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# 1. PART A: GENERAL INFORMATION

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Abbr./Acronym	Descriptions
AFS	Annual Financial Statements
AGSA	Auditor General South Africa
APP	Annual Performance Plan
CFO	Chief Financial Officer
COID	Compensation for Occupational Injuries and Diseases
CPA	Commonwealth Parliamentary Association
CRR	Capital Replacement Reserve
DBSA	Development Bank of Southern Africa
FIFO	First-in, first-out
ERP	Enterprise Resource Planning
FMPPLA	Financial Management of Parliaments and Provincial Legislatures (Act no. 10 of 2009)
GRAP	Generally Recognised Accounting Practice
HR	Human Resources
IAS	International Accounting Standards
ICT	Information Communication Technology
IPSAS	International Public Sector Accounting Standards
MEC	Member of Executive Council
IYMs	In-Year Monitoring reports
NCOP	National Council of Provinces
NRF	National Revenue Fund
OAG	Office of the Accountant General
PAA	Public Audit Act of South Africa (Act no. 25 of 2004)
PFMA	Public Finance Management Act (Act no. 1 of 1999)
PPP	Public Private Partnerships
SCM	Supply Chain Management
SCOPA	Standing Committee Public Accounts
SITA	State Information Technology Agency



# 1.2 VISION, MISSION, VALUES AND MANDATE

### **VISION**

The Limpopo Legislature is a representative body, a vanguard of people's aspirations and interests towards a democratic, non-sexist, non-racial, united and a prosperous society.

# **MISSION**

The Legislature is an autonomous institution and an agent for transformation that strives to:

- Defend, strengthen, deepen and maintain democracy;
- Make quality laws and policies for the citizens of the province;
- Have an effective and meaningful participation of the citizens in the law-making processes;
- Articulate the needs and desires of the citizens:
- Be a transparent, consultative and accountable institution;
- Maintain norms set nationally for eradication of racism and gender imbalances;
- Have a representative and accountable budget; and
- Ensure provision, retention of competent skills and efficient utilization of human resources.

# **VALUES**

The core values that the legislature espouses are:

- Honesty, integrity and reconciliation
- Consultation, transparency, accountability, participation and open communication
- Commitment to transformation and continuous learning
- Responsive

### **MANDATE**

- Law making
- Oversight
- Public Participation

#### SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTIVE AUTHORITY

In accordance with section 55 of the Financial Management Act of Parliament and Provincial Legislatures (Act no. 10 of 2009), I hereby submit the institution's Annual Report for the 2023/24 financial year, in my capacity as an Accounting Officer for the Limpopo Legislature.

### 1.3 LEGISLATIVE MANDATE

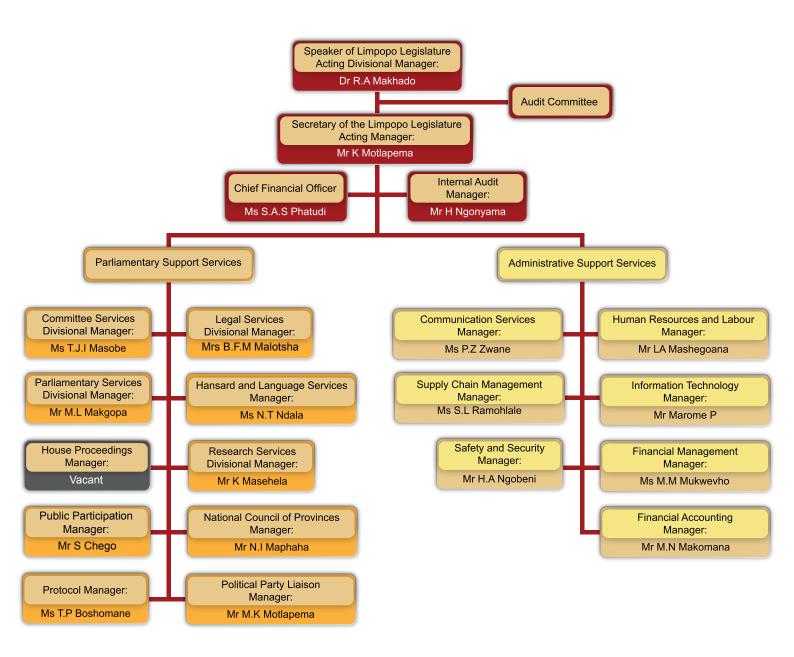
The Legislature derives its mandate from Sections 104 to 124 of the Constitution which state that:

- 114 (1) In exercising its legislative powers, a provincial legislature may-
  - (a) Consider, pass, amend or reject any Bill before the Legislature; and
  - (b) Initiate or prepare legislation, except money Bills.
- 114 (2) A provincial legislature must provide for mechanisms-
  - (a) Ensure that all provincial executive organs of state in the province are accountable to it; and
  - (b) To maintain oversight of-
    - (i) The exercise of provincial executive authority in the province, including the implementation of legislation; and
    - (ii) Any provincial organ of state.
- 116 (2) Provide financial and administrative assistance to each party represented in the Legislature, in proportion to its representation, to enable the party and its leader to perform their functions in the Legislature, effectively.
- 118 (1) A provincial legislature must facilitate public involvement in the legislative and other processes of the Legislature and its Committees.
  - Financial Management Act of Parliament and Provincial Legislatures (Act no. 10 of 2009)



# LIMPOPO LEGISLATURE

1.4 MACRO STRUCTURE





his annual report is a summary of the performance of the Limpopo Legislature in the 2023/24 financial year. The 2023/24 Annual Performance Plan which guided this report was implemented in the midst of major developments such as the preparations for the general elections which ushered the 7th Legislature. Members of the Legislature have been hard at work performing their political work, especially in the fourth quarter of the financial year. The above developments somehow affected the operations of the Legislature which resulted in the slowing down of some activities especially in the area of committees and the House.

It should however be noted that notwithstanding the above the Legislature has been able to effectively perform its core mandates. This includes among others the successful organizing of the swearing-in of Members for the 7th Legislature. As can be noted in the Committees' performance report, the legislature was also able to conduct capacity building workshops to empower members of the Legislature with the necessary skills that are required to effectively perform their responsibilities. This is important in the sense that the robustness of Committees remains critical for effective oversight that will make a difference in the lives of the citizens of this province.

The Limpopo Legislature was also able to successfully carry out its mandate of public participation as can be seen from the increase in the number of public participation activities, especially in the 4th quarter of this financial year which coincided with the general elections. This report is indeed a testimony of the work carried out with diligence throughout the quarters of 2023/24 despite the limited timeframe given the scenario alluded to above. As can be noted in the performance of the legislature on site visits, there is still room for improvement. More focus will be given to site visits in the future in order to verify and validate what is reported in Departmental quarterly and annual reports. This will entail taking a focused view on oversight which will be informed by the key developmental issues affecting the Limpopo province.

The Legislature is reaching out to the public by ensuring that matters submitted to it receive attention as illustrated by the number of petitions processed in the year under review. It is important that the Legislature effectively respond to petitions voiced by communities in order to create a better life for our people. The 7th legislature will build on the work initiated by the 6th Legislature and hope to draw the relevant lessons to carry the baton forward and raise the bar of oversight for the benefit of the people of Limpopo.

Hon. Makhurupetje MG

Speaker: Limpopo Legislature



his Annual Report provides a consolidation of the work of the Legislature during the four quarters of the 2023/24 financial year. It covers the progress of the Legislature in its execution of the mandate of oversight, law making and public participation. In the year under review, the legislature successfully organized the most critical activities such as the state of the province address in which the Premier outlined the programme of the provincial government for the 2024/25 financial year. The Premier's address also marked the end of the 6th term.

The Legislature also consolidated its public involvement initiatives by reaching out to communities as per its constitutional mandate. A total of 37 petitions were processed thus exceeding the number of petitions received in the year under review. This is a positive development reflecting positively on the will of the Legislature to add value to its work by meaningfully addressing the challenges facing communities. Most importantly is the fact that these petitions cover a wide range of issues, most of which are service delivery related. Petitions and public hearings are platforms where the Legislature interacts more with the people affording it the opportunity to become a true voice of the people that is responsive to their needs and challenges. The Committees of the Legislature held 127 oversight Committee meetings during this financial year thus exceeding the intended target of 97 as more meetings were convened to ensure that the backlog of the 6th term was addressed. In these meetings Committees were able to interrogate the reports from government Departments and their entities. The fact that these meetings are open to the broader public and the media assists in enhancing and advancing transparency in the provincial governance system.

Worth noting in this report is the fact that the financial year preceding the end of the term is often a challenge as Members and Political Parties have to balance the work between the Legislature and their political commitments. Meanwhile on the administrative side more focus is given to the preparations of the ushering of the new term. Notwithstanding the above scenario Committees of the Legislature were hard at work to ensure that oversight was effectively exercised by holding thirty (30) oversight visits to physically verify the projects and programmes reported by Executive Departments and their entities. This is commendable in that these oversight visits occurred within the context of competing political interests and engagements marking the end of the term. It is remarkable to note that the 6th Legislature has despite the complexities noted above worked hard to ensure that the most critical work of the Legislature is completed. Finally, we appreciate the good and unwavering support from our assurance providers, namely Audit Committee, Internal Audit, the Auditor-General, management and all staff. I would like to express my gratitude to the Honourable Speaker and Honourable Deputy Speaker for their support and guidance in ensuring that the institution is guided successfully in the attainment of its constitutional responsibilities and maintaining its record of a clean audit outcome in two successive years.

