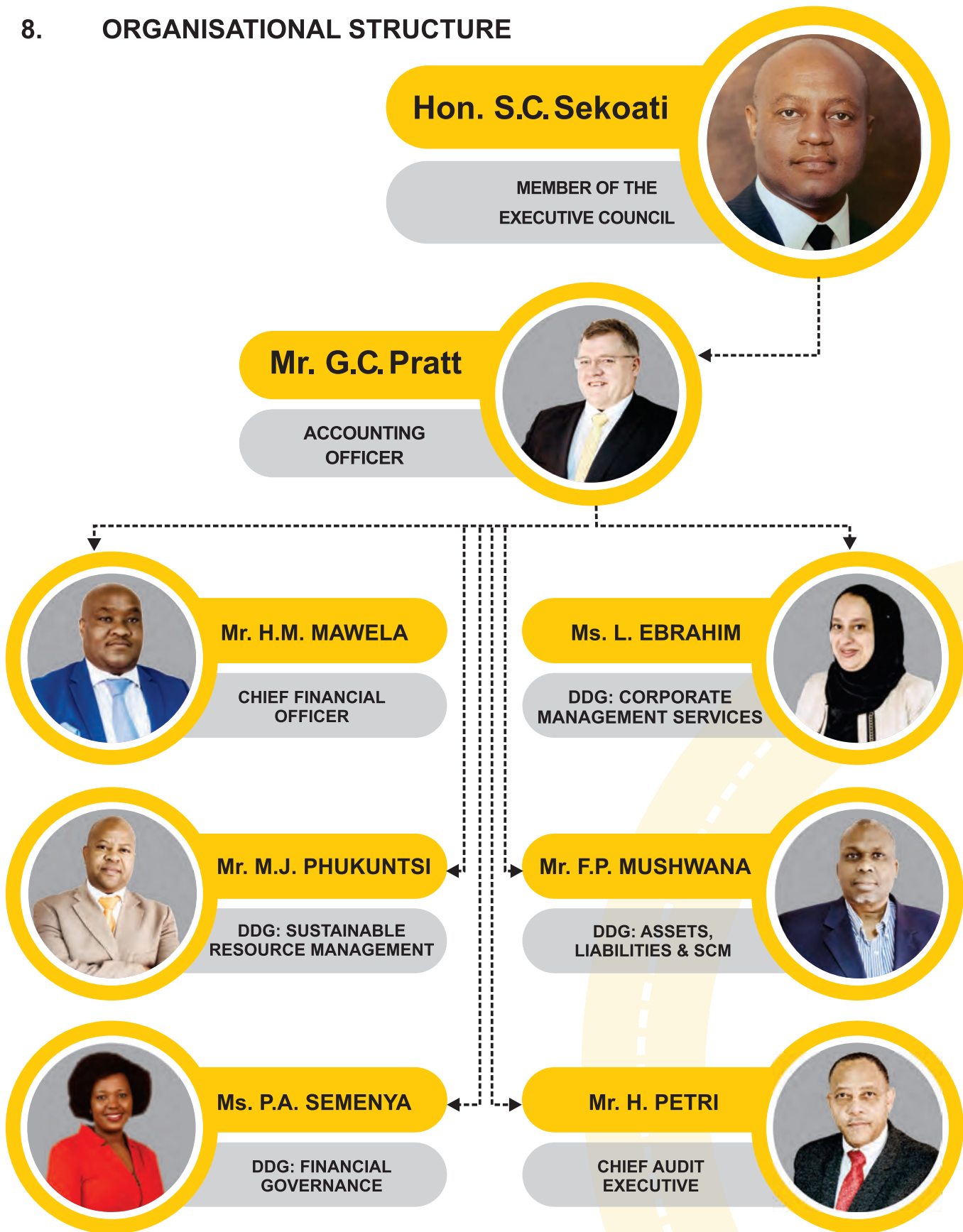
Section	Function and powers
3	A provincial treasury must in accordance with a prescribed framework:
(c)	Assist the National Treasury in enforcing compliance with the measures established in terms of section 216(1) of the Constitution, including those established in terms of this Act.
4	To the extent necessary to comply with subsection (3), a provincial Treasury
(a)	Must monitor:
	(i) compliance with the MFMA by municipalities and municipal entities in the
	(ii) the preparation by municipalities in the province of their budgets;
	(iii) the monthly outcome of those budgets; and
	(iv) the submission of reports by municipalities in the province as required in terms of this Act;
(b)	May assist municipalities in the province in the preparation of their budgets;
(c)	May exercise any powers and must perform any duties delegated to it by the National Treasury in terms of this Act; and
(d)	May take appropriate steps if a municipality or municipal entity in the province commits a breach of this Act.

7.3 POLICY MANDATES

The following broad policy mandates are key to the department in its endeavour to achieve its legislative mandate:

- National Development Plan
- Medium Term Strategic Framework (2019 – 2024)
- National Spatial Development Perspective
- National Industrial Policy Framework
- Broad Based Black Economic Empowerment

8. ORGANISATIONAL STRUCTURE



9 ENTITIES REPORTING TO THE MEC

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
N/A	N/A	N/A	N/A

PERFORMANCE INFORMATION

P A R T B

1 AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Pre-determined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 115 of the Report of the Auditor General, published as Part E: Financial Information.

2 OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 SERVICE DELIVERY ENVIRONMENT

Provincial Treasury received an unqualified audit opinion without findings (clean audit) in the 2016/17 financial year and has maintained the Clean Audit status in 2017/18, 2018/19, 2019/20 and 2020/21.

The support environment to stakeholders continues to perform fairly well in terms of compliance related matters, despite the significant budget cuts and impact of the COVID-19 pandemic. Provincial Treasury has been faced with capacity challenges due to high vacancy rate and inability to fill all vacant funded posts as a result of the COVID-19 pandemic and related regulations, Compensation of Employee budget cuts as well as the assessment controls and processes implemented by the Provincial Personnel Management Committee (PPMC).

As a result of the COVID-19 regulations the Department implemented parts of the Business Continuity plan and implemented a hybrid work strategy and rotational work arrangements in an endeavour to ensure Business Continuity with particular focus on critical functions such as electronic financial systems to pay suppliers and all personnel in the province. During the period the Department also monitored the branch risk registers and action plans as part of the business processes to manage the impact of COVID-19 and the National State of Disaster regulations.

Limpopo Provincial Treasury has a transversal role of supporting provincial departments and public entities on issues of governance and accountability, as well as financial management matters. The department is responsible for monitoring the Provincial Risk Profile and reports progress bi-annually to the HOD's forum.

The province is facing major risks of municipalities not being sustainable due to cash flow challenges and inability to settle their debts timeously. In 2018 Twelve (12) municipalities were identified to have made investments with a mutual bank, namely Venda Building Society (VBS) Mutual Bank during 2015 to 2018, which were in contravention with the Municipal Finance Management Act (MFMA) and its regulations and these investments continue to pose a financial risk to the municipalities as there is a strong possibility that the funds invested by 8 municipalities may not be recovered from VBS as it has since been placed in liquidation.

In 2020/21 the number of municipalities that received unqualified audit opinions from the AGSA improved from 16 to 17 including a clean audit at the Waterberg District Municipality. The province has unfortunately recorded two municipalities that received disclaimer opinions, a regression from the previous year where there were no disclaimer opinions. The province still has 8 qualified municipalities which will need dedicated support to improve their audit status. The Provincial Executive Council placed Mogalakwena Municipality under administration due to sustained financial and governance failures and Provincial Treasury has deployed staff to support the appointed Administrator in the municipality to assist in implementing the financial recovery plan and improve governance failures.

The Provincial Treasury provided the following services directly to the public:

- Published editions of the provincial tender bulletin which were made available at no cost to the public and available at Provincial Treasury head office, district offices and the departmental website.
- SMMEs were trained and empowered on the government procurement process.
- In an effort to enhance supply chain management performance, Limpopo Provincial Treasury (Provincial Supply Chain Management) continued to monitor SCM compliance in all provincial departments and public entities.

2.2 SERVICE DELIVERY IMPROVEMENT PLAN

The department has completed a service delivery improvement plan. The tables below highlights the service delivery plan and the achievements to date.



2.2.1 Main services and standards

Main services	Beneficiaries	Current/actual standard of Service	Desired standard of service	Actual achievement
Provide support to department to improve on Conditional Grant spending	Three (03) Departments Education, Sports, Art and Culture CoGHSTA	100%	100% expenditure	<p>The Department of Education spent R2.777 billion or 91,3 88.6% of their adjusted budget for 21/22 financial year.</p> <p>Department of Sport Arts, and Culture spent R168.7 million or 79,3% of their adjusted budget of R212.6 million for 21/22 financial year</p> <p>Department of CoGHSTA Spent R706.6 million or 67,8% of their adjusted budget of R1.121 billion for 21/22 financial year.</p>
Provide support to Municipalities to improve on the audit outcomes	26 municipalities	Conduct budget assessments for all 26 municipalities	Conduct budget assessments for all 26 municipalities	The province improved the audit outcomes from 18 qualifications to 10 qualified opinions with 15 unqualified outcomes in the 2019/20 audit cycle. One municipality managed to maintain a clean audit opinion achieved during 2018/19.
Manage payments of Invoices within 30 days	11 provincial departments	100% of invoices paid within 30 days.	100%	97.33% of invoices paid were paid within 30 days

2.2.2 Batho Pele arrangements with beneficiaries (Consultation access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
<p>Quarterly bilateral forms part of structural meetings chaired by the MEC</p> <p>Bilateral meetings are a standing meeting in the Provincial calendar of events for consultation with EXCO.</p> <p>Treasury participates in the IDP Stakeholder meetings by municipalities to take into account the views and needs of the Citizens.</p>	<p>Quarterly bilateral meetings are chaired by the MEC.</p> <p>Bilateral meetings are a standing meeting in the Provincial calendar of events.</p> <p>One to one session is created for further deliberations after the adhoc meetings.</p>	<p>MEC Chaired all quarterly Bilateral meetings including adhoc meetings as per the agreement with the clients during the consultations</p> <p>One on one session meetings were held for further deliberations after the adhoc meetings arranged. Besides bilateral meetings, two main consultations were held with municipalities for Budget Engagements and the consultations for mid-year Assessments which were led by the HoD and the MEC.</p>
<p>PTCF, HOD forum, Audit Committee and Cluster meetings held with departments and Director General.</p>	<p>Continue engaging the 12 departments through PFMA forum, PTCF, HoD Forum, Audit committee and EXCO to promote adherence with applicable prescripts.</p>	<p>Treasury has issued out instruction Note 34 to all the departments, entities, and municipalities to that effect as stipulated in the MFMA and PFMA</p>

2.2.3 Service Delivery Information Tool

Current/actual information tools	Desired information tools	Actual achievements
Service Standards document	Service Standards document	Service Standards approved
SDIP document	SDIP document	SDIP report approved

2.2.4 Complaints Mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Premier Hotline	Premier Hotline	Complaints received were handled
Presidential Hotline	Presidential Hotline	No complaints received

2.3 ORGANISATIONAL ENVIRONMENT

Limpopo Provincial Treasury had an approved organizational structure that is in the 3rd year of implementation since approval. All posts on the structure have job descriptions and have been job evaluated and benchmarked. Job evaluation results are available and the department had completed process mapping exercise for all the newly created posts. There are currently 535 posts on the approved establishment of Limpopo Provincial Treasury. The department is currently undertaking a structure review process and had completed two phases of the review process, namely:- Initiation and diagnosis and Determining Service Delivery requirements.

The department kept employees informed on the Provincial Performance Management and Development Policies and employees complied with the performance instrument templates. The performance of all the employees were assessed and monitored on the basis of the signed performance instruments and performance incentives were processed.

The workforce of the department is representative of the demographics of the province in terms of race and gender. With regard to equity status, overall we had 171 males and 204 females (54.4%) of which 5 (1.3%) employees have disabilities as at 31 March 2022. At a Senior Management Service (SMS) level however the department has not met the equity targets. The Provincial Treasury has 42 SMS members of which 18 (42,8%) are female and 24 are male. The department will continue to intensify efforts for the recruitment of females and people living with disabilities, particularly at SMS level.

There is a good working relationship between the Employer and Employees and both parties consult one another through the Labour Consultative Forum which has succeeded in promoting a cordial and positive Labour Relations environment.

The core business units of the department continue to deliver on the three key services in line with the approved SDIP. The lifespan of the current SDIP came to an end at the end of 2021/22 financial year and the department is in the process of approving the new SDIP for 2022 – 2025. The identified key services are meant to support and monitor all departments to improve their expenditure and accountability, support 27 municipalities to improve audit outcomes and financial management and monitor compliance to the prescribed 30-day payment period for invoices received by 11 departments. The three key services are monitored regularly through SDIP implementation reports that are presented at EXCOM.

In response to the containment of the spread of COVID-19 in the workplace, the department is continuously implementing various Ministerial Directives communicated through DPSA circulars. Risk assessments were conducted to identify the health and safety hazards associated with the possible transmission of the COVID-19 Virus and mitigation measures are in place. The department has reviewed its Safety, Health, Environmental, Risk and Quality (SHERQ) management policy which outlines the key role players and the provisions that aimed at eliminating the spread of the

pandemic. COVID-19 Standard Operating Procedure which guides the implementation processes has been developed, approved and communicated to all staff.

The appointed Compliant Officer, COVID-19 Steering Committee which is inclusive of Labour Unions and the Health and Safety Representatives are working collaboratively to ensure that COVID-19 health and safety protocols are implemented effectively and efficiently.

2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

On Wednesday, 16 February 2022 at 10h00, the Constitutional Court handed down judgment in the application for leave to appeal against a judgment and order of the Supreme Court of Appeal. This application was brought by the Minister of Finance (Minister) against Afribusiness NPC, and concerns the validity of the Preferential Procurement Regulations, 2017 (Procurement Regulations) promulgated by the Minister of Finance on 20 January 2017 in terms of section 5 of the Preferential Procurement Policy Framework Act (Procurement Act).

The Procurement Regulations, amongst other things, introduced pre-qualification criteria to be eligible to tender. Under the Regulations, if an organ of state elects to apply the pre-qualification criteria, any tender that does not meet the criteria is an “unacceptable tender”. These qualifying criteria advance certain designated groups and provide that only certain tenderers may respond, including: tenderers having a stipulated minimum Broad-Based Black Economic Empowerment (B-BBEE) status level; exempted micro enterprises (EMEs) or qualifying small enterprises (QSEs), and tenderers subcontracting a minimum of 30% to EMEs and QSEs which are at least 51% black owned. If feasible to subcontract for a contract above R30 million, then the organ of state must apply subcontracting to advance the designated groups.

Afribusiness launched an application in the High Court and sought an order reviewing and setting aside the Procurement Regulations in terms of the Promotion of Administrative Justice Act 3 of 2000 (PAJA) on the basis that the Minister had acted beyond the scope of his powers and that the regulations were invalid.

The High Court held that the 2011 Regulations, the precursor to the Procurement Regulations, also contained pre-qualifying criteria relating to functionality which were never challenged. Therefore, Afribusiness' complaint could not be said to be against the concept of pre-qualifying criteria, but rather that they did not fall within the designated groups to be advanced. That Court held that the Minister was authorised to promulgate the regulations. It thus rejected the argument that the Minister had acted beyond the scope of his powers. In the result, the High Court held that the Procurement Regulations were rational and lawful, and dismissed the application with costs.

Afribusiness however appealed to the Supreme Court of Appeal. After considering the Procurement

Act and section 217 of the Constitution, the Supreme Court of Appeal held that the Minister had failed to act within the scope of his powers under the Act. That Court held that in light of section 2 of the Procurement Act, the correct approach to evaluating tenders is to first ascertain the highest points scorer and thereafter, if there are objective criteria that justify the award of the tender to a tenderer with a lower score, organs of state may do so. The Supreme Court of Appeal held that the preliminary disqualification was impermissible as it was not consonant with the approach envisaged by section 217(1) of the Constitution. Consequently, it held that the Minister's promulgation of regulations 3(b), 4 and 9 was unlawful. The Procurement Regulations were declared invalid as they were inconsistent with the Procurement Act and section 217 of the Constitution. The declaration of invalidity was suspended for 12 months.

Before the Constitutional Court, the Minister applied for leave to appeal against the order of the Supreme Court of Appeal. Shortly before the hearing of the application, Fidelity Services Group (Pty) Limited and the South African National Security Employers Association (SANSEA) applied for leave to intervene in the application. They also applied for direct access, on an urgent basis, in respect of separate interdictory relief to prevent the further implementation of the Procurement Regulations pending the outcome of this matter. The applications were opposed by the Minister.

The two applications were heard together with the main application. In support of their application to intervene, the Fidelity Group and SANSEA argued that the application of the Procurement Regulations had caused them significant financial loss, and this has led to numerous job losses. With regard to their application for direct access, the Fidelity Services Group and the SANSEA argued that it was in the interests of justice to grant them direct access, as they could not approach any other court for the relief they sought.

With regards to the main application, the Minister argued that a proper reading of section 217 of the Constitution requires a consideration of South Africa's segregated past. The Minister submitted that section 5 of the Procurement Act confers wide regulatory powers to the Minister and that the Supreme Court of Appeal failed to appreciate this, as the regulatory scheme is flexible and enables the Minister to make any regulations that advance the objects of the Procurement Act. He contended that the Supreme Court of Appeal erred in that it measured the legality of the 2017 Regulations solely against the requirements of section 217(1) of the Constitution and did not attempt to read sections 2 and 5 of the Procurement Act harmoniously considering section 217(2) and (3) of the Constitution. Moreover, the Minister argued that, in any event, the 2017 Regulations were not intended to replace the scoring system under the Procurement Act but are contemplated in terms of the Act's definition of an "acceptable tender" to which the preference point system may be applied.

Afribus argued that the Procurement Act does not empower the Minister to create pre-qualification criteria that disqualifies tenderers without recourse to their preference point score in

section 2 of the Act, therefore the Procurement Regulations are inconsistent with the Act. It contended that any regulations made must be congruent with the provisions of section 217(1) of the Constitution, which require that state procurement must, amongst other things, be competitive and cost-effective. Further, the correct approach is to consider the highest points scorer and then consider whether the tender can be awarded to a lower scorer, in terms of section 2(1)(f) of the Act. Afribus advanced that the pre-qualification criteria overly narrow the selection pool and, therefore, do not enable the state to find the most capable and cost-effective tenderer. Thus, the promulgation of the Procurement Regulations, besides being outside the scope of the Minister's powers, was a breach of the separation of powers as the Minister stepped into law-making terrain.

The first judgment (minority judgment) was penned by Mhlantla J (Khampepe ADCJ, Jafta J and Tshiqi J concurring). The Court was unanimous on three issues. First, on granting leave to appeal, as the application was a judicial review of an exercise of public power, which is a constitutional matter. Second, the application for intervention by the Fidelity Services Group (Pty) Limited and the South African National Security Employers Association was dismissed on the grounds that they failed to demonstrate a direct and substantial interest in the matter, and it was not in the interests of justice to grant the application. Finally, the application for direct access suffered a similar fate on basis that the Fidelity Services Group (Pty) Limited and the South African National Security Employers Association failed to exhaust all other available remedies.

The minority judgment and the majority judgment diverge on the reasoning and outcome of the main application. Mhlantla J held that the Minister did not act beyond the scope of the powers conferred on him by the Procurement Act when he promulgated the regulations as the Minister has the power to make any regulations regarding any matter that may be “necessary or expedient” to achieve the objects of the Procurement Act. The minority held that the Regulations were aimed at achieving the purpose of the Procurement Act and section 217 of the Constitution, and that a proper reading of the Procurement Regulations would demonstrate that an organ of state has a discretion to implement the pre-qualification criteria. Thus, the minority would have upheld the appeal.

The second judgment (majority judgment) penned by Madlanga J (Majiedt J, Pillay AJ, Tlaletsi AJ and Theron J concurring) disagrees with the minority judgment on whether the Minister had the power to make the impugned regulations. This divergence arose from the reading of the words “necessary or expedient” as contained in section 5 of the Procurement Act. The majority judgment interprets the words “necessary or expedient” to be the limiting factor to the power of the Minister to make regulations, rather than the factor that allows the Minister to make regulations to achieve the objects of the Procurement Act.

The majority judgment comes to this conclusion by reading the words “necessary or expedient” with section 2(1) of the Procurement Act, which provides that an organ of state must determine its preferential procurement policy. Since each organ of state is empowered to determine its own preferential procurement policy, it cannot also lie with the Minister to make regulations that cover the

same field. Ultimately, the majority judgment holds that it can neither be necessary nor expedient for the Minister to make regulations that seek to achieve that which can already be achieved in terms of section 2(1).

In the result, the applications to intervene and for direct access were dismissed. Leave to appeal was granted, however, the appeal was dismissed with costs.

National Treasury advised as follows:

- tenders advertised before 16 February 2022 be finalised in terms of the procurement regulations;
- tenders advertised on or after 16 February 2022 be held in abeyance; and
- no tenders to be advertised

This judgement has resulted in a procurement standstill in the province, with effect from 16 February 2022 until year end, and also into the new 2022/23 financial year, unless institutions have applied for and received an exemption in terms of Section 3 of the Preferential Procurement Policy Framework Act from the Minister of Finance or new regulations are promulgated. Act from the Minister of Finance or new regulations are promulgated.

3 ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The department performs its activities to achieve the impact of **strengthened capability and accountability of provincial departments, public entities and municipalities by 2030.**

The department contributed towards achievement of this impact by making significant progress on achievements of the departmental outcomes. The department managed to support provincial public institutions, which yielded improvements in audit outcomes for 2021/22 financial year, which is achievement of the departmental outcome of improved audit outcomes. The 2021/22 Strategic Plan was not revised during 2021/22 financial year; however, the 2021/22 APP has been revised with minor changes on performance indicators.

4 INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 PROGRAMME 1: ADMINISTRATION

The purpose of the programme is to manage and monitor the implementation of corporate management services.

The programme has the following sub-programmes namely:

- MEC Support Services which is responsible for:
 - Providing support to the MEC.
- HOD Support Services which is responsible for:
 - Providing strategic and administrative support to the HOD.
- Corporate Management Services which is responsible for:
 - Managing and monitoring the implementation of corporate management services.
- Enterprise Risk Management which is responsible for:
 - Providing enterprise risk management services.
- Financial Management (Office of the CFO) which is responsible for:
 - Providing internal financial management support services

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Sustainable support services and good governance was identified as one of the outcomes of this programme, achieving the outputs on capacity programmes implemented and institutional arrangements monitored which contributed towards the achievement of MTSF priority number one (1) of building a Capable, Ethical and Developmental State.

The department also achieved the output of successful financial management services through effective budget management programmes, timeous payment of suppliers and credible and timeous reporting on budget implementation and this contributed towards the department being able to maintain the unqualified audit outcome without findings (Clean audit).

ADMINISTRATION



Table 4.1.1 Report against the originally tabled Annual Performance Plan (No revisions to programme indicators)

PROGRAMME / SUB-PROGRAMME: ADMINISTRATION								
Outcome	Output	Output Indicator	Audited Actual Performance 2019-2020	Audited Actual Performance 2020-2021	Planned annual target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reason for Deviation
Sustainable support services and good governance	Capacity Building Programmes Implemented	Number of capacity building programmes implemented.	N/A	4	4	4	0	N/A
	Institutional Arrangements Monitored	Number of Institutional Arrangements assessment reports presented at EXCOM	N/A	4	4	4	0	N/A
Departmental unqualified audit outcome	Successful Financial Management Services.	Number of budget documents compiled and submitted	4	4	4	4	0	N/A
		% of supplier's valid invoices paid within 30 days.	100%	100%	100%	100%	0	N/A
		Number of financial statements compiled and submitted for review by Provincial Treasury in line with the reporting framework.	4	4	4	4	0	N/A

Linking performance with budgets**Sub-programme expenditure**

ADMINISTRATION	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	4,748	4,485	263	5,752	5,404	348
Management Services	10,841	10,609	232	15,548	14,657	891
DDG: Corporate Management Services	8,901	8,751	150	11,518	11,518	-
Corporate Management Services	42,384	39,45	2,930	50,112	46,661	3,451
Information Management	55,968	52,502	3,466	60,601	56,789	3,812
Financial Management	32,628	31,999	629	37,056	35,552	1,504
Total	155,470	147,800	7,670	180,587	170,581	10,006



4.2 PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

The purpose of this programme is to provide sustainable resource management services to the provincial departments and provincial public entities.

The programme comprises of the following sub-programmes:

- Economic and Fiscal Policy Oversight which is responsible for:
 - Managing the development and implementation of economic and fiscal policy framework.
- Budget and Public Finance Management which is responsible for:
 - Developing and managing the implementation of the provincial budget and public finance.
- Infrastructure Management & Private Public Partnership (PPP) is responsible for:
 - Enhancing and monitor infrastructure management and PPP.
- Municipal Finance and Governance which is responsible for:
 - Promoting sound financial management and effective governance in the local government sphere.

Outcomes, outputs, output indicators, targets and actual achievements

The department achieved improved economic research through the production of seven (7) economic research documents; implemented budget planning and revenue maximization that contributed to sustainable fiscal policy for the province and thereby contributing to attainment of a capable and accountable government.

The department coordinated four (4) municipal governance structure meetings that included the LPT's MEC, HOD, Mayors, and MMCs of Finance and the Accounting Officers to allow municipalities to account on financial performance and non compliance with laws and regulations, which improved accountability and eventually audit outcomes of municipalities.



Table 4.2.1 Report against the originally tabled Annual Performance Plan (No revisions to programme indicators)

PROGRAMME / SUB-PROGRAMME: SUSTAINABLE RESOURCE MANAGEMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2019-2020	Audited Actual Performance 2020-2021	Planned annual target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reason for Deviation
Sustainable Fiscal Policy for the province by 2025	Improved Economic Research.	Number of Research documents produced to align the Provincial Fiscal Policy.	7	7	7	7	0	N/A
	Increased Provincial Own Revenue	Number of revenue assessments conducted to ensure collection of set target.	4	4	4	4	0	N/A

PROGRAMME / SUB-PROGRAMME: SUSTAINABLE RESOURCE MANAGEMENT

Outcome	Output	Output Indicator	Audited Actual Performance 2019-2020	Audited Actual Performance 2020-2021	Planned annual target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reason for Deviation
	Credible EPRE.	Number of budget documents tabled in line with the set standards & National Treasury	2	2	2	3	+1	During the year the Provincial Treasury tabled three (3) budget documents namely the 2021/22 Original Budget, the Adjust-ment Appropriation Budget and an Adjust-ment Appropria-tion Amend-ment Bill to appropri-ate additional Conditio-nal Grant rollover of funds approved by National Treasury
	Improved Provincial Spending.	Number of consolidated in year monitoring reports in line with section 32 of PFMA.	12	12	12	12	0	N/A



PROGRAMME / SUB-PROGRAMME: SUSTAINABLE RESOURCE MANAGEMENT

Outcome	Output	Output Indicator	Audited Actual Performance 2019-2020	Audited Actual Performance 2020-2021	Planned annual target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reason for Deviation
	Improved alignment of Infrastructure Plans and Spending.	Number of Infrastructure Reporting Model assessments conducted in infrastructure departments.	108	108	108	108	0	N/A
	Improved Municipal Infrastructure Grant Performance.	Number of infrastructure assessments on support to local government to optimize MIG performance conducted	4	4	4	4	0	N/A
Unqualified Audit Outcomes of Provincial Departments, Public Entities and Municipalities.	Strengthened municipal governance structures.	Number of Municipal Governance Structures coordinated.	N/A	4	4	4	0	N/A

Linking performance with budgets**Sub-programme expenditure**

Sustainable Resource Management	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
DDG: Sustainable Resource Management	2,251	2,205	46	2,119	2,107	12
Economic and Fiscal Policy Oversight	6,631	5,949	682	8,011	7,230	781
Budget and Public Finance Management	11,345	11,050	295	15,627	15,429	198
Municipal Finance and Governance in the local Governance Sphere	23,402	23,204	198	23,210	22,993	217
Infrastructure Management & Public Private Partnership	10,263	10,206	57	19,025	18,904	121
Total	53,892	52,614	1,278	67,992	66,663	1,329



4.3 PROGRAMME 3: ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT

The purpose of the programme is to oversee the management of assets, liabilities and supply chain management to provincial departments and public entities.

The programme is comprised of the following sub-programmes:

- Asset and Liabilities Management which is responsible for:
 - Monitoring and supporting effective management of assets and liabilities.
- Provincial Supply Chain Management which is responsible for:
 - Monitoring and supporting the effective implementation of the SCM framework, transversal contracts and SCM client support for provincial departments and public entities.

Outcomes, outputs, output indicators, targets and actual achievements

The department improved compliance levels on Assets, Liabilities and SCM for Public Institutions through compliance assessments that were conducted on Asset Management, Banking and Cash - flow Management and Supply Chain Management which contributed towards achieving favorable audit outcomes as well as strengthening capability and accountability of provincial departments and public entities.

The department also assessed compliance to Provincial Procurement Strategy by departments and public entities which contributed towards increased provincial procurement spend towards youth, military veterans, women and persons with disability to increase participation of these designated groups in the provincial economy and contributed towards MTSF priorities in relation to women, youth and people with disability.



ALSCM

ASSETS, LIABILITIES & SUPPLY CHAIN MANAGEMENT

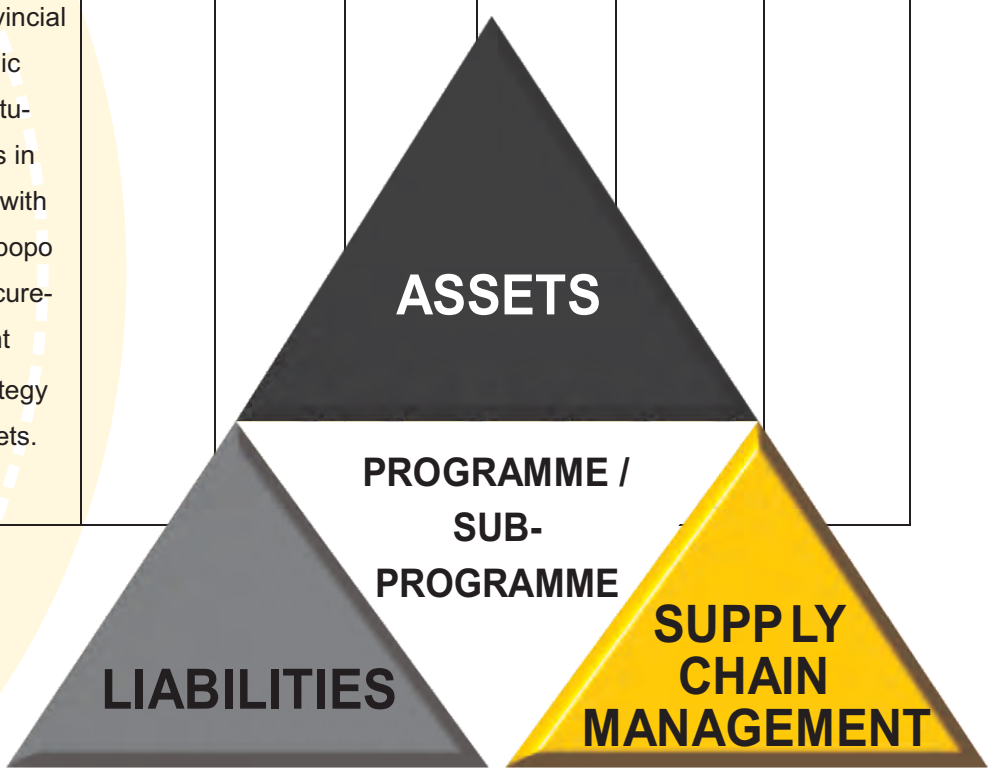


Table 4.3.1 Report against the originally tabled Annual Performance Plan (No revisions to programme indicators)

PROGRAMME / SUB-PROGRAMME: ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2019-2020	Audited Actual Performance 2020-2021	Planned annual target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reason for Deviation
Unqualified Audit Outcomes of Provincial Departments Public Entities and Municipalities.	Improved Compliance levels on Assets and SCM by Departments and Public Entities.	Number of asset management assessments conducted in Provincial Public Institutions.	68	64	64	64	0	N/A
		Number of cash management assessments conducted in Provincial Public Institutions.	72	67	64	64	0	N/A

PROGRAMME / SUB-PROGRAMME: ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT

Outcome	Output	Output Indicator	Audited Actual Performance 2019-2020	Audited Actual Performance 2020-2021	Planned annual target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reason for Deviation
		Number of SCM assessments conducted in Provincial Public Institutions	68	64	64	64	0	N/A
Increased economic participation of youth, Women, Military Veterans and Persons with Disability (SMMEs).	Increased provincial procurement spend towards youth, Women, Military Veterans and Persons with Disabilities.	Number of procurement spend analysis assessments conducted in Provincial public Institutions in line with Limpopo Procurement Strategy targets.	68	64	64	64	0	N/A



Linking performance with budgets

Assets, Liabilities & SCM	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
DDG: Assets, Liabilities & Supply Chain Management	2,300	2,270	30	2,106	2,030	76
Assets & Liabilities Management	18,486	17,983	503	26,433	23,263	3,170
Provincial Supply Chain Management	23,436	23,434	2	26,200	25,316	884
Total	44,222	43,687	535	54,739	50,609	4,130

4.4 PROGRAMME 4: FINANCIAL GOVERNANCE

The purpose of the programme is to promote accountability and compliance with financial norms and standards as contained in the Public Finance Management Act.

The programme is comprised of the following sub-programmes:

- Accounting Services which is responsible for:
 - Providing support on appropriate accounting practices and to build financial management capacity.
- Financial Management Information Systems which is responsible for:
 - Managing the implementation and providing financial management information systems support.
- Transversal Risk Management which is responsible for:
 - Providing transversal risk management monitoring and support.
- Governance, Monitoring and Compliance which is responsible for:
 - Providing PFMA and prescribed norms and standards compliance monitoring and support

Outcomes, outputs, output indicators, targets and actual achievements

The department successfully implemented the outputs of effective utilization of financial systems, accurate and timely financial statements, improved oversight over governance reporting of departments by Audit Committees, improved provincial performance, improved utilization of financial management systems and improved risk management. This contributed to the achievement of the outcome in relation to achieving unqualified audit outcomes of provincial departments and public entities and subsequently contributed to MTSF priority no 1 of "Capable, Ethical and Developmental State".

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FINANCIAL GOVERNANCE



Table 4.4.1 Report against the originally tabled Annual Performance Plan (No revisions to programme indicators)

PROGRAMME / SUB-PROGRAMME: FINANCIAL GOVERNANCE								
Outcome	Output	Output Indicator	Audited Actual Performance 2019-2020	Audited Actual Performance 2020-2021	Planned annual target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reason for Deviation
Unqualified Audit Outcomes of provincial departments, public entities and municipalities.	Effective Utilization of Financial Systems	Number of courses conducted on transversal systems.	83	84	72	97	+25	<p>Extra training courses were conducted in the 1st, 2nd and 3rd quarters in anticipation of the suspension of training activities due the increase in COVID – 19 positive cases.</p> <p>Extra courses were also conducted during the 4th quarter in preparation for training the Asset Module.</p>



PROGRAMME / SUB-PROGRAMME: FINANCIAL GOVERNANCE								
Outcome	Output	Output Indicator	Audited Actual Performance 2019-2020	Audited Actual Performance 2020-2021	Planned annual target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reason for Deviation
	Accurate and Timely Financial Statements	Number of financial statement assessments conducted in departments	48	44	44	44	0	N/A
	Improved Oversight over Governance Reporting of Departments by Audit Committee.	Number of Audit Committee Meetings supported to improve governance in Departments.	57	60	60	67	+7	04 extra meetings were held in the 1 st quarter due to inefficiencies by the departments and in some cases, Auditor General. 03 additional meetings were also held in the 3 rd quarter (in 2 departments i.e. Health, DPWRI and the CAC).

PROGRAMME / SUB-PROGRAMME: FINANCIAL GOVERNANCE								
Outcome	Output	Output Indicator	Audited Actual Performance 2019-2020	Audited Actual Performance 2020-2021	Planned annual target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reason for Deviation
		% of provincial irregular expenditure condonement requests considered by Provincial Treasury in terms of the National Treasury irregular expenditure framework.	N/A	N/A	100%	100%	0%	N/A
	Improved Provincial Performance	Number of assessments conducted on provincial risk profile for presentation at HOD's forum.	1	2	4	4	0	N/A

PROGRAMME / SUB-PROGRAMME: FINANCIAL GOVERNANCE								
Outcome	Output	Output Indicator	Audited Actual Performance 2019-2020	Audited Actual Performance 2020-2021	Planned annual target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reason for Deviation
		Number of public sector risk management framework compliance assessments conducted in provincial public institutions.	65	64	40	56	+16	All provincial public institutions were assessed in quarter 2, 3 & 4)
	Improved Utilization of Financial Management Systems.	Number of financial system utilization assessments communicated to departments.	48	44	44	44	0	N/A

Linking performance with budgets**Sub-programme expenditure**

Financial Governance	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
DDG:	26,559	25,084	1,475	30,522	27,874	2,648
Financial Governance						
Accounting Services	15,868	15,304	564	21,292	20,708	584
Financial Management Information Systems	27,072	24,888	2,184	44,531	44,422	109
Total	69,499	65,276	4,223	96,345	93,004	3,341

4.5 PROGRAMME 5: SHARED INTERNAL AUDIT

The purpose of the programme is to provide internal audit and consulting services to provincial departments and selected municipalities.

The Branch is comprised of the following sub-programmes:

- RiskBased Auditing, Performance and Consulting Services (Cluster A) which is responsible for:
 - Providing risk-based auditing, performance and consulting services (for votes: 1,3,4,6 & 12).
- RiskBased Auditing & Specialised Audit Services (Cluster B) which is responsible for:
 - Providing risk-based and specialized audit services (for votes: 5, 7,8,9,10,11 & 13).
- Quality Assurance and Technical Support Services which is responsible for:
 - Providing quality assurance and technical support services and monitor compliance within provincial departments.

Outcomes, outputs, output indicators, targets and actual achievements

The department implemented the output of value adding audit reports to client departments through implementation of cluster audit plans, Quality Assurance Improvement Programme and the finalization of internal audit plans for 2021/22 financial year. This contributed to the achievement of the outcome in relation to achieving unqualified audit outcomes of provincial departments and public entities and subsequently contributed to MTSF priority number 1 “Capable, Ethical and Developmental State”.

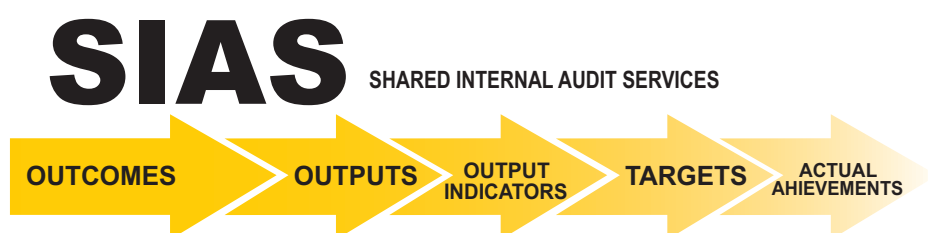
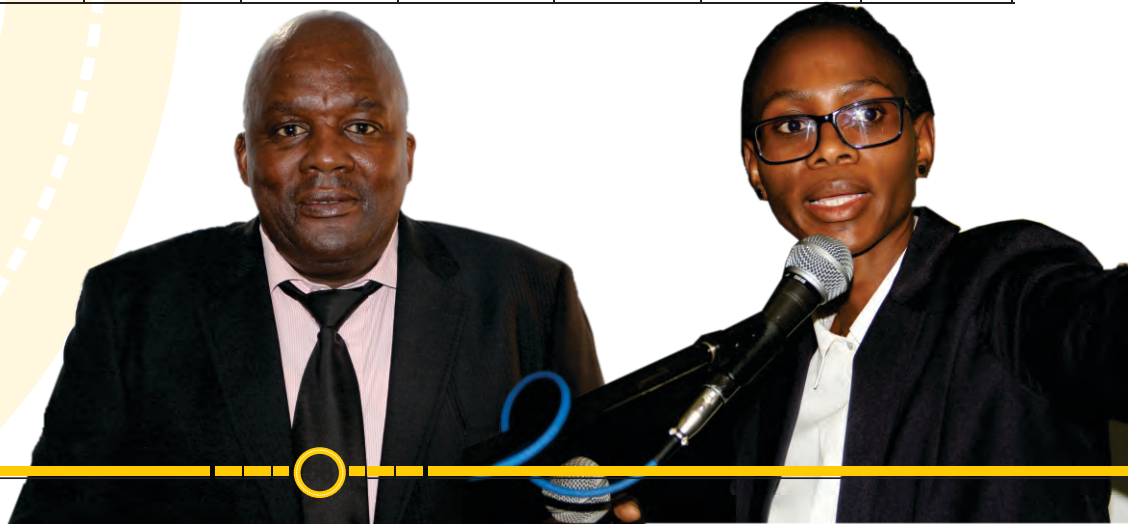


Table 4.5.1 Report against the originally tabled Annual Performance Plan (No revisions to programme indicators)

PROGRAMME / SUB-PROGRAMME: SHARED INTERNAL AUDIT SERVICES								
Outcome	Output	Output Indicator	Audited Actual Performance 2019-2020	Audited Actual Performance 2020-2021	Planned annual target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reason for Deviation
Unqualified Audit Outcomes of provincial departments, public entities and municipalities.	Value Adding Audit Reports provided to the Clients Departments.	Number of Cluster Based Annual Audit Plans prepared by Shared Internal Audit Services and approved by Audit Committee	N/A	4	4	4	0	N/A

PROGRAMME / SUB-PROGRAMME: SHARED INTERNAL AUDIT SERVICES								
Outcome	Output	Output Indicator	Audited Actual Performance 2019-2020	Audited Actual Performance 2020-2021	Planned annual target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reason for Deviation
		% of internal Audits finalized in terms of the approved Audit Plans	89.7%	97%	98%	97%	1%	Unavailability of staff in client departments
		Number of annual internal Quality Assurance Improvement Programme (QAIP) Implementation Report prepared to improve the quality of client services	1	1	1	1	0	N/A



Linking performance with budgets**Sub-programme expenditure**

Shared Internal Audit Services	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
DDG: Shared Internal Audit Services	39,849	39,540	309	39,339	39,120	219
Total	39,849	39,540	309	39,339	39,120	219

Strategy to overcome areas of under performance

Cluster audit plans to cater for trends in terms of unavailability of officials particularly during December and January of each financial year.

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

N/A

Reporting on the Institutional Response to the COVID-19 Pandemic

In response to the containment of the spread of COVID-19 in the workplace, the department is continuously implementing various Ministerial Directives communicated through DPSA circulars. Risk assessment was conducted to identify the health and safety hazards associated with the possible transmission of the Corona Virus and the mitigation measures are in place. The department has reviewed its Safety, Health, Environmental, Risk and Quality (SHERQ) management policy which outlines the key role players and the provisions that aimed at eliminating the spread of the pandemic. COVID-19 Standard Operating Procedure which guides the implementation processes has been developed, approved and communicated to all staff.