Dr Nkuna IS

Acting Secretary: Limpopo Legislature





### Office of the Speaker

Office of the Speaker							
Strategic Objective	Performance Indicator	Reporting period	Annual Target 2023/24	Actual Output	Reasons for Variance		
To provide political leadership and financial oversight to	Number of sittings	Quarterly and Annually	22 sittings	23 Sittings	Sittings are determined by the Legislative programme which is subject to update and review		
the Legislature	Number of programming Committee meetings	Quarterly and Annually	Programming Committee meetings	13 Programming Committee meetings	Meetings determined by the business of the Programming Committee. A single meeting may deal with more than one order paper		
	Number of internal arrangement meetings	Quarterly and Annually	4 internal arrangement meetings	1 internal arrangement meeting	Internal arrangements meetings determined by the schedule and business of the Committee. The meetings overlapped to the next financial year (first quarter)		
	Number of In Year Monitoring reports, AFS and IFS reports	Quarterly and Annually	12 In Year Monitoring reports, 1 AFS and 1 IFS	12 In Year Monitoring reports,  1 AFS and 1 IFS	Target achieved		



# Office of the Secretary

Strategic Objective	Performance Indicator	Reporting period	Annual Target 2023/24	Actual Output	Reasons for Variance
To provide strategic direction and	Number of Strategic documents developed,	Quarterly and Annually	4 quarterly reports	4 quarterly reports	Target achieved
administrati ve support	reviewed, and monitored	Quarterly and annually	1 Annual Report	1 Annual Report	Target achieved
		Quarterly and Annually	2024/25 APP tabled	2024/25 APP tabled	Target achieved
	Number of administrativ e policies	Quarterly and Annually	4 policies	5 policies	Policies are as per institutional policy needs and existing policy gaps
	Number of Risk management reports	Quarterly and Annually	1 risk assessment report and 3 implementatio n reports	1 risk assessment report and 3 implementation reports	Target achieved
	Number of management meetings	Quarterly and Annually	8 management meetings	8 management meetings	Target achieved

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### **Financial Management**

Financial Management							
Strategic Objective	Performance Indicator	Reporting period	Annual Target 2023/24	Actual Output	Reasons for Variance		
To provide effective financial management	Number of MTEF budget reports	Quarterly and Annually	3 MTEF budget reports	3 MTEF Budget reports	Target achieved		
management			1 Adjustment Budget report	1 Adjustment Budget report	Target achieved		
	Number of In- year Monitoring reports, AFS, IFS	Monthly, Quarterly, and Annually	12 In-Year- Monitoring reports, 1 AFS, 1 IFS	12 In-Year- Monitoring reports, 1 AFS, 1 IFS	Target achieved		
	Number of inventory stocktaking and asset verification	Monthly, Quarterly, and Annually	4 inventory stocktaking reports	4 inventory stocktaking reports	Target achieved		
	reports	Quarterly and Annually	2 asset verification reports	2 asset verification reports	Target achieved		



# Fleet Management and Logistics

Fleet Management and Logistics							
Strategic Objective	Performance Indicator	Reporting period	Annual Target 2023/24	Actual Output	Reasons for Variance		
To provide fleet and logistics services	Number of vehicles maintained	Quarterly and Annually	45 Vehicles maintained	34 Vehicles maintained	The vehicle Asset register had forty-five vehicles at the beginning of the year (eleven withdrawn during the year). The remaining thirty-four vehicles were all maintained. Therefore, the target was achieved		
	Number of events where transport and logistical services were provided	Quarterly and Annually	4 events	15 events	Events depended on the programme of the Legislature. There were more events reported as the term drew to an end		

# **Human Resource Management**

Human Resource Management						
Strategic Objective	Performance Indicator	Reporting period	Annual Target 2023/24	Actual Output	Reasons for Variance	
To provide effective human resource management	Number of posts filled	Quarterly and Annually	10 posts	26 posts filled	The filing of the positions is depended on the recruitment process/plan. There were many outstanding positions from the previous financial year	
-	Number of employees trained	Quarterly and Annually	50 employees	66 employees	Employees trained as per skills needs/gaps identified by HR	
	Number of bursaries awarded	Quarterly and Annually	41 bursaries	40 bursaries	Bursaries are depended on the applications received, processed and approved	



### **Communication Services**

Communication Services							
Strategic Objective	Performance Indicator	Reporting period	Annual Target 2023/24	Actual Output	Reasons for Variance		
To establish and maintain effective and efficient communication	Number of publicized events	Quarterly and Annually	5 events	7 events	There were more events as the 6 <sup>th</sup> term drew to an end		
	Number of radio slots/interviews	Quarterly and Annually	5 Radio slots/interviews	5 Radio slots/interviews	Target achieved		
	Number of TV slots	Quarterly and Annually	1 TV slot	1 TV slot	Target achieved		