The appointed Compliant Officer, COVID-19 Steering Committee which is inclusive of Labour Unions and the Health and Safety Representatives are working collaboratively to ensure that COVID-19 health and safety protocols are implemented effectively and efficiently.

Table: Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province District / local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per Intervention (R'000)	Budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
Programme 1	Procurement of masks, sanitisers and cleaning detergents	Limpopo Province (Inclusive of all districts)	375	171 males and 204 females	277	Cleaning Detergents R135 Protective Masks R86 Sanitisers R56	N/A	Protected employees from Covid-19 spread

5. TRANSFER PAYMENTS

5.1 TRANSFER PAYMENTS TO PUBLIC ENTITIES

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
N/A				

5.2 TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES

The table below reflects the transfer payments made for the period 1 April 2021 to 31 March 2022

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the Dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
N/A						

The table below reflects the transfer payments which were budgeted for in the period 1 April 2021 to 31 March 2022, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
N/A				

6. CONDITIONAL GRANTS

6.1 CONDITIONAL GRANTS AND EARMARKED FUNDS PAID

The department does not have conditional grants.

7. DONOR FUNDS

7.1 DONOR FUNDS RECEIVED

The Department received donations in kind from Standard Bank South Africa as disclosed on on Annexure 1D

8. CAPITAL INVESTMENT

8.1 CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

Provincial Treasury does not have capital investments

GOVERNANCE

PART C

1. INTRODUCTION

The department is committed to practising a high standard of Corporate Governance to ensure public funds and resources are managed in an effective, efficient and economic manner. In turn, the Provincial Treasury recognizes the need to conduct its business with integrity and therefore structures are in place to ensure a coherent and consistent governance approach. This is institutionalized by an approved institutional arrangement framework that guides various committees and their functionalities.

Even though the year under review was challenged by worldwide COVID-19 pandemic, the Department was responsive and ensured continuity of services as per the Departmental Business Continuity Plan and even institutionalized the governance of the pandemic through the COVID-19 Steering Committee fully representative of key stakeholders inclusive of organized labour.

During the year under review, the following key activities were undertaken to contribute to an effective governance management process:

- A delegation framework for the functions assigned to the Executive Authority or the Accounting Officer in terms of the Public Finance Management Act, Treasury Regulations and Public Service Act and its regulations were developed and approved to enable the Accounting Officer, to delegate appropriate functions to relevant employees with adequate knowledge, skills and experience.
- Implementation of the institutional arrangements framework and the convening of meetings that dealt with both departmental and transversal matters.
- Departmental Bid Committees were appointed to ensure that procurement processes were fair, competitive, equitable, transparent and cost effective.
- All members of Senior Management Service made full financial disclosures to the Executive Authority and the Public Service Commission.
- MMS members and other designated officials also completed their financial disclosures.
- Provincial Treasury was kept abreast of all relevant legislation and regulations as well as major developments that could impact on its operations.

2. RISK MANAGEMENT

- Provincial Treasury has an approved Risk Management Policy and Strategy in place which was aligned to the 2021/22 Annual Performance Plan.
- The Enterprise Risk Management unit on a continuous basis monitor and assist the Department to identify emerging risks and develop appropriate measures to address the risks.
- Risk Assessment is conducted regularly both on a strategic- and operational level and risk mitigation plans are monitored on the continuous basis.
- The department has a functional and active Risk Management Committee that meets quarterly or when necessary to address risk management implementation processes and all relevant risk areas the department encountered and advise the Executive Management continuously. The Risk Management is chaired by an External Independent Chairperson who on a quarterly basis provide a report to the Accounting Officer and oversees the performance of the Risk Management Committee and Enterprise Risk Management to monitor overall effectiveness and implementation of risk management processes in the department.
- Risk Management is a standing item in the agenda of EXCOM (Executive Management Meeting), and other strategic structures where the unit provide progress on the management of risks and status in the risk management implementation processes of the department, which has also assisted the department to improve its performance. Furthermore, risk management is integrated into planning processes and other business processes of the department to be more proactive on matters and put appropriate measures to address them. The department further identify and explore opportunities presented by risk management to enhance better and improved performance
- The department has appointed an Independent Audit Committee that oversees the financial and governance performance of the Department and monitors the Department's overall performance effectiveness and service delivery. The Audit Committee has meetings on a quarterly basis.
- Provincial Treasury has an approved Business Continuity Policy and Business Continuity Plan.
- The department has a functional and active Business Continuity Committee that attends to business continuity processes and matters and reports to the Executive Management on a quarterly basis.
- Members of the Business Continuity Committee also served in the COVID -19 Steering Committee. The Business Continuity Plan was effective and assisted the Department in managing the interruptions that was caused by the COVID -19 pandemic.

3. FRAUD AND CORRUPTION

The department's fraud prevention plan has been implemented as follows:

- SMS members declare their financial interests annually
- Induction /Orientation of new employees
- Awareness workshops are conducted on fraud and corruption
- Pre-employment screening (Suitability Checks) is conducted to candidates and contractors before appointment (Pre-employment and vetting of employees)
- Induction /Orientation of new employees
- Awareness workshops are conducted on fraud and corruption
- Information security systems are in place to ensure the protection of personnel, physical, computer and communication security measures protect sensitive information.
- National and Premier Anti-Corruption Hotlines are used and walk in cases to be reported to Security Management directorate are the Mechanisms that are in place to report fraud and corruption.
- Fraud and corruption cases are reported through Presidential and Premier Hotlines as well as internal reporting such as emails, supervisors, ethics office.

4. MINIMISING CONFLICT OF INTEREST

- All designated employees are required to submit Financial Disclosures on an annual basis.
- Designated employees are SMS and other groups as identified by DPSA
- The submissions are scrutinized for any conflicts and contraventions of the Public Service Regulations.
- Where transgressions or conflicts are found, it is dealt with in terms of the Public Service Disciplinary Code, Public Service Regulations and the Public Service Act.
- Awareness on Ethics / Anti-Corruption was conducted specifically with Supply Chain Management in order to minimise conflict of interest.

5. CODE OF CONDUCT

The Department used the Code of Conduct as set out by the Department of Public Service Administration. The Department conducted information sessions on the Codes of Conduct in order to raise awareness among employees. During the year the Department had not reflected or a nil report misconduct cases however, where an employee may have been found to have breached a Code of Conduct and it was a serious misconduct, it would of been reported to the Security Service Directorate for formal investigation and where it was less serious, the supervisor would of been advised by Labour Relations on the process to follow.

If the investigations find that there was a breach of the Code of Conduct the report would be sent to Labour Relations to make submission to the Head of Department for approval of a formal disciplinary enquiry. This entails appointment of the chairperson and employer representative to handle the matter. Once the disciplinary enquiry is completed and an employee is found guilty, the chairperson would submit the outcome to the Department for implementation of the outcome.

The department has a functional and active Ethics Committee that meet quarterly or when necessary to address implementation of ethics within the department and identify and monitor ethical risks.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Occupational Health, Safety and Environment was implemented as per the Occupational Health and Safety Act of 1993, Regulations and DPSA Employee Health and Wellness (EH&W) Strategic Framework, and COVID-19 Directives. Thus the Departmental Safety, Health, Environment, Risk and Quality Management (SHERQM) policy was reviewed to accommodate COVID-19 Directives and submitted to Department of Employment and Labour. The same applied with operational plan which was signed by the HOD and submitted to OTP and DPSA. Key Performance Areas (KPAs) on the operational plan were outlined in order to implement the objectives of Safety, Health, Environment, Risk and Quality Management (SHERQM) as per the DPSA EH&W Strategic Framework and COVID-19 Directives. Risk assessment was reviewed in line with COVID-19 Directives.

Nine (09) departmental facilities were monitored on a quarterly basis as per the KPAs. Monitoring reports are compiled and identified hazards are discussed with the relevant stakeholders. Occupational Health and Safety Committee meetings were held quarterly and monitor the implementation as per the signed 2021 2022 operational plan. Some Occupational Health and Safety Committee members are integrated to be part of COVID-19 Steering Committee in accordance to COVID-19 Directives. COVID-19 Steering Committee meetings are held regularly and resolutions are implemented. The challenge is that most identified non-compliance findings relate to building maintenance, which is the responsibility of the Department of Public Works, Roads and Infrastructure and other landlords.

The following arrangements are in place to comply with COVID-19 Health and Safety protocols:

- Departmental COVID-19 Health and Safety Protocols approved, implemented and monitored.
- Daily COVID-19 screening is conducted.
- COVID-19 confirmed cases are managed and reported to OTP and DPSA.
- Departmental COVID-19 response is reported on a monthly, quarterly and annual basis
- Sanitation, hygiene and office cleanliness is implemented in line with OHSA and COVID-19 Directives.

The implementation of the Occupational Health and Safety and COVID-19 Directives continues to improve the health and safety conditions of employees and service beneficiaries.

7. PORTFOLIO COMMITTEES

The department has attended Portfolio Committee meetings as outlined below:-

- 09 April 2021. Briefing the Committee on 2021/22 Annual Performance Plan and Budget.
- 06 May 2021. Portfolio Committee meeting and Public Hearing on Division of Revenue Bill.
- 02 September 2021. Briefing the Committee on 2020/21 4th Quarter and 2021/22 1st Quarter Performance Report. Status report of Committee Resolutions.
- 18 November 2021. Briefing the Committee on Limpopo Unauthorized Expenditure Bill [B03-2021], 2021/22 2nd Quarter Performance Report and Committee Resolutions (inclusive of developments on forensic and other investigative reports).
- 01 December 2021. Briefing the Committee on Limpopo Adjustments Appropriation Bill and Briefing by NCOP and National Treasury on Division of Revenue Amendment Bill.
- 10 March 2022. Briefing the Committee on 2020/21 Annual Report, 2020/21 2nd Quarter Performance Report, Limpopo Appropriation Bill and PPPFA Regulations and Constitutional Court judgements.

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1.	Exceptional Litigation	Department in a claim regarding financial systems	The supplier has appeal against the judgement by the High Court. The appeal is set down for 08 February 2023 in the High Court.	No
2.	Irregular expenditure	The department has incurred irregular expenditure to the tune of R3 186 000. The irregular expenditure was disclosed in the previous years and is still under investigation	The matter was subjected to Court processes and the department is currently consulting with Office of the Premier about this matter.	No
3.	3D Entities in the Province	3D Entities in the Province, namely GAAL and LEDA are unable to generate sufficient revenue to sustain themselves	Reconfiguration plans have been suspended pending further clarification on the implementation proposals.	No
4.	Venda Building Society	The Committee recommends that the Accounting Officer must review the sanction meted out to Treasury officials who were deployed to assist at the municipalities because the sanction is not commensurate with the offence committed.	Sanctions were granted through a duly regulated process. The Accounting Officer has no authority to review the sanction two years after it was agreed to as this may be irregular and unfair labour practice, however the Accounting Officer referred the matter to Office of the Premier for further legal opinion	No

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Provincial Treasury received a “Clean Audit” report (unqualified audit opinion with no findings) for 2016/17, 2017/18, 2018/19, 2019/20 and 2020/21 financial years and thus did not have any prior modifications.

10. INTERNAL CONTROL UNIT

The unit prepared the audit action plan for both the Auditor General (AG) and Internal Audit findings. These action plans were monitored, on a monthly basis by the unit, to track progress in resolving the audit findings. During the AG audit period the unit also co-ordinated the submission of information required by the AG team. The unit also co-ordinated all Audit Steering Committee (ASC) meetings during the year to update the ASC on the progress made in addressing all audit findings, after which the unit compiled a monthly report to appraise the Department’s Executive Management Committee on the progress made and any challenges that require Executive Management Committee’s intervention.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

11.1 INTERNAL AUDIT KEY ACTIVITIES

During the 2021/22 financial year, the internal audit function executed its tasks in terms of the Audit Committee approved audit plan. The focus area of each audit was to provide an opinion, amongst other, on the adequacy and effectiveness of the organisation’s system of internal control particularly as it relates to the following:

- Safe guarding of assets
- Reliability and integrity of performance information
- Reliability and integrity of financial information
- Ensure that the department’s resources were acquired and are used in an economic, efficient and effective manner.



11.1.1 Key Objectives Of The Internal Audit

In terms of the approved Internal Audit Charter, the key objectives of Shared Internal Audit Services (SIAS) is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight to all Limpopo Provincial Departments

11.1.2 The impact of COVID-19 Pandemic on Internal Audit Services

During 2021/2022 financial year, the (Shared Internal Audit Services) SIAS was able to conduct its assurance services for the entire financial year with the exception of district offices and institutions. The reason was that since the pronouncement of COVID-19 State of Disaster, by the President of South Africa on 26 March 2020, travelling to district offices and institutions at the periphery was not always possible.

11.1.3 Five yearly Internal Audit Quality Assurance Review (QAR)

SIAS is due for the external Quality Assurance Review which is scheduled to take place in the 2nd quarter of the 2022/23 financial year.

Currently SIAS is undergoing a state of readiness review (SOR) by the National Treasury and it is planned that the National Treasury review will be completed by the end of May 2022. SIAS will develop an action plan to address the National Treasury findings raised and commence with the procurement of the service provider to perform the Five (5) year Quality Assurance Review.



11.1.4 Summary of internal audit work done

Assurance Audit

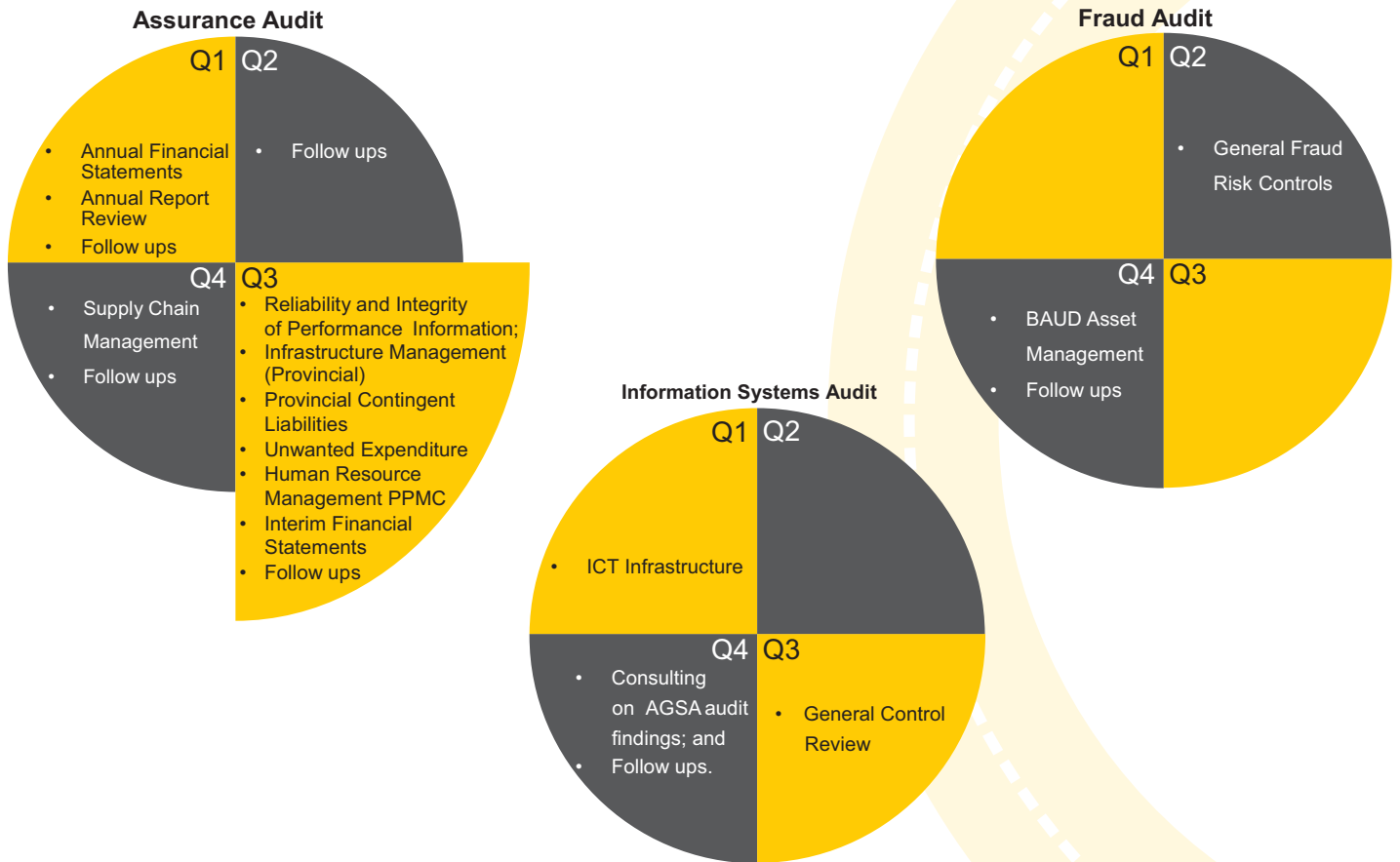
Q1	Q2	Q3	Q4
<ul style="list-style-type: none"> Annual Financial Statements Annual Report Review Follow ups 	<ul style="list-style-type: none"> Follow ups 	<ul style="list-style-type: none"> Reliability and Integrity of Performance Information; Infrastructure Management (Provincial) Provincial Contingent Liabilities Unwanted Expenditure Human Resource Management – PPMC Interim Financial Statements Follow ups 	<ul style="list-style-type: none"> Supply Chain Management Follow ups

Fraud Audit

Q1	Q2	Q3	Q4
	<ul style="list-style-type: none"> General Fraud Risk Controls 		<ul style="list-style-type: none"> BAUD Asset Management Follow ups

Information Systems Audit

Q1	Q2	Q3	Q4
<ul style="list-style-type: none"> ICT Infrastructure 		<ul style="list-style-type: none"> General Control Review 	<ul style="list-style-type: none"> Consulting on AGSA audit findings; and Follow ups.



AUDIT COMMITTEE

11.2.1 Key Activities

The Audit Committee (AC) activities are outlined in the approved AC Charter which requires that an Annual Schedule must be finalised and approved as a guideline for the AC activities for that particular financial year. National Regulations in response to COVID-19 recommended that, where possible, all meetings must take place through virtual platforms as a strategy to prevent face-to-face interactions that may result in a high number of infections. Apart from the challenges as posed by COVID-19, the AC has satisfactorily performed its mandate as enshrined in Sections 76 (4) (d) and 77 of the Public Finance Management Act (Act No. 1 of 1999) read in conjunction with Treasury Regulations 3.1 which states that AC must, amongst others, review the following:

- i. The effectiveness of the internal control systems;
- ii. The effectiveness of the internal audit function;
- iii. The risk areas of the institution's operations to be covered in the scope of internal and external audits;
- iv. The adequacy, reliability and accuracy of the financial information provided to management and other users of such information;
- v. Any accounting and auditing concerns identified as a result of internal and external audits;
- vi. The institution's compliance with legal and regulatory provisions; and
- vii. The activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations.

11.2.2 OBJECTIVES OF THE AUDIT COMMITTEE

The Strategic Objectives of the AC as stipulated in its approved written Terms of Reference (AC Charter) are to ensure:

- a. The availability of a well-resourced, functional and sustained internal audit function;
- b. Sound relationship with all assurance providers, oversight structures and other stakeholders;
- c. Effective and efficient Internal and External Audit processes;
- d. Promotion of sound functional interaction between the internal audit and other assurance providers;
- e. That there is adequate and effective corporate governance, encompassing fraud

and risk management, information technology, internal control, financial management and reporting systems;

- f. Accounting Officers are fully supported in fulfilling their responsibilities in terms of the PFMA;
- g. Accountability in terms of financial management and performance information for effective service delivery; and
- h. Compliance with relevant laws and regulations.

11.2.3 IMPACT OF COVID-19 ON AUDIT COMMITTEE ACTIVITIES

Despite the fact that COVID-19 poses serious threat to humanity, the work of the AC has partly benefitted from the proclamations made by the state in that most of the meetings were held virtually. The Provincial Accountant General's (PAG's) office has realised some savings within the budget of the AC. The savings was realised from accommodation and travelling of the AC members as these costs were no longer incurred as the meetings were held virtually. Given the spirit of good governance, the impact of COVID-19 on the AC is felt in the sense that virtual meetings are not equipped with necessary tools to monitor efficient and effective participation of all the AC stakeholders. This becomes even more difficult when one has to evaluate the work of the AC through National Treasury 360 Degree evaluation tool. However, the PAG's office has been active in ensuring that the AC remains a value adding oversight and governance structure.

Despite 2022 AC Annual Strategic Planning Workshop which took place physically, all other AC activities have taken place through virtual platforms (Microsoft Teams) as a direct consequence of COVID-19. The need for all the AC activities to take place through virtual platforms had actually emphasised the vulnerability of our servers, connectivity, data allocation and poor networks across the country. Poor connectivity resulting from a myriad of issues remains a problem hampering the AC Secretariat to facilitate smooth AC activities / meetings. As a result, there is a clear visible need for the Limpopo Provincial Government to invest strongly on ICT to ensure that issues of connectivity do not affect virtual meetings.

11.2.4 AUDIT COMMITTEE MEETINGS

During the financial year 2021/2022, the AC met five (5) times to perform its roles and responsibilities as stipulated in the AC Charter. All the AC meetings have taken place as planned through 2021/2022 AC Annual Schedule as opposed to the previous financial year wherein meetings were rearranged as a response to the impact of COVID-19. As resolved during 2021 AC Annual Strategic Planning Workshop, briefing sessions between MECs and all AC Members were held from 06 – 10 December 2021. The meetings were held virtually and afforded all the AC Chairperson a slot with the MEC of the Department.