# **Information Technology**

Strategic Objective	Performance Indicator	Reporting period	Annual Target 2023/24	Actual Output	Reasons for Variance
To provide secure and effective ICT support services to the	Number of Financial and communication management system reports	Quarterly and Annually	4 system maintenance reports	4 system maintenance reports	Target achieved
Legislature	Number of security system maintenance reports	Quarterly and Annually	4 security system maintenance reports	4 security system maintenance reports	Target achieved
	Number of ICT software and hardware asset management system	Quarterly and Annually	4 reports of ICT Asset management system reports	4 ICT asset management system reports	Target achieved



### **Internal Audit**

Internal Audit							
Strategic Objective	Performance Indicator	Reporting period	Annual Target 2023/24	Actual Output	Reasons for Variance		
To ensure sound internal control system	Number of Internal audit reports and	Quarterly and Annually	6 audit reports	7 audit reports	The number of reports is determined by the audit focus areas prioritized		
	Number of Audit committee meetings	Quarterly and Annually	4 audit committee meetings	6 audit committee meetings	Additional meetings requested to focus on critical and special business of the Committee		

### **Members Safety and Security**

Members Safety and Security						
Strategic Objective	Performance Indicator	Reporting period	Annual Target 2023/24	Actual Output	Reasons for Variance	
Provision of safety, security, and ceremonial services	Number of reports on sergeant at arms services rendered in the House	Quarterly and Annually	4 House sittings reports	4 House sittings reports	Target achieved	
	Number of security reports	Quarterly and Annually	4 security reports	4 security reports	Target achieved	



**Programme 2: Facilities for Members and Political Parties** 

# **Political Support Services**

Strategic Objective	Performance Indicator	Reporting period	Annual Target 2023/24	Actual Output	Reasons for Variance
To provide administrative and financial support services to political parties	Percentage (%) of funds allocated and transferred to political parties	Quarterly and Annually	100% of funds transferred to political parties.	100% of funds transferred to political parties	Target achieved
	Number of training sessions	Quarterly and Annually	2 training sessions	None	Training could not be organized due to logistical challenges within political parties linked to the end of the term

# **Protocol and Parliamentary Exchange**

Protocol and Parliamentary Exchange							
Strategic Objective	Performance Measure/ Indicator	Reporting period	Annual Target 2023/24	Actual Output	Reasons for Variance		
To render protocol services and coordinate parliamentary exchange	Number of international engagements coordinated	Quarterly and Annually	2 international engagements	3 international engagements	There was an additional crucial international engagement than targeted		
programmes	Number of administered CPA activities	Quarterly and Annually	4 CPA events	4 CPA events	Target achieved		

20



**Program 3: Parliamentary Services (Operational and Institutional)** 

### **Library and Records Management**

Library and Records Management							
Strategic Objective	Performance Indicator	Reporting period	Annual Target 2023/24	Actual Output	Reasons for Variance		
Quality information and registry services provided	Number of Library materials acquired	Quarterly and Annually	50 Library books/ebooks purchased	40 Library books purchased	Books purchased on the basis of user needs and library stock requirements.  More books bought in the previous financial year		
	Number of files of records issued/received by the registry office	Quarterly and Annually	4 files of records issued/received by the registry office	4 files of records issued/received by the registry office	Target achieved		



Dage	earch	Sar	vices

Strategic	Performance	Reporting period	Annual Target	Actual	Reasons for
Objective	<b>Indicator</b>	Reporting period	2023/24	Output	Variance
Objective		Reporting period		_	Variance
Objective					Variance
Provision of	Number of	Quarterly and	60 research	66 research	Research reports
Provision of	phoadierof	<b>OnarteHy</b> and	60porte arch	66prestearch	Reseaterminedthy
<b>Producish</b> n of	<b>Discassion</b> of	Quarterly and	febrase arch	heprogearch	Research repeatsy
genditien to the	repeatehe	Annually	reports	reports	appression for the state of the
<b>tergodeb</b> urethe	reported				Appres Committee
sergicles the the	produced				focust Clommadiset
Legislature	produced				threathfold mediated
	Number of	Quarterly and	120 research	117 research	the correct test
	<b>daparterent</b> al	<b>Onartelly</b> and	1200 rtsearch	itelp/ortesearch	the sinter siments
	<b>Medaphani</b> antal	Quarterly and	1200research	poresearch	foreinthy from the
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	dntitionarity Rs				<b>Departing</b> Reactions
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	daglyneats				tergeted (Reactive
	analyzedof	Quarterly and	4 Bills	16 Bills	Teserchère more
	Negrislation	Onartelly and	4 Bills	16 Bills	Bhleretovanelyzores
	<b>Newlysters</b> of	Quarterly and	4 Bills	16 Bills	<b>Bhitscromatalyzecas</b>
	Legislation	Annually			Bailtrethnadalyzeoas
	analysed				the tram drew to
					an end