11.2.5 2021/2022 AUDIT COMMITTEE ANNUAL STRATEGIC PLANNING WORKSHOP

The 2022 AC Annual Strategic Planning Workshop was held face to-face, during 02 – 03 February 2022, to discuss a number of issues affecting the work of the AC. Honourable MEC of LPT emphasised the Executive Council's expectations to the workshop and the Executive Council's unconditional support and commitment to the AC. Also in attendance was the Independent Risk Chairperson of COGHSTA and DPWRI to present on the status of Risk Management in the Province including the Provincial Risk Profile. The Strategic Planning session had taken a total of 51 Resolutions that needs to be implemented by the end of the 2022/23 financial year. Cluster 02 Chairperson presented on "*48 Months Audit Committee Reflection from Members' Perspective including the Barriers to effective Oversight and Advice*". Through this presentation, an AC Improvement Plan was drafted with activities and timelines for various stakeholders to implement.

11.2.6 CENTRAL AUDIT COMMITTEE (CAC) CHAIRPERSON MEETINGS

During the current financial year, the CAC Chairperson managed to attend only one (1) EXCO meeting during February 2022. Despite a need for the CAC Chairperson to attend such meetings, they are based on invite from EXCO Secretariat depending on issues being discussed. However, a great emphasis is made that the CAC Chairperson must be invited to attend EXCO meetings to present the quarterly CAC Report detailing all the Clusters AC matters. Moreover, the CAC managed to attend at least three (3) HOD Forums to present CAC reports. This initiative is welcomed as it provides AC an opportunity to interact through CAC Chairperson with all the Accounting Officers. As per best practices and PFMA / Treasury Regulations provisions, the CAC Chairperson participates in the ongoing process of the recruitment of the Chief Audit Executive (CAE) to ensure and emphasise the independency of the Shared Internal Audit Services (SIAS). During 2021 AC Annual Strategic Planning Workshop, the AC Members reviewed the Accounting Officer's Reporting template to the AC thus the CAC Chairperson was invited to attend the Audit Debriefing Session to present changes in the template to all the Head of Internal Controls and CFOs in the Province.

11.2.7 360 DEGREE AUDIT COMMITTEE EVALUATION FEEDBACK

National Treasury 360 Degree Evaluation tool was used to evaluate the work and performance of the AC. The final evaluation yielded an average score of 4.71 (from rating of 1 – 5) when combining the average scores of all the AC Stakeholders. This represented a slight improvement from the previous evaluation period which yielded an average score of

4.52 rating. The AC stakeholders who participated in the performance evaluation of the AC included Provincial Internal Audit, External AC Members and Management (Accounting Officers, Chief Risk Officers, Chief Financial Officers, Head of Internal Controls and GITO). AGSA as an AC stakeholder could not participate in the performance review of the AC, mentioning that they do their own evaluation in the management report of each Department to protect and maintain their independence.

In comparison to the average scores of the three (3) stakeholders (AC; SIAS; and Management), it must be noted that SIAS has recorded a highest average score of 4.9 followed by the AC with the second highest average score of 4.6 while Management remained steady at an average score of 4.5. One of the major issue that needed to be discussed at the Strategic Planning emanated from the 360 Degree evaluation was the disparity around oversight by the AC over the work of External and Internal Auditors as management expressed concerns through a declining score in this category. Another concern emerged from the evaluation was around understanding of Departmental Risks by the AC members as management emphasised this concern through a declining score in this category. All the issues discussed during the Strategic Planning had resolutions taken for implementation.

11.2.8 AUDIT COMMITTEE MEMBERSHIP

Current AC Membership was appointed with effect from 01 February 2020 and will expire on 31 December 2022. A total of 17 AC members were appointed during 2020 AC membership appointment process. Total number of female AC members are eight (8) while a total number of male AC members are nine (9) (53% males and 47% females). Although this represent a huge improvement from the previous AC composition, there is a strong need to improve female recruitment to the Limpopo AC. The PAG's office is currently in the process of recruiting new AC Membership for the period 2023-2025.

The AC for Provincial Treasury is made up of 4 independent members as outlined below

INITIALS & SURNAME	QUALIFICATIONS	INTERNAL OR EXTERNAL MEMBER	IF INTERNAL, POSITION IN THE DEPARTMENT	DATE APPOINTED	DATE RESIGNED / TERMINATED	NO. OF MEETINGS ATTENDED (LPT)
S.A Ngobeni (Chairperson)	<ul style="list-style-type: none"> • University of the North – B Com Accounting • UNISA - B Compt (honours) CTA • North West University Masters in Commerce: Taxation. • North West University – Master in Business Administration (MBA) • UNISA – Certificate in Portfolio Management & Investment Analysis. • Wits University – Higher Diploma in Computer Auditing. • UNISA: Certificate in Mining Taxation 	External	N/A	01 February 2017 Re-appointed 01 February 2020	To date	05
S.P Mzizi	<ul style="list-style-type: none"> • CSSA International Qualifying Exam • Post Grad Dip: Corporate Law • CIMA • B Com Hons • B Tech Accounting • H Diploma Education 	External	N/A	01 Feb 2020	To date	05
M.G Mathabathe	<ul style="list-style-type: none"> • N Dip Auditing • B Tech IA • Post-Grad. Diploma: Internal Audit • CIA • Cert. Information System Auditor • Cert. Information Security Manager 	External	N/A	01 Feb 2020	To date	05
K.M. Ramukumba	<ul style="list-style-type: none"> • CA (SA) • IRBA • B Com: Honours (Fin. Acc.) • B Com: Financial Accounting 	External	N/A	01 Feb 2020 Re-appointed 01 Feb 2020	To date	05

11.2.9 NATURE AND ACTIVITIES OF EACH AC MEETING/EVENT HELD:

NO.	PERIOD	NATURE OF THE AC MEETING	INFORMATION / DOCUMENTS REVIEWED
1.	May 2021	Review of Fourth Quarterly Performance Information and Draft Annual Report (Including Draft Annual Financial Statements) before submission to the Auditor General	a. Annual Performance Report, b. Draft Annual Financial Statements, c. Fourth Quarterly Risk Management Report, d. Fourth Quarterly Internal Audit Progress Report.
2.	June 2021	CAC Meeting to consider Clusters AC Reports	a. Clusters AC Reports reporting on matters pertaining to Draft Annual Performance Report including Draft AFS
3.	July / August / September 2021	Review of Draft Audit and Management Reports	a. Draft Management Reports, b. Draft External Audit Reports.
4.	September 2021	CAC Meeting to consider Clusters AC Reports	a. Clusters AC Reports on matters pertaining to External Audit Reports.
5.	September 2021	Review of First Quarter Performance Information including Financial & Non-Financial Reports	a. First Quarter Accounting Officer's Report to the AC (Financial & Non-Financial), b. First Quarter Risk Management Report, c. SCOPA Resolutions Implementation Progress, d. Auditor General Audit Findings Implementation Progress, e. First Quarter Internal Audit Report
6.	October 2021	CAC Meeting to consider Clusters AC Reports	a. Clusters AC Reporting on matters concerning to First Quarter Reports
7.	November 2021	Review of Second Quarter Performance Reports (Financial and Non-Financial)	a. Second Quarter Accounting Officer's Report to the AC (Financial & Non-Financial), b. Second Quarter Risk Management Report, c. SCOPA Resolutions Implementation Progress, d. Auditor General Audit Findings Implementation Progress, e. Second Quarter Internal Audit Report
8.	December 2021	CAC Meeting to consider Clusters AC Reports	a. Clusters AC Reports on matters pertaining to Second Quarter Audit Committee Reports as per paragraph 7 above.
9.	December 2021	Audit Debriefing Session between AC Members and MECs to discuss AC Matters.	

NO.	PERIOD	NATURE OF THE AC MEETING	INFORMATION / DOCUMENTS REVIEWED
10.	February 2022	AC Annual Strategic Planning Workshop	<ul style="list-style-type: none"> a. Approval of the Audit Committee Charter, b. Approval of the Internal Audit Charter, c. Review of the Accounting Officer's Reporting Framework to the AC, d. AC Improvement Plan by Clusters AC Chairpersons e. Reflection on the Status of the Previous Year AC Resolutions, f. 360 Degree AC Evaluation Feedback.
11.	March 2022	Third Quarterly Departmental Reports and approval of the Three-Year Internal Audit Plan, Annual Internal Audit Plan and Auditor General Audit Coverage Strategy	<ul style="list-style-type: none"> a. All information under No. 5, b. Three Year Internal Audit Plans and Annual Internal Audit Plans for 2022/2023. c. Auditor General Audit Coverage Strategies
12.	March 2022	CAC Meeting to consider Clusters AC Reports	<ul style="list-style-type: none"> a. Clusters AC Reports on matters pertaining to Third Quarter AC Reports as per paragraph 11 above.



12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2022.

Audit Committee Structure

Limpopo Provincial Government has an Audit Committee which is two tiered consisting of 4 Cluster Audit Committees, dealing with specific departments, and a shared Central Audit Committee.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein and the related code of conduct, policies and practices.

Stakeholder Engagement/s

The committee has been able to engage with the following stakeholders:

- Limpopo Provincial Treasury senior management
- Limpopo Provincial Internal Auditors (Shared Internal Audit Services)
- Limpopo Provincial Auditor General (AGSA)
- Limpopo Provincial Treasury and Office of the Premier transversal units

Audit Committee Skills Development

A strategic and induction session was held during the last quarter of the financial year to assist the audit committee members better understand their challenging roles and the direction of the province in general.

The Effectiveness of Internal Control

Based on the results of the formal documented review of the design, implementation, and effectiveness of the department's system of internal controls conducted by the risk management, internal audit and AGSA during the financial year ended 31 March 2022, and in addition, considering information and explanations given by management plus discussions held with the external auditor on the results of their audit, the Audit Committee concluded that internal control system is effective since no material internal control breaches come to the Committee's attention.

Risk Management

The Audit committee reviewed the department's policies on risk management and strategy (including IT Governance) and monitored the implementation of risk management policy and strategy and concluded that the department's risk management maturity level is satisfactorily and is improving especially in the areas of Information Technology.

In-Year Management and Monthly/Quarterly Report

Based on the quarterly review of in-year monitoring systems and reports, the Audit Committee is satisfied with the quality, accuracy, usefulness, reliability, appropriateness, and adequacy of the department in-year reporting systems.

Internal Audit

The Audit committee is satisfied with the performance of the internal audit based on the activities below:

- Reviewed and approved the annual Internal Audit plans and evaluated the independence, effectiveness and performance of the internal audit function;
- Considered the reports of the Internal Auditors on the department's systems of internal control;
- Reviewed issues raised by internal audit and the adequacy of corrective action taken by management in response thereto;

Combined assurance

The Audit committee reviewed the plans and reports of the external and internal auditors and other assurance providers including management and concluded that the internal audit unit and department should fully implement of Combined assurance framework.

Compliance with the relevant laws and regulations

The Audit Committee considered reports provided by management, internal assurance providers and the independent auditors regarding compliance with legal and regulatory requirements and concluded that the department did material comply with the enabling laws and regulations as well as its departmental policies and standard operating procedures, especially in the areas of addressing the irregular and fruitless expenditure, quality of annual financial statement and supply chain management (including expenditure management).

Evaluation of Annual Financial Statements

Following the review by the Audit Committee of the annual financial statements for the year ended 31 March 2022 before and after the audit, the committee is of the view that, annual financial statements fairly present the financial performance of the department for the year under review and can be incorporated into the annual report.

Evaluation of Annual Performance Report

Following the review by the Audit Committee of the annual performance report for the year ended 31 March 2022 before and after the audit, the committee is of the view that, annual performance report fairly present the performance of the department for the year under review and can be incorporated into the annual report.

Consideration of the Final Audit report

The Audit Committee considered final audit report and concurs with the AGSA's unqualified audit opinion (clean audit). Furthermore, the Audit Committee commended the department for maintaining the unqualified audit opinion without findings (clean audit).



SAB Ngobeni
Chairperson of the Audit Committee Limpopo
Provincial Treasury Date
August 2022

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

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

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HUMAN RESOURCE
MANAGEMENT

1 INTRODUCTION

This section on Human Resource Management will focus on the overview of the status of Human Resource Management in the department, Human resource priorities for the year under review and the impact of these, Workforce planning and key strategies to attract and recruit a skilled and capable workforce, Employee performance management, Employee wellness programmes and highlight achievements and challenges faced by the department, as well as future human resource plans /goals.

2 OVERVIEW OF HUMAN RESOURCES

2.1 THE STATUS OF HUMAN RESOURCES IN THE DEPARTMENT

The Limpopo Provincial Treasury was in its third year of implementation of the approved Organisational structure effective from 01 April 2019 and the structure has 535 posts. The total permanent number of staff appointed on the establishment as at 31 March 2022 is 353.

The workforce of the Department reflects the demographics of the province in terms of equity targets. Overall, for all salary levels, the department has exceeded the target on the 50/50 equity in terms of gender. There are 204 Females which translate to 54.4% and 171 males which translates to 45.6%. The department has 42 SMS members of which 18 are females and this translates to 42.8% and 24 Males. With regard to people with disabilities the department is at 1.3% on overall employees. The Department needs to improve on the disability statics and equity targets at SMS level.

As part of mitigation to achieve the EE targets the department has identified various barriers in achieving targets and are robustly working on an action plan to eliminate the barriers in achieving the equity targets.

The Department had to reduce and reprioritize its vacancies to be included in the approved 2021/22 recruitment plan as a result of the COVID-19 pandemic.

During 2021/2022, 147 employees participated on skills development programmes, which included Mentoring for the Public Service Managers, Performance Auditing for the Public Service, Auditing against COSO Framework and Advanced Excel. 64 employees were registered for academic studies with institutions of higher learning, of which 29 successfully completed their studies.

34 interns completed their training programme. Five (5) additional Chartered Accountant (CA) trainees were appointed on 1 February 2021 totalling the number of CA trainees to ten (10). Seven (7) Work Integrated Learners (WIL) completed their eighteen months experiential training which afforded them opportunities to apply for their National Diploma through their respective TVET colleges.

2.2 HUMAN RESOURCE PRIORITIES FOR THE YEAR UNDER REVIEW AND THE IMPACT OF THESE

The department had rendered support in ensuring service delivery and Business Continuity whilst limiting the spread of COVID 19 and maintaining preventative measures. This resulted in the implementation and utilization of workplace plans as per return to work guidelines, taking into consideration service delivery obligations and the needs of service recipients, during the easing of lockdown. The filling of vacant funded posts was a priority, however, it was impacted by the nationwide lockdown and the re-prioritization of COE budgets. The need for the review of the organizational structure has been highlighted by branches in an attempt to create organizational efficiencies. There are sound and strengthened labour relations between the Employer and Employees and this was achieved through the functionality of the Labour Consultative Forum.

2.3 WORKFORCE PLANNING AND KEY STRATEGIES TO ATTRACT AND RECRUIT A SKILLED AND CAPABLE WORKFORCE

The department implemented the Human Resource Plan for the period 2020 2023 which clearly articulates the objectives to be achieved which amongst others include the following:

- To align the organizational structure to the 2020/2025 strategic plan,
- To ensure adequate human resource provisioning to render sustainable support services,
- To ensure that human capital of the Department is representative of the demographics of the province and the country by meeting employment equity targets as outlined in the Employment Equity Plan,
- To invest in human capital by effectively implementing capacity building programmes and performance management system,
- To implement health and wellness programmes for optimized workforce productivity.

2.4 EMPLOYEE PERFORMANCE MANAGEMENT

The department complies with the Employee Performance Management policies by ensuring that employees enter into performance agreements at the beginning of the financial year and that annual reviews were done in line with DPSA directives and the Performance Management and Development Policies. During the period under review the Department attained 100% submission rate for the 2021/22 SMS Performance Agreements. Employees who have performed exceptionally well are rewarded through PMDS incentive policy.

2.5 EMPLOYEE WELLNESS PROGRAMMES

The Employee Health and Wellness programme looks after the wellbeing of employees as it is believed that a healthy workforce is a productive workforce and this slogan has guided the department through all operations.

The programme has successfully implemented the following initiatives:

- HIV & AIDS, TB and STIS Management
- Health and Productivity Management
- SHERQ Management
- Wellness Management

The Department is also actively involved with the containment of the spread of COVID-19 through supporting of employees and also through management and monitoring of health and safety protocols.

2.6 HIGHLIGHT ACHIEVEMENTS AND CHALLENGES FACED BY THE DEPARTMENT, AS WELL AS FUTURE HUMAN RESOURCE PLANS AND GOALS.

Some of the key achievements included the maintenance of the Department's accreditation with SAICA and the implementation of Health and Safety Protocols to ensure continuity of business activities with minimal interruptions.

Due to Budget re prioritization process, the Department could not fill all the vacant funded posts and therefore experienced a high vacancy rate. The Department identified a need to review the current organizational structure to align to its strategic plan.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1. PERSONNEL RELATED EXPENDITURE

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2021 and 31 March 2022

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
ADMINISTRATION	149 779	100 931	0	0	67.40	619
SUSTAINABLE RESOURCE MANAGE	52 615	51 225	0	0	97.40	931
ASSETS, LIABILITIES & SUP CHAIN MANAGEMENT	43 687	41 059	0	0	94	855
FINANCIAL GOVERNANCE	65 275	41 865	0	0	64.10	634
SHARED INTERNAL AUDIT SERVICES	39 540	38 727	0	0	97.90	635
Total as on Financial Systems (BAS)	350 896	273 807	0	0	78	697



Table 3.1.2 Personnel costs by salary band for the period 1 April 2021 and 31 March 2022

Salary Band	Personnel Expenditure (R'000)	% of Total Personnel Cost	No. of employees	Average Personnel Cost per Employee (R)
01 Lower skilled (Levels 1-2)	3 881	1,40	19	204 263
02 Skilled (Levels 3-5)	7 674	2,70	25	306 960
03 Highly skilled production (Levels 6-8)	51 210	17,90	105	487 714
04 Highly skilled supervision (Levels 9-12)	145 994	51,10	163	895 669
05 Senior management (Levels >= 13)	55 560	19,40	41	1 355 122
11 Contract (Levels 3-5)	185	0,10	1	185 000
13 Contract (Levels 9-12)	7 270	2,50	18	403 889
14 Contract (Levels >= 13)	5 979	2,10	3	1 993 000
18 Contract Other	1 598	0,60	1	1 598
19 Periodical Remuneration	5 832	2,00	18	324 000
TOTAL	285 183	10,00	394	727 648

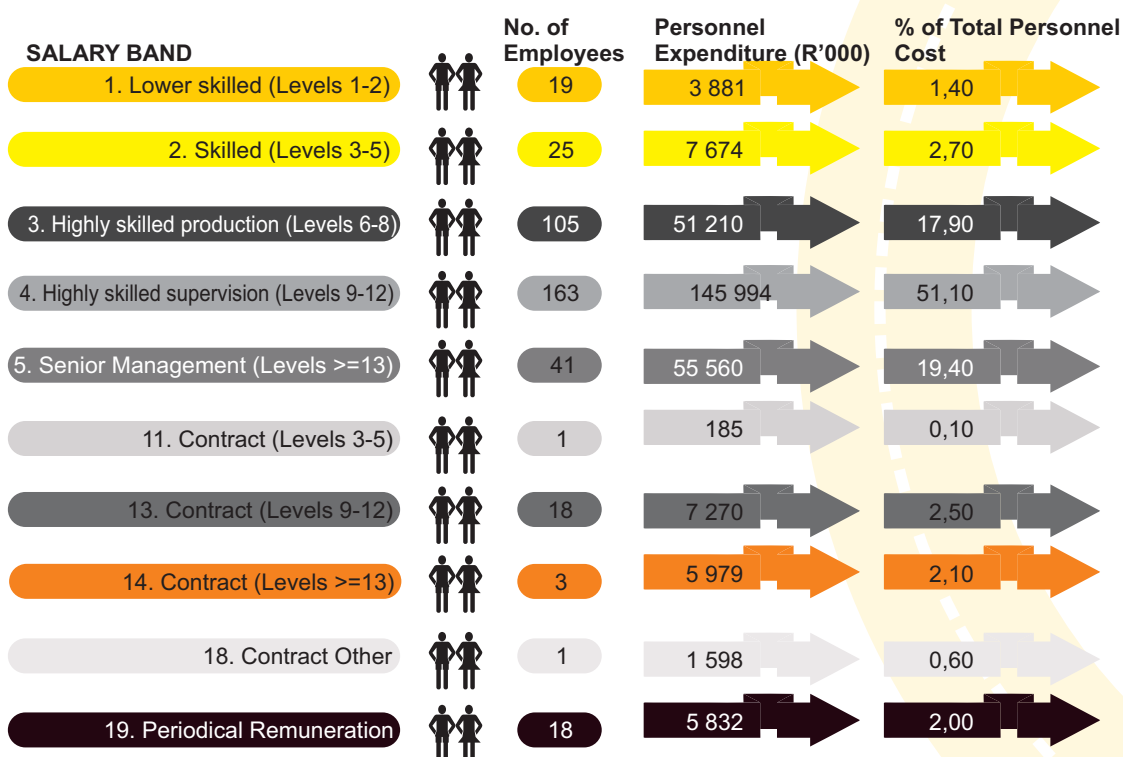


Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2021 and 31 March 2022

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
PROGRAMME 1: ADMINISTRATION	85 779	83.10	15	0	3 183	3.10	3 968	3.80
PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT	45 663	85.90	0	0	1 268	2.40	765	1.40
PROGRAMME 3: ASSETS & LIABILITIES MANAGEMENT	35 241	84.80	0	0	1 013	2.40	1 090	2.60
PROGRAMME 4: FINANCIAL GOVERNANCE	35 646	73	0	0	991	2	1 344	2.80
PROGRAMME 5: SHARED INTERNAL AUDIT SERVICES	32 119	82	0	0	1 514	3.90	1 519	3.90
TOTAL	234 449	82	15	0	7 970	2.80	8 686	3

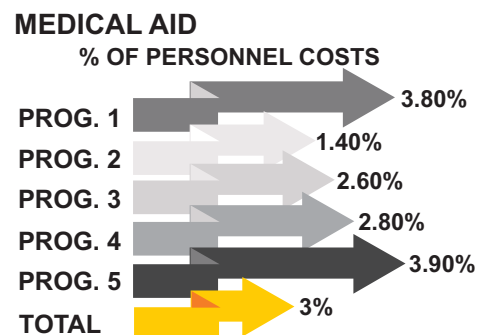
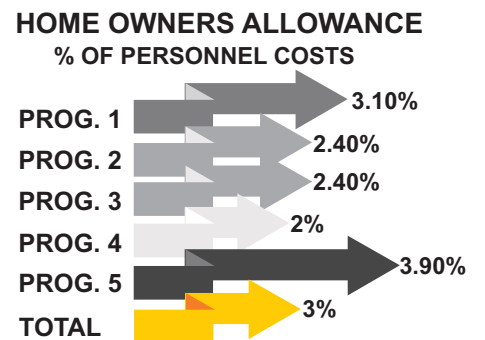
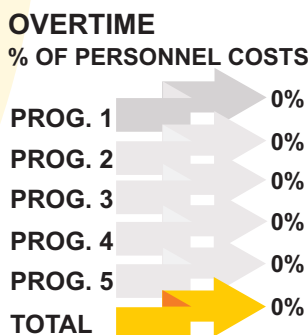
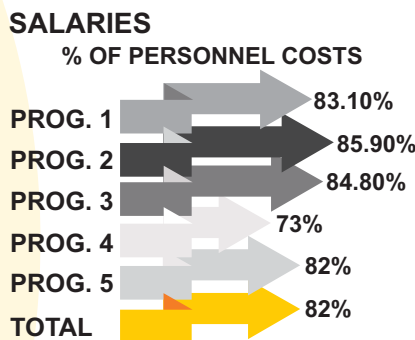


Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2021 and 31 March 2022

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
01 Lower skilled (Levels 1-2)	2 563	66	0	0	344	8.90	672	17.30
02 Skilled (Levels 3-5)	5 775	75.20	15	0.20	481	6.30	670	8.70
03 Highly skilled production (Levels 6-8)	41 023	80	0	0	1 854	3.60	3 208	6.30
04 Highly skilled supervision (Levels 9-12)	122 254	83.60	0	0	3 254	2.20	3 690	2.50
05 Senior management (Levels >= 13)	48 439	86.90	0	0	1 969	3.50	391	0.70
11 Contract (Levels 3-5)	184	99.50	0	0	0	0	0	0
13 Contract (Levels 9-12)	7 189	98	0	0	0	0	0	0
14 Contract (Levels >= 13)	5 426	88.70	0	0	68	1.10	56	0.90
18 Contract Other	1 595	99.70	0	0	0	0	0	0
19 Periodical Remuneration	0	0	0	0	0	0	0	0
TOTAL	234 449	82	15	0	7 970	2.80	8 686	3



3.2. EMPLOYMENT AND VACANCIES

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

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

This information is presented in terms of three key variables:

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

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 2022

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
PROGRAMME 1: ADMINISTRATION, Permanent	220	145	34%	2
PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT, Permanent	87	55	37%	0
PROGRAMME 3: ASSETS & LIABILITIES MANAGEMENT, Permanent	71	48	32%	0
PROGRAMME 4: FINANCIAL GOVERNANCE, Permanent	80	49	39%	0
PROGRAMME 5: SHARED INTERNAL AUDIT SERVICES, permanent	77	61	21%	0
TOTAL	535	358	33.08%	2

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2022

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower Skilled (Levels 1-2)	29	20	31%	0
Skilled (Levels 3-5)	32	24	25%	1
Highly Skilled Production (Levels 6-8)	149	105	29%	0
Highly Skilled Supervision (Levels 9-12)	262	167	36%	0
Senior Management (Levels >= 13)	63	42	33%	1
Total	535	358	33.08%	2

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2022

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
FINANCE AND ECONOMICS RELATED	28	28	0%	0
FINANCIAL AND RELATED PROFESSIONALS	90	87	3.3%	0
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	1	1	0%	0
INFORMATION TECHNOLOGY RELATED	1	1	0%	0
OTHER INFORMATION TECHNOLOGY PERSONNEL	2	2	0%	0
SENIOR MANAGERS	39	31	20.5%	1
TOTAL	161	150	93,2%	1

3.3. FILLING OF SMS POSTS

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

Table 3.3.1 SMS post information as on 31 March 2022

SMS LEVEL	TOTAL NUMBER OF FUNDED SMS POSTS	TOTAL NUMBER OF SMS POSTS FILLED	% OF SMS POSTS FILLED	TOTAL NUMBER OF SMS POSTS VACANT	% OF SMS POSTS VACANT
Director-General / Head of Department	1	1	100%	0	0%
Salary Level 16	0	0	0%	0	0%
Salary Level 15	5	4	80%	1	20%
Salary Level 14	13	9	69%	4	31%
Salary Level 13	44	28	63%	16	37%
TOTAL	63	42	67%	21	33%

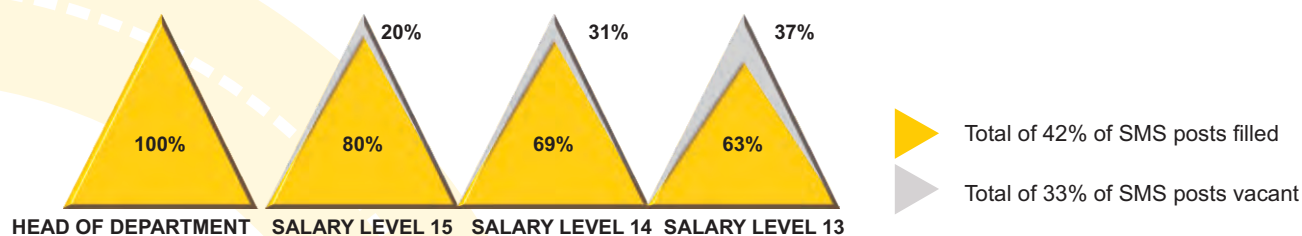


Table 3.3.2 SMS post information as on 30 September 2021

SMS LEVEL	TOTAL NUMBER OF FUNDED SMS POSTS	TOTAL NUMBER OF SMS POSTS FILLED	% OF SMS POSTS FILLED	TOTAL NUMBER OF SMS POSTS VACANT	% OF SMS POSTS VACANT
Director-General / Head of Department	1	1	100%	0	0%
Salary Level 16	0	0	0%	0	0%
Salary Level 15	5	5	100%	0	0%
Salary Level 14	13	9	69%	4	31%
Salary Level 13	44	28	63%	16	37%
TOTAL	63	42	68%	21	32%

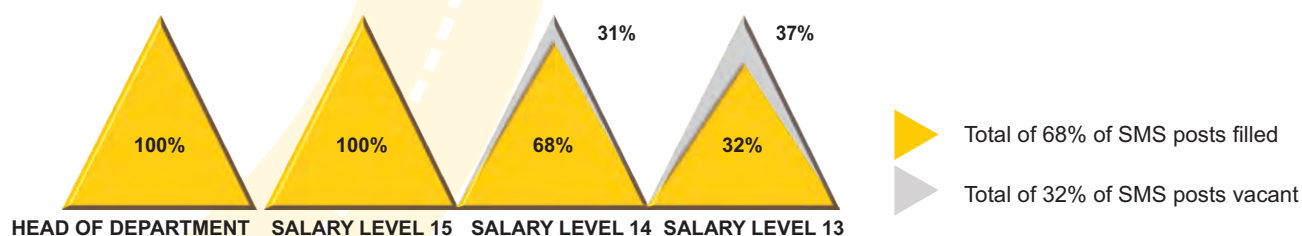


Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2021 and 31 March 2022

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	1	0	0
Salary Level 14	2	0	0
Salary Level 13	5	0	0
Total	8	0	0

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2020 and 31 March 2021

Reasons for vacancies not advertised within six months

The reprioritization of budget resulting in the department receiving late approval of the 2021/2022 Recruitment Plan

Reasons for vacancies not filled within twelve months

The reprioritization of budget resulting in the department receiving late approval of the 2021/2022 Recruitment Plan

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2021 and 31 March 2022

Reasons for vacancies not advertised within six months

The reprioritization of budget resulting in the department receiving late approval of the 2021/2022 Recruitment Plan had an impact on the advertisement of vacancies

Reasons for vacancies not filled within six months

The reprioritization of budget resulting in the department receiving late approval of the 2021/2022 Recruitment Plan.

3.4. JOB EVALUATION

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

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2021 and 31 March 2022

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	29	0	0%	0	0%	0	0%
Skilled (Levels 3-5)	32	0	0%	0	0%	0	0%
Highly Skilled Production (Levels 6-8)	149	0	0%	0	0%	0	0%
Highly Skilled Supervision (Levels 9-12)	262	0	0%	0	0%	0	0%
Senior Management Service Band A	44	0	0%	0	0%	0	0%
Senior Management Service Band B	13	0	0%	0	0%	0	0%
Senior Management Service Band C	5	0	0%	0	0%	0	0%
Senior Management Service Band D	1	0	0%	0	0%	0	0%
Total	535	0	0%	0	0%	0	0%

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2021 and 31 March 2022

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

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2021 and 31 March 2022

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Cleaners in Offices workshops and hospitals	1	2	3	Res 3 of 2009
Finance and economic related	1	7	8	Res 3 of 2009
HR Clerk	1	7	8	Res 3 of 2009
Logistical support	1	7	8	Res 3 of 2009
Administrative related	1	7	8	Res 3 of 2009
TOTAL	0	0	0	
Total number of employees whose salaries exceeded the level determined by job evaluation				5
Percentage of total employed				1.3%

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2021 and 31 March 2022

Gender	African	Asian	Coloured	White	Total
Female	4	0	0	0	4
Male	1	0	0	0	1
TOTAL	5	0	0	0	0
Employees with a Disability	0	0	0	0	0

3.5. EMPLOYMENT CHANGES

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2021 and 31 March 2022

Salary band	Number of employees at beginning of period	Appointments into the department	Terminations and transfers out of the department	Turnover rate
Lower Skilled (Levels 1-2)	20	0	0	0,00%
Skilled (Levels 3-5)	28	0	3	10,70%
Highly Skilled Production (Levels 6-8)	108	0	3	2,80%
Highly Skilled Supervision (Levels 9-12)	176	2	13	7,40%
Senior Management Service Band A (level 13)	28	0	1	3,60%
Senior Management Service Band B (level 14)	10	0	0	0,00%
Senior Management Service Band C (level 15)	4	0	1	25,00%
Senior Management Service Band D (level 16)	1	0	0	0,00%
Contracts	52	11	41	78,8%
Total	427	13	62	14,5%

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2021 and 31 March 2022

Critical occupation	Number of employees at beginning of period	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
FINANCE AND ECONOMICS RELATED	30	0	1	3,30%
FINANCIAL AND RELATED PROFESSIONALS	100	1	11	11,00%
HEAD OF DEPARTMENT	1	0	0	0,00%
INFORMATION TECHNOLOGY RELATED	1	0	0	0,00%
OTHER INFORMATION TECHNOLOGY PERSONNEL	2	0	0	0,00%
SENIOR MANAGERS	32	0	1	3,10%
TOTAL	166	1	13	7,80%

Table 3.5.3 Reasons why staff left the department for the period 1 April 2021 and 31 March 2022

Termination Type	Number	% of Total Resignations / Terminations
Death,	1	1.60%
Resignation	7	11.30%
Expiry of contract	39	62.90%
Dismissal-inefficiency	1	1.60%
Retirement	14	22.60%
TOTAL	62	100%

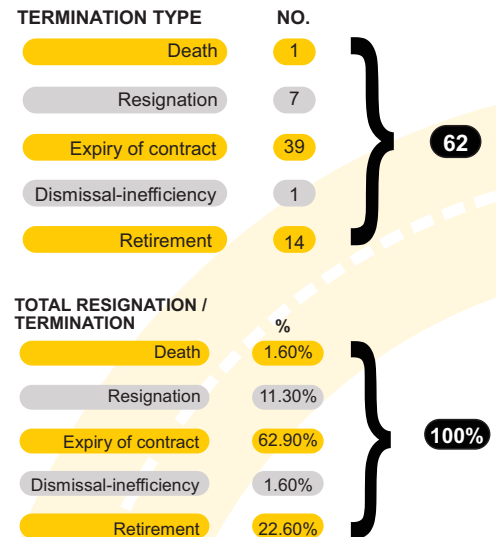


Table 3.5.4 Promotions by critical occupation for the period 1 April 2021 and 31 March 2022

Occupation	Number of Employees at Beginning of Period	Employees	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
FINANCE AND ECONOMICS RELATED	30		0	0	33	110%
FINANCIAL AND RELATED PROFESSIONALS	100		1	100	93	93%
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	1		0	0	1	100%
INFORMATION TECHNOLOGY RELATED	1		0	0	1	100%
OTHER INFORMATION TECHNOLOGY PERSONNEL	2		0	0	2	100%
SENIOR MANAGERS	32		0	0	57	178%
TOTAL	166		1	60	187	113%

Table 3.5.5 Promotions by salary band for the period 1 April 2021 and 31 March 2022

Salary Band	Number of Employees at the Beginning of Period	Promotions to another salary level	Salary Level Promotions as a % of Employees by Salary Band	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower Skilled (Levels 1-2),	20	0	0,00	19	95,00
Skilled (Levels 3-5),	28	0	0,00	26	92,90
Highly Skilled Production (Levels 6-8),	108	0	0,00	105	97,20
Highly Skilled Supervision (Levels 9-12),	176	0	0,00	169	96,00
Senior Management (Levels >= 13),	43	1	2,30	74	172,10
TOTAL	375	1	0,30	393	104,80

3.6. EMPLOYMENT EQUITY

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2022

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
SENIOR OFFICIALS AND MANAGERS	18	0	1	1	11	0	1	1	33
PROFESSIONALS	71	0	2	2	61	0	1	3	140
TECHNICIANS AND ASSOCIATE PROFESSIONALS	43	0	0	0	50	1	0	1	95
CLERKS	29	0	0	0	50	0	0	0	79
SERVICE SHOP AND MARKET SALES WORKERS	1	0	0	1	1	0	0	0	3
LABOURERS AND RELATED WORKERS	2	0	0	0	23	0	0	0	25
TOTAL	164	0	3	4	196	1	2	5	375
Employees with disabilities	2	0	0	0	3	0	0	0	5



Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	4	0	0	1	1	0	1	0	7
Senior Management	18	0	1	1	15	0	1	1	37
Professionally qualified and experienced specialists and midmanagement	100	0	2	2	75	0	0	2	181
Skilled technical and academically qualified workers, junior management, supervisors, foremen	29	0	0	0	73	1	0	2	105
Semi-skilled and discretionary decision making	12	0	0	0	14	0	0	0	26
Unskilled and defined decision making	1	0	0	0	18	0	0	0	19
TOTAL	164	0	3	4	196	1	2	5	375

Table 3.6.3 Recruitment for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	1	0	0	0	2	0	0	0	3
Professional Qualified and experienced specialists and mid-management	5	0	0	0	3	0	0	0	8
TOTAL	6	0	0	0	5	0	0	0	11

Table 3.6.4 Promotions for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	5	0	0	1	2	0	2	0	10
Senior Management	33	0	2	2	27	0	2	2	68
Professionally qualified and experienced specialists and mid management,	105	0	2	2	76	0	0	2	187
Skilled technical and academically qualified workers, junior management, supervisors, foremen	29	0	0	0	73	1	0	2	105
Semi-skilled and discretionary decision making	12	0	0	0	15	0	0	0	27
Unskilled and defined decision making	1	0	0	0	18	0	0	0	19
Employees with disabilities	2	0	0	0	3	0	0	0	5

Table 3.6.5 Terminations for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management,	1	1	0	0	0	0	0	0	2
Senior Management	1	0	0	1	0	0	1	0	3
03 Professionally qualified and experienced specialists and mid-management, Permanent	11	0	0	0	2	0	0	0	13
Skilled technical and academically qualified workers, junior management, supervisors, foremen	0	0	0	0	3	0	0	0	3
Semi-skilled and discretionary decision making	0	0	0	0	3	0	0	0	3
Other	11	0	0	0	27	0	0	0	38
TOTAL	24	1	0	1	35	0	1	0	62



Table 3.6.6 Disciplinary action for the period 1 April 2021 to 31 March 2022

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
None	None	None	None	None	None	None	None	None	None
None	None	None	None	None	None	None	None	None	None

Table 3.6.7 Skills development for the period 1 April 2021 to 31 March 2022

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	11	0	0	1	7	0	1	1	21
Professionals	25	0	1	0	36	0	0	1	63
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	0	0	0	0	0	0	0	0	0
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	36	0	1	1	43	0	1	2	84
Employees with disabilities	0	0	0	0	0	0	0	0	0

3.7. SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 July 2021

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100%
Salary Level 16	0	0	0	0
Salary Level 15	6	6	6	100%
Salary Level 14	6	6	6	100%
Salary Level 13	31	31	31	100%
Total	44	44	44	100%

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 July 2021

Reasons	None
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Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2022

Reasons	None
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3.8. PERFORMANCE REWARDS

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

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2021 to 31 March 2022

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Female	143	193	74.10%	594	4 155
African, Male	111	162	68.50%	605	5 446
Asian, Female	2	2	100%	15	7 686
Asian, Male	1	3	33.30%	6	6 117
Coloured, Female	0	1	0%	0	0
Coloured, Male	1	0	0%	9	9 343
Total Blacks, Female	145	196	74%	610	4 204
Total Blacks, Male	113	165	68.50%	620	5 487
White, Female	5	5	100%	26	5 131
White, Male	1	4	25%	7	6 994
Employees with a disability	5	5	100%	16	3 124
TOTAL	269	375	71.70%	1278	4 750



Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2021 to 31 March 2022

Salary band	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee
01 Lower Skilled (Levels 1-2)	19	19	100	20	1 062
02 Skilled (Levels 3-5)	21	25	84	36	1 693
03 Highly Skilled Production (Levels 6-8)	80	105	76.20	266	3 319
04 Highly Skilled Supervision (Levels 9-12)	113	163	69.30	683	6 046
11 Contract (Levels 3-5)	0	1	0	0	0
13 Contract (Levels 9-12)	1	18	5.60	6	5 507
TOTAL	234	331	70.70	1010	4 316

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2021 to 31 March 2022

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
FINANCE AND ECONOMICS RELATED	21	28	75,00	127	6 052
FINANCIAL AND RELATED PROFESSIONALS	55	87	63,20	342	6 221
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	0	1	0,00	0	0
SENIOR MANAGERS	26	31	83,90	203	7 820
OTHER INFORMATION TECHNOLOGY PERSONNEL.	0	2	0,00	0	0
INFORMATION TECHNOLOGY RELATED	1	1	100,00	6	5 674
TOTAL	103	150	68,70	678	6 585

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2021 to 31 March 2022

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	21	28	75%	152.50	7 262	0.40%
Band B	8	9	88.90%	60.50	7 563	0.50%
Band C	6	5	120%	54.95	9 158	0.60%
Band D	0	2	0%	0	0	0%
TOTAL	35	44	79.50%	267.95	7 656	0.40%

3.9. FOREIGN WORKERS

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2021 and 31 March 2022

Major occupation	01 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% Change
Highly skilled supervision (Levels 9-12)	1	0.1	1	0.1	1	0
TOTAL	1	100	1	100	1	0

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2021 and 31 March 2022

Major occupation	01 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and managers	1	0.1	1	0.1	1	0
TOTAL	1	0.1	1	0.1	1	0

3.10. LEAVE UTILISATION

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

Table 3.10.1 Sick leave for the period 1 January 2021 to 31 December 2021

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)	Total number of Employees using Sick Leave	Total number of days with medical certification
Contract (Levels 9-12)	3	100%	1	0.90%	3	6	108	3
Contract Other	18	88.90%	4	3.70%	5	7	108	16
Highly skilled production (Levels 6-8)	204	87.30%	33	30.60%	6	377	108	178
Highly skilled supervision (Levels 9-12)	300	93.70%	40	37%	8	883	108	281
Lower skilled (Levels 1-2)	38	94.70%	10	9.30%	4	22	108	36
Senior management (Levels 13-16)	77	87%	13	12%	6	339	108	67
Skilled (Levels 3-5)	26	96.20%	7	6.50%	4	24	108	25
TOTAL	666	91%	108	100%	6	1 657	108	606

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2021 to 31 December 2021

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)	Total number of days with medical certification	Total number of Employees using Disability Leave
Highly skilled production (Levels 6-8)	19	100%	2	28.60	10	37	19	7
Highly skilled supervision (Levels 9-12)	276	100%	4	57.10	69	930	276	7
Skilled (Levels 3-5)	5	100%	1	14.30	5	5	5	7
TOTAL	300	100%	7	100	43	972	300	7

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

Table 3.10.3 Annual Leave for the period 1 January 2021 to 31 December 2021

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 13-16)	67	13	5
Contract (Levels 9-12)	142	11	13
Contract Other	387	12	33
Highly skilled production (Levels 6-8)	2 449	23	108
Highly skilled supervision (Levels 9-12)	4 117	22	183
Lower skilled (Levels 1-2)	441	22	20
Senior management (Levels 13-16)	996	24	42
Skilled (Levels 3-5)	547	20	28
TOTAL	9 146	21	432

3.11. HIV/AIDS & HEALTH PROMOTION PROGRAMMES

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
<p>Field workers</p> <ul style="list-style-type: none"> • Shared Internal Audit Staff • Municipal Finance & Governance staff • Budget & Public Finance management staff • Provincial Supply Chain Management staff • Assets & Liability Management Staff • Communication Services Staff 	<ul style="list-style-type: none"> • Education and awareness sessions on HIV and AIDS, STI's and TB management in the workplace. • Regular distribution of male and female condoms; Conducted HCT campaigns
<p>Cleaners</p>	<ul style="list-style-type: none"> • Education and awareness sessions on HIV and AIDS, STI's and TB management in the workplace. • Education and awareness sessions on Covid-19 Directives • Educational sessions and awareness on how to use cleaning detergents. • Provision of protective clothing e.g. PVC hand gloves and respiratory mask, work suits and safety shoes and education on how protective clothing
<p>Interns , learnership & Experiential learners</p>	<ul style="list-style-type: none"> • Educational sessions, HCT campaigns and medical screening provided • Regular distribution of male and female condoms; Conduct HCT campaigns

Table 3.10.4 Capped leave for the period 1 January 2021 to 31 December 2021

Salary band	Total days of capped leave taken	Number of Employees using Capped Leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2022
Highly skilled production (Levels 6-8)	0	0	0	79
Highly skilled supervision (Levels 9-12)	0	0	0	125
Lower skilled (Levels 1-2)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	67
Skilled (Levels 3-5)	0	0	0	127
TOTAL	0	0	0	108

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

Table 3.10.5 Leave payouts for the period 1 April 2021 and 31 March 2022

Reason	Total amount (R'000)	Number of employees	Estimated Average per Employee (R)
Leave payout for 2021/22 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payout on termination of service for 2021/22	263	11	23,884
Current leave payout on termination of service for 2021/22	161	23	6,986
TOTAL	424	34	30,870

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.		x	Vacant post
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	x		Two (02) employees. Annual budget of R380 000 shared with other two units (Change Management and Service Delivery; and Gender Focal Point and Diversity Management)
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	x		<ul style="list-style-type: none"> • Mental Health • COVID-19 Management • Communicable and non-communicable diseases • HIV, TB and STI Management
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	x		Functional Representative Covid-19 Steering Committee
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	x		Employment Equity Policy HIV, AIDS, STIs and TB management policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	x		*A dedicated Employee Health and Wellness programme *Educational sessions on Human rights *Mainstreaming of HIV and AIDS in the core business of the department

Question	Yes	No	Details, if yes
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	x		37 employees benefitted on integrated wellness programs and 36 attended HIV and Aids voluntary counselling and testing
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	x		Onsight integrated wellness has been coordinated. <ul style="list-style-type: none"> Disease Management report was compiled.