# **House Proceedings**

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TT	<b>Proceedings</b>
Hallse	Proceedings
LIUUSC	I I Occumings

Strategic	Performance	Reporting	<b>Annual Target</b>	Actual	Reasons for Variance
<b>Striggetike</b>	Pedicatanace	Reviodting	All Add Target	Qutpalt	<b>Reasons for Variance</b>
Otrategice	<b>Reaformance</b>	Benouting	2000y24 Target	<b>Octopal</b> t	Reasons for Variance
Objective	<b>Indicator</b> f	<b>Revaind</b> rly and	<b>2023</b> t24gs	<b>Quipun</b> gs	Sittings are determined
Provision of	Number of	<b>Onartelly</b> and	22 sittings	23 sittings	bytting Lagislation ined
Provision of procedural and	Muinger of	Quarterly and	22 sittings	23 sittings	bitting many shahirdnined
procedural and	<b>Henri</b> zed	Annually			bubble attended three and
procedural and administrative	sittingsed				programmapahiehira
administrative services to the	Mantizedf	Quarterly and	12 Bills	2 Bills	Bublicate dupolation and by
services to the	Negislation	<b>Quartelly</b> and	12 Bills	2 Bills	BNICH is a department of the
House	Neghtandh	Quarterly and	12 Bills	2 Bills	Bildenrichtebenahmedens
House	<b>Excellented</b> n	Annually			becinesiffed epates of ts
	facilitated				dresides is factores the of
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	Number of	Quarterly and	1 ceremonial	1 ceremonial	tha Lagislatured
	<b>Sumbonial</b>	Quarterly and	fugeremonial	fugetemonial	Target achieved
	<del>conemoni</del> al	Annually	function	function	
	foortinated				

coordinated



### **NCOP Liaison Services**

NCOP Liaison Services							
Strategic Objective	Performance Indicator	Reporting period	Annual Target 2023/24	Actual Output	Reasons for Variance		
To facilitate and coordinate NCOP services	Number of NCOP legislation facilitated	Quarterly and Annually	30 NCOP Bills	21 NCOP Bills	Less s76 Bills received from NCOP than targeted		
	Number of NCOP events coordinated	Quarterly and Annually	4 NCOP events	1 NCOP event	NCOP events are determined by the NCOP programme		



**Committee Services** 

Committee Services						
Strategic Objective	Performance Indicator	Reporting period	Annual Target 2023/24	Actual Output	Reasons for Variance	
To facilitate oversight and law-making processes	Number of oversight committee meetings organized	Quarterly and Annually	97 Oversight meetings	127 oversight meetings	Committee meetings are determined by the programme of Committees and the overall business of the Legislature as updated by the Programing Committee	
	Number of site visits facilitated	Quarterly and Annually	15 site visits	30 site visits	Sites visits are as per the programme of Committees or focus/prioritized areas. More site visits conducted as the term drew to an end	
	Number of Legislation facilitated	Quarterly and Annually	12 Bills	23 Bills	Facilitation of Bills depended on the number of Bills referred to Committees [provincial departments and the NCOP as classified in the business processes of the Legislature]	
	Number of oversight reports facilitated	Quarterly and Annually	100 reports	127 oversight reports	The number of reports is determined by the magnitude of committee oversight workload	
	Number of Workshops	Quarterly and Annually	3 Workshops	4 workshops	Workshops depended on the training needs of Committees	
	Number of SCOPA public hearings	Quarterly and Annually	17 SCOPA public hearings	18 SCOPA public hearings	The number of public hearings is determined by the SCOPA programme which is updated from time to time	



Legal Services

Legal Services					
Strategic	Performance	Reporting	Annual	Actual	Reason for Variance
<b>Objective</b> Objective Provide	Fedicator Indicator	Reporting period	Aniseli 2023/24	<b>Quiput Output</b> 16 contracts	Reason for Variance
	Number of	Quarterly and	2823924 acts	16 contracts	Contracts are drafted as
and the state of t	Nulliversof drafted contracts drafted	Annually	12 contracts	16 contracts	per requests received.
legislature.	Number of	Quarterly and	12 legal	3 legal	Legal opinions are
	Negativer of principles of spinning compiled	्रीक्ष्मध्येष्ट्रं and Annually	Prinigns opinions	gnigions opinions	Eegging fine neratequests Eegging fine neratequests received