3.12. LABOUR RELATIONS

Table 3.12.1 Collective agreements for the period 1 April 2021 and 31 March 2022

Total number of Collective agreements	None

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2021 and 31 March 2022

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	None	N/A
Verbal warning	None	N/A
Written warning	None	N/A
Final written warning	None	N/A
Suspended without pay	None	N/A
Fine	None	N/A
Demotion	None	N/A
Dismissal	None	N/A
Not guilty	None	N/A
Case withdrawn	None	N/A
Total	None	N/A

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2021 and 31 March 2022

Type of misconduct	Number	% of total
Dishonesty	None	N/A
Total	None	N/A

Table 3.12.4 Grievances logged for the period 1 April 2021 and 31 March 2022

Grievances	Number	% of Total
Number of grievances resolved	03	100%
Number of grievances not resolved	None	N/A
Total number of grievances lodged	03	100%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2021 and 31 March 2022

Disputes	Number	% of Total
Number of disputes upheld	02	100%
Number of disputes dismissed	None	N/A
Total number of disputes lodged	03	100%

Table 3.12.6 Strike actions for the period 1 April 2021 and 31 March 2022

Total number of persons working days lost	None
Total costs working days lost	None
Amount recovered as a result of no work no pay (R'000)	None

Table 3.12.7 Precautionary suspensions for the period 1 April 2021 and 31 March 2022

Number of people suspended	None
Number of people whose suspension exceeded 30 days	None
Average number of days suspended	None
Cost of suspension(R'000)	None

3.13. SKILLS DEVELOPMENT

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

Table 3.13.1 Training needs identified for the period 1 April 2021 and 31 March 2022

Occupational category	Gender	Number of employees as at 1 April 2021	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	M	27	0	7	5	12
	F	19	0	5	3	8
Professionals	M	110	0	20	12	32
	F	77	0	35	10	45
Technicians and associate professionals	M	30	0	2	7	9
	F	78	0	15	18	33
Clerks	M	14	0	0	2	2
	F	15	0	0	4	4
Service and sales workers	M	0	0	0	0	0
	F	0	0	0	0	0
Skilled agriculture and fishery workers	M	0	0	0	0	0
	F	0	0	0	0	0
Craft and related trades workers	M	0	0	0	0	0
	F	0	0	0	0	0
Plant and machine operators and assemblers	M	0	0	0	0	0
	F	0	0	0	0	0
Elementary occupations	M	11	0	0	2	2
	F	43	0	0	3	3
Sub Total	M	192	0	29	28	57
	F	232	0	55	38	93
Total		424	0	84	66	150

Table 3.13.2 Training provided for the period 1 April 2021 and 31 March 2022

Occupational category	Gender	Number of employees as at 1 April 2021	Training provided within the reporting period			
			Learnership	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	M	27	0	10	0	10
	F	19	0	37	0	37
Professionals	M	110	0	10	0	10
	F	77	0	19	0	19
Technicians and associate professionals	M	30	0	17	0	17
	F	78	0	28	0	28
Clerks	M	14	0	5	0	5
	F	15	0	12	0	12
Service and sales workers	M	0	0	0	0	0
	F	0	0	0	0	0
Skilled agriculture and fishery workers	M	0	0	0	0	0
	F	0	0	0	0	0
Craft and related trades workers	M	0	0	0	0	0
	F	0	0	0	0	0
Plant and machine operators and assemblers	M	0	0	0	0	0
	F	0	0	0	0	0
Elementary occupations	M	11	0	0	0	0
	F	43	0	1	0	1
Sub Total	M	192	0	42	0	42
	F	232	0	97	0	97
Total		424	0	139	0	139

3.14. INJURY ON DUTY

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2021 and 31 March 2022

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

3.15. UTILISATION OF CONSULTANTS

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

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

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2020 and 31 March 2021

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021

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

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2020 and 31 March 2021

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021

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

3.16. SEVERANCE PACKAGES

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2020 and 31 March 2021

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

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**FINANCIAL
INFORMATION**

REPORT OF THE AUDITOR GENERAL

This is the auditor's report as issued by AGSA.

Report of the auditor-general to The Limpopo Provincial Legislature on vote no. 5: Limpopo Provincial Treasury

Report on the audit of the annual financial statements

Opinion

1. I have audited the separate financial statements of the Limpopo Provincial Treasury set out on pages 120 to 162, which comprise the appropriation statement, statement of financial position as at 31 March 2022, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the separate financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Limpopo Provincial Treasury as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Divisions of Revenue Act 9 of 2021 (DoRA).

Basis for opinion

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

Emphasis of matters

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

Significant uncertainty

7. With reference to note 17.1 to the financial statements, the department is a defendant in various legal claims involving suppliers. The department is opposing these claims amounting to R251 862 000 as it believes it has reasonable grounds to defend each claim. The ultimate outcome of these matters could not be determined and no provision for any liability that may result was made in the financial statements.

Irregular expenditure

8. As disclosed in note 22 to the financial statements, irregular expenditure of R3 186 000 that was incurred in the previous years was still under investigation.

Other matter

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

Unaudited supplementary schedules

10. The supplementary information set out on pages 163 to 172 does not form part of the financial statements and is presented as additional information. We have not audited these schedules and, accordingly, we do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

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

Auditor-general's responsibilities for the audit of the separate financial statements

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

Report on the audit of the annual performance report

Introduction and scope

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes

presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

16. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the department's annual performance report for the year ended 31 March 2022:

Programmes	Pages in the annual performance report
Programme 2 – Sustainable resource management	38-42

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

19. I did not identify any material findings on the usefulness and reliability of the reported performance information for programme 2: sustainable resource management.

Other matter

20. I draw attention to the matter below.

Achievement of planned targets

21. Refer to the annual performance report on pages 34 to 54 for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets.

Report on the audit of compliance with legislation

Introduction and scope

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

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

Other information

24. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the separate financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.

25. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

26. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

27. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

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

Auditor - General
Polokwane

31 July 2022



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general’s responsibility for the audit

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

Financial statements

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

Communication with those charged with governance

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



LIMPOPO PROVINCIAL TREASURY

VOTE NO. 5

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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LIMPOPO PROVINCIAL TREASURY | VOTE 5
APPROPRIATION STATEMENT
for the year ended 31 March 2022

Appropriation per programme	2021/22							2020/21	
	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
Voted funds and Direct charges									
Programme									
1. <u>ADMINISTRATION</u>	156 862	-	(1 392)	155 470	147 800	7 670	95,1%	178 609	168 603
2. <u>SUSTAINABLE RESOURCE MANAGEMENT</u>	53 292	-	600	53 892	52 614	1 278	97,6%	67 992	66 663
3. <u>ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT</u>	43 572	-	650	44 222	43 687	535	98,8%	54 739	50 609
4. <u>FINANCIAL GOVERNANCE</u>	69 476	-	23	69 499	65 276	4 223	93,9%	96 345	93 004
5. <u>SHARED INTERNAL AUDIT SERVICES</u>	39 730	-	119	39 849	39 540	309	99,2%	39 339	39 120
Programme sub total	362 932	-	-	362 932	348 917	14 015	96,1%	437 024	417 999
Statutory Appropriation	1 978	-	-	1 978	1 978	-	100,0%	1 978	1 978
MEMBERS' REMUNERATION	1 978	-	-	1 978	1 978	-	100,0%	1 978	1 978
TOTAL	364 910	-	-	364 910	350 895	14 015	96,2%	439 002	419 977
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				256 064				245 034	
Actual amounts per Statement of Financial Performance (Total Revenue)				620 974				684 036	
Actual amounts per Statement of Financial Performance Expenditure					350 895				419 977

LIMPOPO PROVINCIAL TREASURY | VOTE 5
APPROPRIATION STATEMENT
 for the year ended 31 March 2022

Appropriation per economic classification	2021/22					2020/21				
	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	R'000
Current payments	354 383	(1)	-	354 382	343 780	10 602	97,0%	416 941	405 494	
Compensation of employees	279 122	-	-	279 122	273 807	5 315	98,1%	298 742	291 209	
Salaries and wages	245 198	(9)	-	245 189	241 183	4 006	98,4%	262 848	256 133	
Social contributions	33 924	9	-	33 933	32 624	1 309	96,1%	35 894	35 076	
Goods and services	75 261	(1)	-	75 260	69 973	5 287	93,0%	118 199	114 285	
Administrative fees	1 810	(150)	-	1 660	1 375	285	82,8%	2 174	2 158	
Advertising	525	(69)	-	456	456	-	100,0%	639	599	
Minor assets	-	19	-	19	19	-	100,0%	161	33	
Audit costs: External	4 822	(631)	-	4 191	4 044	147	96,5%	4 377	4 357	
Bursaries: Employees	690	(187)	-	503	502	1	99,8%	-	-	
Catering: Departmental activities	38	28	-	66	37	29	56,1%	44	20	
Communication (G&S)	5 144	(1 075)	-	4 069	3 951	118	97,1%	4 559	4 251	
Computer services	20 889	(253)	-	20 636	18 964	1 672	91,9%	26 499	26 325	
Consultants: Business and advisory services	6 511	18	-	6 529	6 376	153	97,7%	35 144	34 469	
Legal services	300	-	-	300	177	123	59,0%	2 937	2 934	
Contractors	103	(8)	-	95	87	8	91,6%	99	66	
Fleet services (including government motor transport)	1 209	256	-	1 465	1 237	228	84,4%	1 115	1 070	
Consumable supplies	485	568	-	1 053	719	334	68,3%	1 008	872	
Consumable: Stationery, printing and office supplies	2 591	(103)	-	2 488	1 946	542	78,2%	2 733	2 261	
Operating leases	13 964	962	-	14 926	14 546	380	97,5%	16 901	16 856	
Property payments	11 825	(338)	-	11 487	11 253	234	98,0%	13 043	12 647	
Transport provided: Departmental activity	-	-	-	-	-	-	-	20	-	
Travel and subsistence	1 829	897	-	2 726	1 933	793	70,9%	1 786	1 090	
Training and development	1 298	70	-	1 368	1 356	12	99,1%	1 644	1 569	
Operating payments	693	(139)	-	554	421	133	76,0%	944	607	
Venues and facilities	535	134	-	669	574	95	85,8%	303	32	
Rental and hiring	-	-	-	-	-	-	-	2 069	2 069	
Transfers and subsidies	6 185	1	-	6 186	5 038	1 148	81,4%	17 378	12 992	
Provinces and municipalities	514	1	-	515	475	40	92,2%	747	645	
Municipalities	514	1	-	515	475	40	92,2%	747	645	
Municipal bank accounts	450	-	-	451	451	-	100,0%	747	645	
Municipal agencies and funds	64	-	-	64	24	40	37,5%	-	-	
Departmental agencies and accounts	1 230	-	-	1 230	722	508	58,7%	-	-	
Departmental agencies	1 230	-	-	1 230	722	508	58,7%	-	-	
Households	4 441	-	-	4 441	3 841	600	86,5%	16 631	12 347	
Social benefits	4 441	-	-	4 441	3 841	600	86,5%	16 509	12 225	
Other transfers to households	-	-	-	-	-	-	-	122	122	
Payments for capital assets	4 342	-	-	4 342	2 077	2 265	47,8%	4 660	1 468	
Machinery and equipment	4 300	-	-	4 300	2 077	2 223	48,3%	3 960	830	
Other machinery and equipment	4 300	-	-	4 300	2 077	2 223	48,3%	3 960	830	
Software and other intangible assets	42	-	-	42	-	42	-	700	638	
Payment for financial assets	-	-	-	-	-	-	-	23	23	
	364 910	-	-	364 910	350 895	14 015	96,2%	439 002	419 977	

LIMPOPO PROVINCIAL TREASURY | VOTE 5
APPROPRIATION STATEMENT
 for the year ended 31 March 2022

	2021/22						2020/21		
	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
Programme 1: ADMINISTRATION	156 862	-	(1 392)	155 470	147 800	7 670	95,1%	178 609	168 603
Sub programme									
1. OFFICE OF THE M.L.E.C	4 445	303	-	4 748	4 485	263	94,5%	3 774	3 426
2. MANAGEMENT SERVICES	10 909	(68)	-	10 841	10 609	232	97,9%	15 548	14 657
3. DEPUTY DIRECTOR GENERAL : CORPORATE MANAGEMENT SERVICES	8 481	420	-	8 901	8 751	150	98,3%	11 518	11 518
4. CORPORATE SERVICES	44 421	(645)	(1 392)	42 384	39 454	2 930	93,1%	50 112	46 661
5. INFORMATION MANAGEMENT	55 893	75	-	55 968	52 502	3 466	93,8%	60 601	56 789
6. FINANCIAL MANAGEMENT	32 713	(85)	-	32 628	31 999	629	98,1%	37 056	35 552
	156 862	-	(1 392)	155 470	147 800	7 670	95,1%	178 609	168 603
Economic classification									
Current payments	148 285	(1)	(210)	148 074	143 809	4 265	97,1%	166 834	160 846
Compensation of employees	100 920	-	(210)	100 710	98 952	1 758	98,3%	113 320	109 461
Salaries and wages	88 855	(281)	(210)	88 364	87 147	1 217	98,6%	99 831	96 316
Social contributions	12 065	281	-	12 346	11 805	541	95,6%	13 489	13 145
Goods and services	47 365	(1)	-	47 364	44 857	2 507	94,7%	53 514	51 385
Advertising	525	(69)	-	456	456	-	100,0%	639	599
Minor assets	-	19	-	19	19	-	100,0%	161	33
Audit costs: External	4 822	(631)	-	4 191	4 044	147	96,5%	4 377	4 357
Bursaries: Employees	690	(187)	-	503	502	1	99,8%	-	-
Catering: Departmental activities	28	17	-	45	21	24	46,7%	25	6
Communication (G&S)	5 113	(1 075)	-	4 038	3 921	117	97,1%	4 537	4 229
Computer services	3 708	176	-	3 884	3 841	43	98,9%	3 867	3 802
Consultants: Business and advisory services	597	(210)	-	387	239	148	61,8%	654	400
Legal services	300	-	-	300	177	123	59,0%	2 937	2 934
Contractors	103	(8)	-	95	87	8	91,6%	99	66
Fleet services (including government motor transport)	1 209	256	-	1 465	1 237	228	84,4%	1 115	1 070
Consumable supplies	485	568	-	1 053	719	334	68,3%	1 008	872
Consumable: Stationery, printing and office supplies	1 189	(194)	-	995	931	64	93,6%	1 343	1 211
Operating leases	13 964	962	-	14 926	14 546	380	97,5%	16 901	16 856
Property payments	11 825	(338)	-	11 487	11 253	234	98,0%	13 043	12 647
Transport provided: Departmental activity	-	-	-	-	-	-	-	20	-
Travel and subsistence	1 067	671	-	1 738	1 230	508	70,8%	859	576
Training and development	978	101	-	1 079	1 071	8	99,3%	1 284	1 284
Operating payments	681	(139)	-	542	409	133	75,5%	582	436
Venues and facilities	81	80	-	161	154	7	95,7%	63	7
Transfers and subsidies	4 908	1	(1 182)	3 727	2 586	1 141	69,4%	7 115	6 289
Provinces and municipalities	514	1	-	515	475	40	92,2%	747	645
Municipalities	514	1	-	515	475	40	92,2%	747	645
Municipal bank accounts	450	1	-	451	451	-	100,0%	747	645
Municipal agencies and funds	64	-	-	64	24	40	37,5%	-	-
Departmental agencies and accounts	1 230	-	-	1 230	722	508	58,7%	-	-
Departmental agencies	1 230	-	-	1 230	722	508	58,7%	-	-
Households	3 164	-	(1 182)	1 982	1 389	593	70,1%	6 368	5 644
Social benefits	3 164	-	(1 182)	1 982	1 389	593	70,1%	6 246	5 522
Other transfers to households	-	-	-	-	-	-	-	122	122
Payments for capital assets	3 669	-	-	3 669	1 405	2 264	38,3%	4 660	1 468
Machinery and equipment	3 627	-	-	3 627	1 405	2 222	38,7%	3 960	830
Other machinery and equipment	3 627	-	-	3 627	1 405	2 222	38,7%	3 960	830
Software and other intangible assets	42	-	-	42	-	42	-	700	638
	156 862	-	(1 392)	155 470	147 800	7 670	95,1%	178 609	168 603

LIMPOPO PROVINCIAL TREASURY | VOTE 5
APPROPRIATION STATEMENT
for the year ended 31 March 2022

	2021/22						2020/21		
	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
Programme 2: SUSTAINABLE RESOURCE MANAGEMENT									
Sub programme									
1. <u>DEPUTY DIRECTOR GENERAL: SUSTAINABLE RESOURCE MANAGEMENT</u>	2 138	113	-	2 251	2 205	46	98,0%	2 119	2 107
2. <u>ECONOMIC AND FISCAL POLICY OVERSIGHT</u>	6 142	(111)	600	6 631	5 949	682	89,7%	8 011	7 230
3. <u>BUDGET AND PUBLIC FINANCE MANAGEMENT</u>	11 493	(148)	-	11 345	11 050	295	97,4%	15 627	15 429
4. <u>MUNICIPAL FINANCE AND GOVERNANCE IN THE LOCAL GOVERNMENT SPHERE</u>	23 825	(423)	-	23 402	23 204	198	99,2%	23 210	22 993
5. <u>INFRASTRUCTURE MANAGEMENT AND PUBLIC PRIVATE PARTNERSHIP</u>	9 694	569	-	10 263	10 206	57	99,4%	19 025	18 904
	53 292	-	600	53 892	52 614	1 278	97,6%	67 992	66 663
Current payments	53 270	-	-	53 270	51 998	1 272	97,6%	67 644	66 317
Compensation of employees	52 112	-	-	52 112	51 225	887	98,3%	55 310	54 334
Salaries and wages	46 210	493	-	46 703	45 819	884	98,1%	49 352	48 500
Social contributions	5 902	(493)	-	5 409	5 406	3	99,9%	5 958	5 834
Goods and services	1 158	-	-	1 158	773	385	66,8%	12 334	11 983
Catering: Departmental activities	5	10	-	15	14	1	93,3%	-	-
Consultants: Business and advisory services	125	2	-	127	122	5	96,1%	11 310	11 301
Consumable: Stationery, printing and office supplies	702	(59)	-	643	358	285	55,7%	571	499
Travel and subsistence	254	47	-	301	220	81	73,1%	271	121
Operating payments	12	-	-	12	12	-	100,0%	182	62
Venues and facilities	60	-	-	60	47	13	78,3%	-	-
Transfers and subsidies	22	-	600	622	616	6	99,0%	348	346
Households	22	-	600	622	616	6	99,0%	348	346
Social benefits	22	-	600	622	616	6	99,0%	348	346
	53 292	-	600	53 892	52 614	1 278	97,6%	67 992	66 663

LIMPOPO PROVINCIAL TREASURY | VOTE 5
APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 3: ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT	2021/22						2020/21		
	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
Sub programme									
1. <u>DEPUTY DIRECTOR GENERAL: ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT</u>	2 245	55	-	2 300	2 270	30	98,7%	2 106	2 030
2. <u>ASSETS AND LIABILITIES MANAGEMENT</u>	18 078	(32)	440	18 486	17 983	503	97,3%	26 433	23 263
3. <u>PROVINCIAL SUPPLY CHAIN MANAGEMENT</u>	23 249	(23)	210	23 436	23 434	2	100,0%	26 200	25 316
	43 572	-	650	44 222	43 687	535	98,8%	54 739	50 609
Economic classification									
Current payments	43 572	-	210	43 782	43 248	534	98,8%	47 525	46 013
Compensation of employees	40 852	-	210	41 062	41 060	2	100,0%	44 253	43 119
Salaries and wages	36 003	41	210	36 254	36 254	-	100,0%	38 829	37 927
Social contributions	4 849	(41)	-	4 808	4 806	2	100,0%	5 424	5 192
Goods and services	2 720	-	-	2 720	2 188	532	80,4%	3 272	2 894
Administrative fees	1 800	(150)	-	1 650	1 375	275	83,3%	2 122	2 122
Catering: Departmental activities	5	-	-	5	1	4	20,0%	19	14
Consumable: Stationery, printing and office supplies	700	150	-	850	657	193	77,3%	819	551
Travel and subsistence	95	-	-	95	73	22	76,8%	182	182
Venues and facilities	120	-	-	120	82	38	68,3%	130	25
Transfers and subsidies	-	-	440	440	439	1	99,8%	7 214	4 596
Households	-	-	440	440	439	1	99,8%	7 214	4 596
Social benefits	-	-	440	440	439	1	99,8%	7 214	4 596
	43 572	-	650	44 222	43 687	535	98,8%	54 739	50 609

LIMPOPO PROVINCIAL TREASURY | VOTE 5

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Programme 4: FINANCIAL GOVERNANCE	2021/22						2020/21		
	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
Sub programme									
1. DEPUTY DIRECTOR GENERAL: FINANCIAL GOVERNANCE	26 260	299	-	26 559	25 084	1 475	94,4%	30 522	27 874
2. ACCOUNTING SERVICES	15 845	-	23	15 868	15 304	564	96,4%	21 292	20 708
3. FINANCIAL MANAGEMENT INFORMATION SYSTEMS	27 371	(299)	-	27 072	24 888	2 184	91,9%	44 531	44 422
	69 476	-	23	69 499	65 276	4 223	93,9%	96 345	93 004
Economic classification									
Current payments	67 603	-	-	67 603	63 381	4 222	93,8%	93 926	91 525
Compensation of employees	44 297	-	-	44 297	41 865	2 432	94,5%	45 687	44 125
Salaries and wages	38 314	-	-	38 314	36 645	1 669	95,6%	39 969	38 603
Social contributions	5 983	-	-	5 983	5 220	763	87,2%	5 718	5 522
Goods and services	23 306	-	-	23 306	21 516	1 790	92,3%	48 239	47 400
Administrative fees	10	-	-	10	-	10	-	16	-
Catering: Departmental activities	-	1	-	1	1	-	100,0%	-	-
Communication (G&S)	31	-	-	31	30	1	96,8%	22	22
Computer services	16 569	(383)	-	16 186	14 582	1 604	90,1%	22 012	22 012
Consultants: Business and advisory services	5 789	226	-	6 015	6 015	-	100,0%	23 162	22 768
Travel and subsistence	313	133	-	446	312	134	70,0%	308	135
Training and development	320	(31)	-	289	285	4	98,6%	360	285
Operating payments	-	-	-	-	-	-	-	180	109
Venues and facilities	274	54	-	328	291	37	88,7%	110	-
Rental and hiring	-	-	-	-	-	-	-	2 069	2 069
Transfers and subsidies	1 200	-	23	1 223	1 223	-	100,0%	2 396	1 456
Households	1 200	-	23	1 223	1 223	-	100,0%	2 396	1 456
Social benefits	1 200	-	23	1 223	1 223	-	100,0%	2 396	1 456
Payments for capital assets	673	-	-	673	672	1	99,9%	-	-
Machinery and equipment	673	-	-	673	672	1	99,9%	-	-
Other machinery and equipment	673	-	-	673	672	1	99,9%	-	-
Payment for financial assets	-	-	-	-	-	-	-	23	23
	69 476	-	23	69 499	65 276	4 223	93,9%	96 345	93 004

LIMPOPO PROVINCIAL TREASURY | VOTE 5
APPROPRIATION STATEMENT
for the year ended 31 March 2022

	2021/22							2020/21	
	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
Programme 5: SHARED INTERNAL AUDIT SERVICES									
Sub programme									
1. DEPUTY DIRECTOR GENERAL: SHARED INTERNAL AUDIT SERVICES	39 730	-	119	39 849	39 540	309	99,2%	39 339	39 120
	39 730	-	119	39 849	39 540	309	99,2%	39 339	39 120
Economic classification									
Current payments	39 675	-	-	39 675	39 366	309	99,2%	39 034	38 815
Compensation of employees	38 963	-	-	38 963	38 727	236	99,4%	38 194	38 192
Salaries and wages	34 118	(249)	-	33 869	33 633	236	99,3%	33 103	33 102
Social contributions	4 845	249	-	5 094	5 094	-	100,0%	5 091	5 090
Goods and services	712	-	-	712	639	73	89,7%	840	623
Administrative fees	-	-	-	-	-	-	-	36	36
Computer services	612	(46)	-	566	541	25	95,6%	620	511
Consultants: Business and advisory services	-	-	-	-	-	-	-	18	-
Travel and subsistence	100	46	-	146	98	48	67,1%	166	76
Transfers and subsidies	55	-	119	174	174	-	100,0%	305	305
Households	55	-	119	174	174	-	100,0%	305	305
Social benefits	55	-	119	174	174	-	100,0%	305	305
	39 730	-	119	39 849	39 540	309	99,2%	39 339	39 120

LIMPOPO PROVINCIAL TREASURY | VOTE 5
APPROPRIATION STATEMENT
for the year ended 31 March 2022

	2021/22							2020/21	
	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
Direct charges									
Sub programme									
1. MEMBERS' REMUNERATION	1 978	-	-	1 978	1 978	-	1	1 978	1 978
	1 978	-	-	1 978	1 978	-	100,0%	1 978	1 978
Economic classification									
Current payments	1 978	-	-	1 978	1 978	-	100,0%	1 978	1 978
Compensation of employees	1 978	-	-	1 978	1 978	-	100,0%	1 978	1 978
Salaries and wages	1 698	(13)	-	1 685	1 685	-	100,0%	1 764	1 685
Social contributions	280	13	-	293	293	-	100,0%	214	293
	1 978	-	-	1 978	1 978	-	100,0%	1 978	1 978

LIMPOPO PROVINCIAL TREASURY | VOTE 5

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2022

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

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

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

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

3 Detail on payments for financial assets

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

4 Explanations of material variances from Amounts Voted (after virement):**4.1 Per programme:**

Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
R'000	R'000	R'000	%

ADMINISTRATION

	155 470	147 800	7 670	5%
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In 2021/22 Programme 1 spent R149.8 million or 95.1% of its final appropriated budget of R157.5 million (2020/21: R170.6 million or 98.3% of R180.6 million budget). The underspending is as a result of non-filling of vacant funded posts. IT equipment not delivered before year end as well as Travel and Subsistence budget that was not spent due to the COVID-19 lockdowns.

SUSTAINABLE RESOURCE MANAGEMENT

	53 892	52 614	1 278	2%
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In 2021/22 Programme 2 spent a total amount of R52.6 million or 97.6% of its final appropriated budget of R53.9 million. (2020/21: R66.7 million or 98% of R67.9 million budget). The underspending is mainly due to delay in filling vacant funded posts as well as COVID-19 lockdown restrictions.

**ASSETS, LIABILITIES AND SUPPLY CHAIN
MANAGEMENT**

	44 222	43 687	535	1%
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In 2021/22 Programme 3 spent a total amount of R43.7 million or 98.8% of its appropriated budget of R44.2 million. (2020/21: R50.6 million or 92.5% of R54.7 million budget). The underspending is a result of delay in filling of the vacant funded posts.

FINANCIAL GOVERNANCE

	69 499	65 276	4 223	6%
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In 2021/22 Programme 4 spent a total amount of R65.3 million or 93.9% of its final appropriated budget of R69.5 million. (2020/21: R93 million or 96.5% of R96.3 million budget). The underspending in programme 4 is as a result of the delay in the filling of the vacant funded posts, delay in the procurement process to appoint the forensic audit service provider that could not be finalised before year end.

SHARED INTERNAL AUDIT SERVICES

	39 849	39 540	309	1%
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In 2021/22 Programme 5 spent a total amount of R39.5 million or 99.2% of its final appropriated budget of R39.9 million. (2020/21: R39.1 million or 99.4% of R39.3 million budget)

LIMPOPO PROVINCIAL TREASURY | VOTE 5

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2022

4,2 Per economic classification:

Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
R'000	R'000	R'000	%

Current expenditure

Compensation of employees	279 122	273 807	5315	2%
Goods and services	75 260	69 973	5287	7%
Interest and rent on land				

Transfers and subsidies

Provinces and municipalities	515	475	40	8%
Departmental agencies and accounts	1 230	722	508	41%
Households	4 441	3 841	600	14%

Payments for capital assets

Machinery and equipment	4300	2077	2223	52%
Software and other intangible assets	42	0	42	100%

Payments for financial assets**Compensation of employees**

The department spent R273.8 million or 98.1% of its final COE appropriation of R279.1 million during 2021/22 financial year. (2020/21: R291.2 million or 97.5% of R298.7 million budget). The underspending is as a result of delays in filling vacant funded posts before year end.

Goods and services

The department spent R69.9 million or 93.0% of its final appropriation of R75.3 million during the year 2021/22. (2020/21: R114.4 million or 96.7% of R118.2 million budget). The underspending is as result of underspending on non-core items such as travel & subsistence and the impact of the National Lockdown due to COVID-19 which negatively affected spending.

Transfers and Subsidies

The department spent R5.0 million or 81.4% of its final appropriation of R6.2 million during the year 2021/22. (2020/21: R12.9 million or 74.8% of R17.4 million budget).

Machinery and equipment

The department spent R2.1 million or 47.8% of its final appropriation of R4.3 million during 2021/22 financial year. (2020/21: R1.5 million or 31.51% of R 4.6 million budget). The underspending is as a result of non- delivery of procured IT equipments before year end.

LIMPOPO PROVINCIAL TREASURY | VOTE 5
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2022

		2021/22	2020/21
REVENUE	<i>Note</i>	R'000	R'000
Annual appropriation	1	362 932	437 024
Statutory appropriation	2	1 978	1 978
Departmental revenue	3	256 064	245 034
TOTAL REVENUE		620 974	684 036
EXPENDITURE			
Current expenditure			
Compensation of employees	4	273 807	291 209
Goods and services	5	69 973	114 285
Total current expenditure		343 780	405 494
Transfers and subsidies			
Transfers and subsidies	7	5 038	12 992
Total transfers and subsidies		5 038	12 992
Expenditure for capital assets			
Tangible assets	8	2 077	830
Intangible assets	8	-	638
Total expenditure for capital assets		2 077	1 468
Payments for financial assets	6	-	23
TOTAL EXPENDITURE		350 895	419 977
SURPLUS/(DEFICIT) FOR THE YEAR		270 079	264 059
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		14 015	19 025
Annual appropriation		14 015	19 025
Departmental revenue and NRF Receipts	13	256 064	245 034
SURPLUS/(DEFICIT) FOR THE YEAR		270 079	264 059

LIMPOPO PROVINCIAL TREASURY | VOTE 5 STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

ASSETS	Note	2021/22	2020/21
		R'000	R'000
Current Assets		13 936	22 124
Cash an cash equivalents	<u>9</u>	11 563	19 477
Receivables	<u>11</u>	2 373	2 647
Non-Current Assets		327	503
Receivables	<u>11</u>	327	503
TOTAL ASSETS		14 263	22 627
LIABILITIES			
Current Liabilities		14 088	22 487
Voted funds to be surrendered to the Revenue Fund	<u>12</u>	14 015	19 025
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>13</u>	14	1 627
Payables	<u>14</u>	59	1 835
TOTAL LIABILITIES		14 088	22 487
NET ASSETS		175	140
Represented by:			
Recoverable revenue		175	140
TOTAL		175	140

LIMPOPO PROVINCIAL TREASURY | VOTE 5
STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2022

NET ASSETS		2021/22	2020/21
	Note	R'000	R'000
Recoverable revenue			
Opening balance		140	154
Transfers		35	(14)
Irrecoverable amounts written off	<u>6.1</u>	-	(23)
Debts recovered (included in departmental receipts)		(60)	(180)
Debts raised		95	189
Closing balance		175	140
TOTAL		175	140

LIMPOPO PROVINCIAL TREASURY | VOTE 5
CASH FLOW STATEMENTS
for the year ended 31 March 2022

		2021/22	2020/21
	Note	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		620 974	684 036
Annual appropriated funds received	<u>1</u>	362 932	437 024
Statutory appropriated funds received	<u>2</u>	1 978	1 978
Departmental revenue received	<u>3</u>	1 256	578
Interest received	<u>3.2</u>	254 808	244 456
Net (increase)/ decrease in working capital		(1 502)	458
Surrendered to Revenue Fund		(276 702)	(270 511)
Current payments		(343 780)	(405 494)
Payments for financial assets		-	(23)
Transfers and subsidies paid		(5 038)	(12 992)
Net cash flow available from operating activities	<u>15</u>	(6 048)	(4 526)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	<u>8</u>	(2 077)	(1 468)
(Increase)/decrease in non-current receivables	<u>11</u>	176	(1)
Net cash flows from investing activities		(1 901)	(1 469)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		35	(14)
Net cash flows from financing activities		35	(14)
Net increase/ (decrease) in cash and cash equivalents		(7 914)	(6 009)
Cash and cash equivalents at beginning of period		19 477	25 486
Cash and cash equivalents at end of period	<u>16</u>	11 563	19 477

LIMPOPO PROVINCIAL TREASURY | VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

4.1. ACCOUNTING POLICIES

Summary of significant accounting policies

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

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation. Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1	<p>Basis of preparation</p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
2	<p>Going concern</p> <p>The financial statements have been prepared on a going concern basis.</p>
3	<p>Presentation currency</p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
4	<p>Rounding</p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
5	<p>Comparative information</p>
5.1	<p>Prior period comparative information</p> <p>Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period</p>

LIMPOPO PROVINCIAL TREASURY | VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

	financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year financial statements.
5.2	<p>Current year comparison with budget</p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
6	Revenue
6.1	<p>Appropriated funds</p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>The net amount of any appropriated funds due to/from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
6.2	<p>Departmental revenue</p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
7	Expenditure
7.1	Compensation of employees
7.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>

LIMPOPO PROVINCIAL TREASURY | VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

7.1.2	<p>Social contributions</p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
7.2	<p>Other expenditure</p> <p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p>
7.3	<p>Accruals and payables not recognised</p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.</p>
7.4	<p>Leases</p>
7.4.1	<p>Operating leases</p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.</p> <p>The operating lease commitments are recorded in the notes to the financial statements. Where the lease contract term has expired, and the lease continues on a month to month rental basis, the department records a potential commitment to the lease based on previous practice and other objective evidence regarding the lease renewal that is available at the time of approving the financial statements.</p>
7.4.2	<p>Finance leases</p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.</p>

LIMPOPO PROVINCIAL TREASURY | VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

	<p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
8	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>
9	<p>Prepayments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p>Prepayments and advances are expensed in the performance statement if the amount paid was budgeted for or are immaterial.</p>
10	<p>Loans and receivables</p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write off policy.</p>
11	<p>Financial assets</p>
11.1	<p>Financial assets (not covered elsewhere)</p> <p>A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.</p>

LIMPOPO PROVINCIAL TREASURY | VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

	At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
11.2	<p>Impairment of financial assets</p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>
12.	<p>Payables</p> <p>Loans and payables are recognised in the statement of financial position at cost.</p>
13	<p>Capital Assets</p>
13.1	<p>Movable capital assets</p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>
13.2	<p>Intangible assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p>

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	<p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
14.	Provisions and Contingents
14.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
14.2	<p>Contingent liabilities</p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>

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14.3	Contingent assets
	Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
14.4	Capital Commitments
	Capital commitments are recorded at cost in the notes to the financial statements.
15	Unauthorised expenditure
	<p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
16	Fruitless and wasteful expenditure
	<p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery or written off..</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>

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17	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note. Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable. Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
18	<p>Changes in accounting estimates and errors</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
19	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
20	<p>Capitalisation reserve</p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>

LIMPOPO PROVINCIAL TREASURY | VOTE 5
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21	Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
22	Related party transactions Related party transactions within the MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.
23	Employee benefits The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

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for the year ended 31 March 2022

	2021/22			2020/21		
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Final Appropriation	Appropriation Received	Funds not requested/ not received
	R'000	R'000	R'000	R'000	R'000	R'000
1 1.1 Annual Appropriation						
Programmes						
1 ADMINISTRATION	155 470	155 470	-	178 609	178 609	-
2 SUSTAINABLE RESOURCE MANAGEMENT	53 892	53 892	-	67 992	67 992	-
3 ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT	44 222	44 222	-	54 739	54 739	-
4 FINANCIAL GOVERNANCE	69 499	69 499	-	96 345	96 345	-
5 SHARED INTERNAL AUDIT SERVICES	39 849	39 849	-	39 339	39 339	-
Total	362 932	362 932	-	437 024	437 024	-

	Note	2021/22	2020/21
		R'000	R'000
2 Statutory Appropriation			
MEMBERS' REMUNERATION		1 978	1 978
		1 978	1 978
Actual Statutory Appropriation received		1 978	1 978

	Note	2021/22	2020/21
		R'000	R'000
3 Departmental Revenue			
Sales of goods and services other than capital assets	<u>3.1</u>	269	305
Interest, dividends and rent on land	<u>3.2</u>	254 808	244 456
Transactions in financial assets and liabilities	<u>3.3</u>	987	273
Total revenue collected		256 064	245 034
Departmental revenue collected		256 064	245 034

	Note	2021/22	2020/21
		R'000	R'000
3.1 Sales of goods and services other than capital assets	<u>3</u>		
Sales of goods and services produced by the department		269	299
Sales by market establishment		100	116
Other sales		169	183
Sales of scrap, waste and other used current goods		-	6
Total		269	305

	Note	2021/22	2020/21
		R'000	R'000
3.2 Interest, dividends and rent on land	<u>3</u>		
Interest		254 808	244 456
Total		254 808	244 456

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for the year ended 31 March 2022

	2021/22	2020/21
<i>Note</i>	R'000	R'000
3.3 Transactions in financial assets and liabilities	<u>3</u>	
Other Receipts including Recoverable Revenue	987	273
Total	987	273
	2021/22	2020/21
	R'000	R'000
3.4 Donations received in-kind (not included in the main note)	<u>3</u>	
Standard Bank South Africa		
• Wheelchairs	62	-
• Budget day	290	-
Total	352	-
	2021/22	2020/21
	R'000	R'000
4 Compensation of Employees		
4.1 Salaries and wages		
Basic salary	190 895	208 434
Performance award	1 291	2 016
Service Based	327	385
Compensative/circumstantial	644	1 245
Other non-pensionable allowances	48 025	44 053
Total	241 182	256 133
	2021/22	2020/21
	R'000	R'000
4.2 Social Contributions		
Employer contributions		
Pension	23 827	25 936
Medical	8 754	9 092
Bargaining council	44	48
Total	32 625	35 076
Total compensation of employees	273 807	291 209
Average number of employees	404	466

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for the year ended 31 March 2022

5	2021/22		2020/21	
	Note	R'000	R'000	R'000
Goods and services				
Administrative fees		1 375		2 158
Advertising		456		599
Minor assets	<u>5.1</u>	19		33
Bursaries (employees)		502		-
Catering		37		20
Communication		3 951		4 251
Computer services	<u>5.2</u>	18 964		26 325
Consultants: Business and advisory services		6 376		34 469
Legal services		177		2 934
Contractors		87		66
Audit cost – external	<u>5.3</u>	4 044		4 357
Fleet services		1 237		1 070
Consumables	<u>5.4</u>	2 665		3 132
Operating leases		14 546		16 857
Property payments	<u>5.5</u>	11 253		12 647
Rental and hiring		-		2 069
Travel and subsistence	<u>5.6</u>	1 933		1 090
Venues and facilities		574		32
Training and development		1 356		1 569
Other operating expenditure	<u>5.7</u>	421		607
Total		69 973		114 285

		2021/22		2020/21	
		Note	R'000	R'000	R'000
5.1 Minor assets		<u>5</u>			
Tangible assets			19		33
Machinery and equipment			19		33
Total			19		33

		2021/22		2020/21	
		Note	R'000	R'000	R'000
5.2 Computer services		<u>5</u>			
SITA computer services			12 121		14 501
External computer service providers			6 843		11 824
Total			18 964		26 325

		2021/22		2020/21	
		Note	R'000	R'000	R'000
5.3 Audit cost – external		<u>5</u>			
Regularity audits			4 044		4 357
Total			4 044		4 357

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for the year ended 31 March 2022

	2021/22	2020/21
Note	R'000	R'000
5.4 Consumables	<u>5</u>	
Consumable supplies	719	871
Uniform and clothing	17	33
Household supplies	428	544
Building material and supplies	-	36
IT consumables	-	223
Other consumables	274	35
Stationery, printing and office supplies	1 946	2 261
Total	2 665	3 132
	<u>5</u>	
5.5 Property payments		
Municipal services	2 181	2 009
Property maintenance and repairs	244	1 898
Other	8 828	8 740
Total	11 253	12 647
	<u>5</u>	
5.6 Travel and subsistence		
Local	1 933	1 090
Total	1 933	1 090
	<u>5</u>	
5.7 Other operating expenditure		
Professional bodies, membership and subscription fees	273	283
Resettlement costs	11	62
Other	137	262
Total	421	607
	<u>5</u>	
5.8 Remuneration of members of a commission or committee (Included in Consultants: Business and advisory services)		
Name of Commission / Committee	No. of members	
Risk Committee	1	186
Audit Committee	17	5 185
Total		4 139
	<u>5</u>	
6 Payments for financial assets		
Debts written off	6.1	23
Total		23