### **Public Participation and Petitions**

Public Partic	cipation and Petiti	ions			
Strategic Strategic	Performance	Reporting	Annual Target	Actual	Reasons for Variance
Strategive	<b>Ledisathance</b>	Reporting	Almual Target	Rutpyt	Reasons for Variance
<b>Objective</b> To promote	Indicator Number of	period	2023/24	Output 1 Workshop	
	Number of	Quarterly	3 Workshops	1 Workshop	Educational workshops
Public involvement	educational workshopai	Ottarterly Annually	3 Workshops	1 Workshop	Eracanducted arkshops are singulationing per
hyblyement	<del>conducted</del>	Annually			needs/gaps existing training
education in	conducted Number of				needs/gaps.
the Education in	Number of	Quarterly	2 sectoral	2 sectoral	Target achieved
legislative	Sectoral of	Quarterly	parliaments	parliaments	Target achieved
processes	Parliaments	Annually	parliaments	parliaments	
processes	prennizedts	Annually	parmaments	parnaments	
processes	Number	Quarterly	40 Public hearings	42 public	There were number of
	Public Hearings	and	40 Public hearings	hearings	Bills that required public
	Presilized arings	end Quarterly Annually	40 I done hearings	hearings	Benrings in this financial
	_			nearings	Nearings the term firewetal
	organized	Annually			an end the term drew to
	Number of	Quarterly	24 Petitions	26 petitions	The number of petitions
	netitions of			-	is depended on the running of petitions
		Otlarterly Annually	24 Petitions	26 petitions	number of petitions is depended on the
	pechived				received submitted as per
	received	Annually			registery
	Number of	Quarterly	15 petitions	37 petitions	registerd/submitted as per The number of petitions
		` •	•	•	
	netitions Number of processed	end Quarterly Annually	15 petitions	37 petitions	The humber of petitions
	processed				number of petitions is depended on the
	processed	Annually			processed Therewere pustualing there
					Bugggggggggggggggggggggggggggggggggggg
					from the previous years

It's your voice, use it!

from the previous years 25



Hansard and Language Services

Hansard an	Hansard and Language Services							
Strategic Objective	Performance Indicator	Reporting period	Annual Target 2023/24	Actual Output	Reasons for Variance			
Provision of Hansard and Language services to the House	Number of Hansard reports and volume produced	Quarterly and Annually	22 reports and 1 volume of Hansard	23 reports and 1 volume of Hansard produced	Hansard reports are depended on the number of House sittings held			
	Number of House sittings minutes translated	Quarterly and Annually	22 translated House sittings minutes	23 translated House sittings minutes	Translated minutes depended on the number of House sittings held			











During the year under review, I as the Accounting Officer had executed my responsibilities as specified in the Financial Management of Parliament and Financial Legislatures Act (FMPPLA), Act no.10 of 2009.

#### **Governance structures:**

The following governance structures are in place to ensure that sound corporate governance is upheld in the Legislature: the Audit Committee and Senior Management. These structures are critical in upholding and maintaining matters pertaining to governance in the institution.

#### 3.1 Risk management

The Risk Management Committee has been established in terms of FMPPLA which stipulated that, one of the responsibilities of the Accounting Officer is to ensure that a constitutional institution has and maintains effective, efficient and transparent system of financial and risk management and internal control as envisaged in the above Act. Risk assessment was conducted in the year under review.

#### 3.2 Fraud and corruption

Fraud prevention is one of the management's top priorities as it is aligned to the principles of good governance. In the light of this, management strives to be proactive in preventing and detecting fraud by ensuring that it becomes as part of the overall strategic plan implementation, communicating it to both staff and members and other stakeholders and establishing mechanisms to deal with fraud and corruption related cases. In order to address the above, there is an anti-fraud and corruption hotline in place.

In the year under review, the Legislature operated within the regulatory requirements listed in the FMPPLA. The procurement system is structured in such a way that it complies with the supply chain management system as stipulated in the relevant policies and SCM regulations.

#### 3.3 Code of conduct

The code of conduct of employees of the institution is governed by the relevant HR policies on conditions of service and code of conduct as approved by the Secretary. These policies clearly spell out the obligations and the duties of employees of the Legislature and are communicated to the employees through the HR division as soon as they join the institution. The code of conduct applies to all employees and forms part of the employment contract/agreement signed by employees.

#### 3.4 Occupational Health and Safety

The institution has an approved Health and Safety policy in place. The purpose of this policy is to establish standards and requirements of occupational Health and Safety for the Legislature in order to reduce the risks related to matters of health and safety.

#### 3.5 Audit Committee

The Audit Committee has adopted formal terms of reference (Audit Charter). It assists and advices the Speaker and the Accounting Officer in fulfilling oversight responsibilities for the financial reporting process, the system of internal control and management of institutional risks. The Audit Committee held 6 meetings for the period under review and has indeed been independent and effective in discharging its responsibilities.



#### 3.6 REPORT OF THE AUDIT COMMITTEE ON THE LIMPOPO LEGISLATURE

The Audit Committee is pleased to present its report for the financial year ended 31 March 2024. The report has been prepared in accordance with the Financial Management of Parliament and Provincial Legislatures Act (FMPPLA).