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for the year ended 31 March 2022

		2021/22	2020/21
	Note	R'000	R'000
6.1 Debts written off			
Nature of debts written off	<u>6</u>		
Recoverable revenue written off			
Fruitless and Wasteful Expenditure		-	23
Total		-	23
Total debt written off		-	23

		2021/22	2020/21
	Note	R'000	R'000
7 Transfers and Subsidies			
Provinces and municipalities	30	475	645
Departmental agencies and accounts	ANNEXURE 1B	722	-
Households	ANNEXURE 1C	3 841	12 347
Total		5 038	12 992

		2021/22	2020/21
	Note	R'000	R'000
8 Expenditure for capital assets			
Tangible assets		2 077	830
Machinery and equipment	<u>26</u>	2 077	830
Intangible assets		-	638
Software	<u>27</u>	-	638
Total		2 077	1 468

8.1 Analysis of funds utilised to acquire capital assets - 2021/22

	Voted Funds	Aid assistance	TOTAL
	R'000	R'000	R'000
Tangible assets	2 077	-	2 077
Machinery and equipment	2 077	-	2 077
Total	2 077	-	2 077

8.2 Analysis of funds utilised to acquire capital assets - 2020/21

	Voted Funds	Aid assistance	TOTAL
	R'000	R'000	R'000
Tangible assets	830	-	830
Machinery and equipment	830	-	830
Intangible assets	638	-	638
Software	638	-	638
Total	1 468	-	1 468

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		2021/22	2020/21
		R'000	R'000
8.3	Finance lease expenditure included in Expenditure for capital assets		
	Tangible assets		
	Machinery and equipment	144	108
	Total	144	108

		2021/22	2020/21
		R'000	R'000
9	Cash and Cash Equivalents		
	Consolidated Paymaster General Account	11 563	19 477
	Total	11 563	19 477

		2021/22	2020/21
		R'000	R'000
10	Prepayments and Advances		
	10.1 Prepayments (Expensed)		
		'Balance as at 1 April 2021	Less: Received in the current year
		Add/Less: Other	Add: Current Year prepayments
		Amount as at 31 March 2022	
		R'000	R'000
	<i>Listed by economic classification</i>		
	Goods and services	1 253	(1 253)
	Total	1 253	(1 253)

		'Balance as at 1 April 2020	Less: Received in the current year	Add/Less: Other	Add: Current Year prepayments	Amount as at 31 March 2021
		R'000	R'000	R'000	R'000	R'000
	Prepayments (Expensed)					
	<i>Listed by economic classification</i>					
	Goods and services	1 720	(1 720)	-	1 253	1 253
	Total	1 720	(1 720)	-	1 253	1 253

		2021/22			2020/21		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
11	Receivables						
	Claims recoverable	115	-	115	517	-	517
	Staff debt	178	20	198	166	21	187
	Fruitless and wasteful expenditure	-	-	-	2	-	2
	Other receivables	2 080	307	2 387	1 962	482	2 444
	Total	2 373	327	2 700	2 647	503	3 150

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for the year ended 31 March 2022

	2021/22	2020/21
	R'000	R'000
11.1 Claims recoverable		
Provincial departments	115	517
Total	115	517
11.2 Staff debt		
Loss of Official Laptop	128	132
Overpayment on salary	27	10
Tax Debt	13	13
Leave Without Pay	28	28
Other	2	4
Total	198	187
11.3 Other receivables		
Tax Debt	2	3
Overpayment on Salary	2 318	2 393
Other	67	48
Total	2 387	2 444
11.4 Fruitless and wasteful expenditure		
Opening balance	2	-
Less amounts recovered	(2)	(12)
Less amounts written off	-	(23)
Transfers from note 32 Fruitless and Wasteful expenditure	-	37
Total	-	2
12 Voted Funds to be Surrendered to the Revenue Fund		
Opening balance	19 025	25 562
Transfer from statement of financial performance (as restated)	14 015	19 025
Paid during the year	(19 025)	(25 562)
Closing balance	14 015	19 025
13 Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund		
Opening balance	1 627	1 542
Transfer from Statement of Financial Performance (as restated)	256 064	245 034
Paid during the year	(257 677)	(244 949)
Closing balance	14	1 627

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for the year ended 31 March 2022

		2021/22	2020/21
	Note	R'000	R'000
14 Payables - current			
Clearing accounts	14	-	1 798
Other payables	14	59	37
Total		59	1 835
		2021/22	2020/21
	Note	R'000	R'000
14.1 Clearing accounts	14		
Salary Related		-	1 798
Total		-	1 798
		2021/22	2020/21
	Note	R'000	R'000
14.2 Other payables	14		
Salary Related		59	37
Total		59	37
		2021/22	2020/21
	Note	R'000	R'000
15 Net cash flow available from operating activities			
Net surplus/(deficit) as per Statement of Financial Performance		270 079	264 059
Add back non cash/cash movements not deemed operating activities		(276 127)	(268 585)
(Increase)/decrease in receivables		274	(432)
Increase/(decrease) in payables – current		(1 776)	890
Expenditure on capital assets		2 077	1 468
Surrenders to Revenue Fund		(276 702)	(270 511)
Net cash flow generated by operating activities		(6 048)	(4 526)
		2021/22	2020/21
		R'000	R'000
16 Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		11 563	19 477
Total		11 563	19 477
		2021/22	2020/21
		R'000	R'000
17 Contingent liabilities and contingent assets			
17.1 Contingent liabilities			
Liable to	Nature		
Housing loan guarantees	Employees Annex 2A	107	310
Claims against the department	Annex 2B	251 755	251 755
Intergovernmental payables (unconfirmed balances)	Annex 4	-	2 100
Total		251 862	254 165

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for the year ended 31 March 2022

		2021/22		2020/21	
		R'000	R'000	R'000	R'000
17.2	Contingent assets				
	Nature of contingent asset	Note	R'000	R'000	R'000
	Claims against a supplier		98 000		98 000
	Over-utilisation of cell phones		188		188
	Total		98 188		98 188
18	Capital commitments				
	Machinery and equipment		827		-
	Total		827		-
19	Accruals and payables not recognised				
	19.1 Accruals				
	Listed by economic classification	30 days	30+ days	Total	Total
	Goods and services	2 041	-	2 041	1 294
	Capital assets	-	-	-	816
	Total	2 041	-	2 041	2 110
	Listed by programme level				
	Administration		1 939		943
	Sustainable Resources Management		60		4
	Assets, liabilities and Supply Chain Management		-		26
	Financial Governance		28		1 127
	Shared Internal Audit Services		14		10
	Total		2 041		2 110
	19.2 Payables not recognised				
	Listed by economic classification	30 days	30+ days	Total	Total
	Goods and services	144	-	144	26
	Other	615	-	615	-
	Total	759	-	759	26
	Listed by programme level				
	Administration		2		16
	Sustainable Resources Management		615		2
	Assets, liabilities and Supply Chain Management		-		7
	Financial Governance		117		-
	Shared Internal Audit Services		25		1
	Total		759		26

LIMPOPO PROVINCIAL TREASURY | VOTE 5

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

		2021/22	2020/21
	Note	R'000	R'000
<i>Included in the above totals are the following:</i>			
Confirmed balances with departments	Annex 4	615	-
Total		615	-

		2021/22	2020/21
	Note	R'000	R'000
20 Employee benefits			
Leave entitlement		16 001	17 291
Service bonus		7 019	7 480
Performance awards		-	1 417
Capped leave		25 265	28 085
Other		302	356
Total		48 587	54 629

The leave entitlement is net of negative leave of R65 thousands due to some employees utilising their new leave cycle (1 January 2022-31 December 2022) credits in excess of the leave days accrued to them as at 31 March 2022. Leaves captured after 31 March 2022 (- 30) has been factored into leave entitlement amount. Included in other employee benefits is an amount in relation to long service awards.

21 Lease commitments

21.1 Operating leases

2021/22	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	15 521	-	15 521
Later than 1 year and not later than 5 years	-	-	4 367	-	4 367
Later than five years	-	-	-	-	-
Total lease commitments	-	-	19 888	-	19 888

2020/21	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	15 065	-	15 065
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than five years	-	-	-	-	-
Total lease commitments	-	-	15 065	-	15 065

The lease contract has expired (except for Talals Properties) and the Department does not intend to vacate the buildings within the next 12 months. Where the department does not have a lease agreement a potential commitment of 12 months have been raised based on past practices.

21.2 Finance leases **

2021/22	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	72	72
Later than 1 year and not later than 5 years	-	-	-	79	79
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	151	151

2020/21	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	139	139
Later than 1 year and not later than 5 years	-	-	-	168	168
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	307	307

The Department participates in the National Transversal Contract RT15 of 2016 and the amount of commitment cannot be quantified as there is no fixed monthly cost.

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		2021/22	2020/21
	<i>Note</i>	R'000	R'000
22 Irregular expenditure			
23.1 Reconciliation of irregular expenditure			
Opening balance		3 186	3 186
Closing balance		<u>3 186</u>	<u>3 186</u>
Analysis of closing balance			
Prior years		3 186	3 186
Total		<u>3 186</u>	<u>3 186</u>

The department went to court and bargaining council about this irregular expenditure. The department is in the process of doing recalculation of this amount and there is a possibility that this amount can be reduced.

		2021/22	2020/21
	<i>Note</i>	R'000	R'000
23 Fruitless and wasteful expenditure			
23.1 Reconciliation of fruitless and wasteful expenditure			
Opening balance		-	37
Less: Amounts recoverable	<u>11.4</u>	-	(37)
Closing balance		<u>-</u>	<u>-</u>

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24 Related party transactions	2021/22		2020/21	
	Note	R'000	R'000	R'000
In kind goods and services provided/received				
<i>List in kind goods and services between department and related party</i>				
Provided/Received in kind				-
Provincial treasury renders transversal functions in relation to Audit Committees to all provincial departments, excluding the Provincial Legislature.				
Department of Education		629		478
Department of Social Development		444		353
Office of the Premier		389		291
Department of Public Works		603		453
CoGHSTA		373		294
Department of Sport, Arts & Culture		389		291
Department of Health		653		492
Department of Transport Community Safety		374		300
Department of Agriculture		583		491
Department of Economic Development, Environment & Tourism		374		300
Provincial Treasury renders transversal functions in relation to Internal Audit services to all provincial departments, excluding the Provincial Legislature.				
Department of Education		4 658		5,640
Department of Social Development		3 721		4,162
Office of the Premier		2 803		1,847
Department of Public Works		5 626		3,848
CoGHSTA		2 828		2,486
Department of Sport, Arts & Culture		3 025		3,583
Department of Health		3 831		2,847
Department of Transport Community Safety		3 009		2,445
Department of Agriculture		3 276		3,493
Department of Economic Development, Environment & Tourism		2 798		2,445
Provincial Treasury renders services to other Departments				
Department of Agriculture		659		-
Gateway Airport Authority Limited		-		745
Department of Health		-		515
Total		41 045		38 820

LIMPOPO PROVINCIAL TREASURY | VOTE 5 NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

List related party relationships and the nature thereof

1. Provincial Treasury has a related party relationship with the Department of Public Works, Roads & Infrastructure as Provincial.
2. Provincial Treasury is related to all government departments in Limpopo because we are under common control of the Legislature.
3. Provincial Treasury paid the to cost implement the Asset Management System BAUD for all provincial departments however the cost cannot be quantified in terms of each department.
4. Provincial Treasury renereed support to a number of Municipalities, Public entities and departments in the province, however the cost cannot be quantified.
5. Provincial Treasury has appointed The Government Thechnical Advisory Centre (GTAC) to assist infrastructure departments and municipalities in the province, however the cost cannot be quatified for each instutution.
6. Provincial Treasury has sourced a provincial Risk Management Software which is used by all Provincial departments at no cost.
7. Limpopo Provincial Treasury seconded official to Department of Agriculture.
8. Department of Health purchased personal protective equipment and provided it to Limpopo Provincial Treasury at no cost.

	2021/22		2020/21	
	No. of Individuals	R'000	R'000	R'000
25 Key management personnel				
Political office bearers (provide detail below)	1	1 978	1 978	
Officials:				-
Level 15 to 16	7	12 023	9 016	
Level 14 (incl CFO)	12	13 066	13 603	
Level 13	9	10 262	8 308	
Family members of key management personnel	1	144	383	
Total		37 473	33 288	

26 Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT	56 379	-	1 165	416	57 128
Transport assets	9 469	-	-	-	9 469
Computer equipment	33 928	-	1 050	416	34 562
Furniture and office equipment	7 284	-	-	-	7 284
Other machinery and equipment	5 698	-	115	-	5 813
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	56 379	-	1 165	416	57 128

Included in the opening balance is the amount of R 816 thousands for assets which were received in the prior year and paid in the current financial year. Non-cash additions amounting to R48k were included due to the replacement of lost/stolen assets. Assets amounting to R416 were disposed through write off.

Movable Tangible Capital Assets under investigation

	Number	Value R'000
under investigation:		
Machinery and equipment	6	117

Assets that could not be located at their respective locations. Assets referred to Security and Investigation for further investigations.

LIMPOPO PROVINCIAL TREASURY | VOTE 5 NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	54 984	184	1 538	327	56 379
Transport assets	9 469	-	-	-	9 469
Computer equipment	32 581	121	1 538	312	33 928
Furniture and office equipment	7 236	63	-	15	7 284
Other machinery and equipment	5 698	-	-	-	5 698
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	54 984	184	1 538	327	56 379

26.1.1 Prior period error

Nature of prior period error

Adjustment of of prior year opening balance to correct erroneously disposed asstes

Computer Equipment

Furniture and office equipment

Total

Note	2020/21
	R'000
	184
	121
	63
Total	184

Assets which were erroneously disposed in the previous years but were verified in the current verification cycle.

26.2 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	9 219	-	9 219
Value adjustments	-	-	-	-	-	-
Additions	-	-	-	13	-	13
Disposals	-	-	-	21	-	21
TOTAL MINOR ASSETS	-	-	-	9 211	-	9 211

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	72	-	72
Number of minor assets at cost	-	-	-	4 363	-	4 363
ASSETS	-	-	-	4 435	-	4 435

Included in the opening balance for the year under review are assets amounting to R12 thousands which were received in the previous financial year but paid in the current year. Assets amounting to R6 thousands were fair valued and included in the Asset register as non-cash additions.

Assets amounting to R6 thousands were previously written off in the asset register and currently re-instated in AR. Assets amounting to R21 thousands were disposed through write-offs.

Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	9 225	-	9 225
error	-	-	-	6	-	6
Additions	-	-	-	45	-	45
Disposals	-	-	-	57	-	57
TOTAL MINOR ASSETS	-	-	-	9 219	-	9 219

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	72	-	72
Number of minor assets at cost	-	-	-	4 368	-	4 368
ASSETS	-	-	-	4 440	-	4 440

LIMPOPO PROVINCIAL TREASURY | VOTE 5 NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

26.2.1 Prior period error

	Note	2020/21
		R'000
Nature of prior period error		
Relating to 2020/21 (affecting the opening balance)		6
Total		6

Assets which were erroneously disposed in the previous years but were verified in the current verification cycle. Assets will be re-instated and form part of the asset register

26.3 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2022

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	432	-	432
WRITTEN OFF	-	-	-	432	-	432

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2021

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	384	-	384
WRITTEN OFF	-	-	-	384	-	384

Assets written off amount consists of assets not traceable/unverified/lost

27 Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	638	-	-	638
TOTAL INTANGIBLE CAPITAL ASSETS	638	-	-	638

Movement for 2020/21

27.1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	-	-	638	-	638
TOTAL INTANGIBLE CAPITAL ASSETS	-	-	638	-	638

LIMPOPO PROVINCIAL TREASURY | VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

28 Prior period errors

	2020/21		
	Amount bef error correction	Prior period error	Restated amount
Note	R'000	R'000	R'000
28.1 Correction of prior period errors			
<i>revenue, Movable tangible capital assets, etc.)</i>			
Prior Period error Minor Assets	9 213	6	9 219
Prior Period error Major Assets	56 195	184	56 379
Net effect	65 408	190	65 598

29 INVENTORIES (Effective from date determined in a Treasury instruction)**29.1 Inventories for the year ended 31 March 2022**

	Insert major category	Insert major category	Insert major category	Insert major category	Total
Note	R'000	R'000	R'000	R'000	R'000
	<u>Annexure 6</u>				
Opening balance	-	-	-	-	-
Add: Additions - Non-cash	62	-	-	-	62
(Less): Disposals	(62)	-	-	-	(62)
Closing balance	-	-	-	-	-

LIMPOPO PROVINCIAL TREASURY | VOTE 5
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

30. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	2021/22				2020/21				
	GRANT ALLOCATION		TRANSFER		GRANT ALLOCATION		TRANSFER		
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Division of Revenue Act	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Polokwane Municipality	-	-	-	-	475	-	-	-	645
	-	-	-	-	475	-	-	-	645

LIMPOPO PROVINCIAL TREASURY | VOTE 5 NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

31 BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

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

	2021/22	2020/21
Note	R'000	R'000
32 COVID 19 Response Expenditure		
Goods and services	331	335
Total	331	335

ANNEXURE 6

LIMPOPO PROVINCIAL TREASURY | VOTE 5
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2020/21		
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual Transfer	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Polokwane Municipality	-	-	-	-	475	-	-	-	-	-	-	-	-	645
Total	-	-	-	-	475	-	-	-	-	-	-	-	-	645

LIMPOPO PROVINCIAL TREASURY | VOTE 5
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 1B
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2020/21 Final Appropriation
	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
Skills Development Levy	-	-	-	-	722	-	-
Total	-	-	-	-	722	-	-

LIMPOPO PROVINCIAL TREASURY | VOTE 5
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 1C
STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION			EXPENDITURE		
	Adjusted appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	2020/21 Final Appropriation R'000
Transfers						
Injury on Duty	-	-	-	-	5	13
Leave Graruity	-	-	-	-	3 814	7 384
Bursaries (Non Employee)	-	-	-	-	-	122
Pension Fund Ersly Retirement Penalties	-	-	-	-	-	4 828
Claims Against Department	-	-	-	-	22	-
	-	-	-	-	3 841	12 347
Total	-	-	-	-	3 841	12 347

LIMPOPO PROVINCIAL TREASURY | VOTE 5
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 1D

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP		2021/22	2020/21
			R'000	R'000
Received in kind				
Standard Bank South Africa			62	-
Wheelchairs			290	-
Budget day(uncornfirmed)			352	-
Subtotal			352	-
TOTAL			352	-

LIMPOPO PROVINCIAL TREASURY | VOTE 5
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2022

NATURE OF LIABILITY	Opening balance 1 April 2021	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2022
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Contractual Dispute by Supplier	250 000	-	-	-	250 000
Breach of Security Service contract	1 755	-	-	-	1 755
Subtotal	251 755	-	-	-	251 755
TOTAL	251 755	-	-	-	251 755

LIMPOPO PROVINCIAL TREASURY | VOTE 5
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 3
CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Limpopo Department of Economic Development	71	-	-	536	71	536
Limpopo Department of Community Safety	-	-	-	4	-	4
Limpopo Department of Sport, Arts and Culture	-	-	1 478	-	1 478	-
Limpopo Department of Agriculture, Land Reform and	44	-	-	-	44	-
	115	-	1 478	540	1 593	540
OTHER GOVERNMENT ENTITIES						
Modimolle-Mookgophong Municipality	-	-	216	216	216	216
SARS	-	-	820	-	820	-
	-	-	1 036	216	1 036	216
Total	115	-	2 514	756	2 629	756

LIMPOPO PROVINCIAL TREASURY | VOTE 5
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Limpopo Department of Agriculture, Land Reform and Rural Development	615	-	-	-	615	-
Subtotal	615	-	-	-	615	-
Total Departments	615	-	-	-	615	-
OTHER GOVERNMENT ENTITY						
Current						
SARS	-	-	-	2 100	-	2 100
Subtotal	-	-	-	2 100	-	2 100
Total Other Government Entities	-	-	-	2 100	-	2 100
TOTAL INTERGOVERNMENTAL PAYABLES	615	-	-	2 100	615	2 100

LIMPOPO PROVINCIAL TREASURY | VOTE 5
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 5
INVENTORIES

INVENTORIES FOR THE YEAR ENDED *Note*
31 MARCH 2022

	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	TOTAL R'000
Opening balance	-	-	-	-	-
Add: Additions - Non-cash	62	-	-	-	62
(Less): Disposals	(62)	-	-	-	(62)
Closing balance	-	-	-	-	-

LIMPOPO PROVINCIAL TREASURY | VOTE 5 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

ANNEXURE 6

COVID 19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	APRIL 2021	MAY 2021	JUN 2021	Subtotal Q1	JUL 2021	AUG 2021	SEPT 2021	Subtotal Q2	OCT 2021	NOV 2021	DEC 2021	Subtotal Q3	JAN 2022	FEB 2022	MAR 2022	Subtotal Q4	2021/22 TOTAL	2020/21 TOTAL	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Goods services	-	34	2	36	-	243	-	243	42	-	-	42	-	-	10	10	331	335	
<i>Please list all the applicable SCOA level 4 items:</i>																			
Minor Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13
Consumable Supplies	-	34	-	34	-	223	-	223	42	-	-	42	-	-	9	9	308	159	
Property Payments	-	-	2	2	-	20	-	20	-	-	-	-	-	-	-	-	22	163	
Contractors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1	1	-	
TOTAL COVID 19 RESPONSE EXPENDITURE	-	34	2	36	-	243	-	243	42	-	-	42	-	-	10	10	331	335	

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