#### **Audit Committee Responsibility**

The Audit Committee reports that it has complied with its responsibilities arising from section 48 (1) (c) (i) to (iii) of the Financial Management of Parliament and Provincial Legislatures Act, 2009 (FMPPLA). 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 its charter and has discharged its responsibilities as contained therein.

#### **Audit Committee and attendance of meetings**

The Audit Committee members are listed hereunder and are expected to meet four times or more when need arise per annum as per its approved terms of reference. During the financial year under review six (6) meetings were held as follows:

Name of Member	Role	Number of meetings attended
Ms NJ Manthata	Chairperson	6
Ms SM Ngoetjana	Member	6
Adv LT Nevondwe	Member	6

**Meetings dates**: 29 May 2023;2 June 2023; 31 July 2023;22 September 2023; 1 December 2023; and 16 February 2024.

#### The Effectiveness of Internal Control

The system of internal control is designed to manage risks of the Legislature and to ensure that the Legislature to achieve its objectives and goals. The Audit Committee has considered the work of the Internal audit on a quarterly basis and has reviewed the results as well as the overall opinion expressed by the Internal audit on each unit audited. The Audit Committee is of the view that the internal control systems in place are well designed, implemented and operate effectively to prevent and detect deviations in applicable legislations and policies of the Legislature. The Audit Committee resolutions were implemented on a continuous basis.

#### **Evaluation of the Budget and Treasury function**

The Legislature has required competencies at various management levels. The Legislature received an unqualified audit opinion without findings on Annual Financial Statements.



The Risk Management Committee meets regularly and its reports serve at the Audit Committee meeting which ensures that the emerging risks as well as those events that no longer pose risks are thoroughly appraised and evaluated. The Risk Management Committee is chaired by the Accounting Officer.

The main objective of the Risk Management Committee is to assist the Accounting Officer in evaluating and monitoring the institutions performance with regards to the risks.

#### The effectiveness of Internal Audit

The Internal Audit has been established as an independent function from management in line with section 50 of the FMPPLA. The Audit Committee reviewed and approved the Annual Internal Audit Charter, and a risk-based Internal Audit Plan, which encompassed both the 3-Year Rolling Plan and an Annual Operational Plan. During the reporting period, the Internal Audit operated in terms of the approved Charter and risk based annual audit plan. The Audit Committee noted the findings from Internal Audit reported during the quarterly meeting were resolved by management upon strengthening the internal controls. The Committee is satisfied that the Internal Audit Unit has operated effectively and addressed pertinent risks in its audits.

#### **External Audit**

The Committee is required in terms of its Charter to evaluate the independence, objectivity and effectiveness of the audit process of the Auditor-General South Africa (AGSA). The AGSA presented the Audit Strategy and Engagement letter which were considered by the Audit Committee. The Audit Strategy was approved by the Audit Committee. The Audit Committee concurs with the audit results as reported in the auditor's report. The committee satisfied itself that the AGSA is independent of the entity and has demonstrated a high level of professionalism and integrity in engaging with management and the Audit Committee during the audit.

#### **IT Governance**

The Legislature has established the IT Steering Committee to oversee matters of Information Technology Governance within the Legislature and advice management on potential IT related risks and possible recommendations for improvements.

The reports of the IT Steering Committee are served in quarterly meetings of the Audit Committee.

The Audit Committee also noted other issues raised by the Auditor- General which need management urgent attention on security management, user access management, and environmental controls.

#### In-Year Management and Monthly/Quarterly Report

The institution has been reporting monthly and quarterly to the Executive Authority as is required by the FMPPLA. The Audit committee is satisfied with the content and quality of quarterly reports prepared and issued by the Accounting Officer of the Limpopo Legislature during the year under review.



#### **Performance Information**

The performance information was presented to the Audit Committee during the meeting of the 28<sup>th</sup> May 2024. The Audit Committee supported the submission of the information. The annual performance of Limpopo Legislature was 76% of the set target for the 2023/2024 financial year.

#### **Evaluation of Annual Financial Statements and the Predetermined Objectives**

The Audit Committee was able to review and discuss changes in accounting policies, practices and significant adjustments to be included in the annual financial statements and to review the predetermined objectives reported in the annual performance report prior to the commencement of the audit by the Auditor - General of South Africa.

The Audit Committee have reviewed the institution's implementation plan for audit issues raised in the previous year by the office of Auditor General and is satisfied that the audit issues raised have been adequately resolved.

The Audit Committee noted and appreciated sustainability of audit outcome in 2023/24 in AFS as are in line with the previous period of 2022/23. Clean audit outcome is commended.

The Audit Committee also noted the audit outcome in 2023/24 in Audit of predetermined objectives as compared with the preceding period.

The Audit Committee resolved that management should develop an action plan to address all issues raised in the AGSA Management report 2023/24, and value add audit.

#### Conclusion

The Audit Committee concurs and accepts the conclusions of the Auditor-General South Africa (AGSA) on the Annual Financial Statements (AFS) and Annual Performance Report (APR) and is of the opinion that the Audited AFS and APR should be accepted and read together with the report of the AGSA. As a result, the Committee would like to once again congratulate Limpopo Legislature on maintaining clean audit opinion for two conservative years.

We also note the reduction in audit findings identified by AGSA. In particular, we would like to express our appreciation to the Executive Authority, Accounting Officer, management and staff. It is through this support that the Committee will continue to work with management to further enhance the good governance practices. Lastly, we would like to express our appreciation to the AGSA and internal audit team for their professionalism and support in our oversight role.

Ms NJ Manthata

Chairperson of the Audit Committee

Limpopo Legislature

31 July 2024











#### 4. PART D: HUMAN RESOURCE DEVELOPMENT

Legislation that governs Human Resource Management:

HR is governed by various policy frameworks that have been developed by the institution: Summary of Human Resources Policies, Conditions of Service Policy, Code of Conduct, Grievance and Disciplinary Policy and Performance Management Policy and Procedure.

#### Overview of HR matters at the Legislature:

In the year under review employees were capacitated through the provision of 40 bursaries to eligible applicants to pursue studies in disciplines that will add value to their work. Other training conducted was in relation to short courses/workshops which were arranged as per training plan.

#### HR priorities for the year under review and their impact:

The HR priorities for the year under review are reflected in the key performance indicators of the section in the 2023/24 financial year. As noted above, Human Resource Development remains critical for the achievement of all the strategic goals and objectives. We believe that the development of staff has significantly contributed to the Legislature's attainment of most of its set targets and objectives as outlined in the Annual Performance Plan and HR strategy.

Workforce planning framework and key strategies to attract and recruit a skilled and capable workforce: The recruitment strategies are outlined in the institution's HR policies and Human resource strategy. The above are enhanced through an effective development of the workforce.

#### Employee performance management framework:

A performance management policy is in place to regulate and monitor the performance of all employees. The above policy does not only regulate performance, but it is developmental and remedial in its approach.

#### *Employee wellness programme:*

Employee wellness programmes are in place in the form of referral of our employees to relevant institutions and participation in wellness activities aimed at empowering our employees holistically in various aspects of life. The institution is working hard to ensure that the wellness of employees is taken into consideration by creating a conducive working environment, empowerment of employees on wellness issues, active participation in sporting activities and referral for counselling where necessary.

#### Achievements:

Key policies regulating HR matters are in place and are reviewed as per institutional guidelines on the development and review of policies.

#### Future HR plans/goals:

The organizational structure has been reviewed to ensure that existing gaps in human resources are addressed. Reporting lines have been streamlined for efficiency purposes. Depending on the availability of the budget, the institution will gradually implement the above in the coming financial year in order to close the existing gaps.



# HR personnel report 1 April 2023 to 31 March 2024:

TABLE 4	1	Dorconol co	ctc	by progr	- mana

Programme	Total Voted Expenditur e (R'000)	Compensatio n of Employees Expenditure (R'000)	Training Expenditur e (R'000)	Professional and Special Services (R'000)	Compensation of Employees as percent of Total Expenditure	Average Compensation of Employees Cost per Employee (R'000)	Employment (Including Periodical - And Abnormal Appointments)
						, ,	
ADMINISTRATION	158 203	92 424	1 508	0,00	58.4	872	106
<b>ADMINISTRATION</b>	158 203	92 424 92 424	<del>1</del> 508	8,88	58.4	872 872	106 106
POWIDWS I RATION	158 203	92 424	1 508	0,00	58.4	8/2	106
MAZMEKRS & POL MEMBERS & BOL	205 809	75 116	0,00	0,00	36.5	1 598	47
BARHAMENTARY	205 809 205 809	<del>75 116</del>	8,88	8,88 8,88	36.5 36.5	1 598 1 598	44
PARLIANAFNITARY		/3 110					
I ÞARYIAKYENTARY	131 660	99 688	21	0,00	75.7	1 216	82
Tobal ason SAGE	131 660 131 660	99 688 99 688	21	8,88	45.4	1 216 1 216	82 82
Total as on SAGE					73.7		
\$SEE SAGE	495 672	267 228	1 529	0,00	53.9	1 137	235
Systems	495 672 495 672	267 228 267 228	1 529 1 529	0,00	53.9 53.9	1 137	235
Jysteilis	755072	207 220	1 323	0,00	33.3	1 13/	233

TABLE 4.2 Personnel costs by salary band

Salary Bands Salary Bands	Compensation of Employees Cost including Transfers (R'000) Transfers (R'000)	Percentage of Total Personnel Cost for Department Department	Average Compensation Cost per Employee (R) Employee (R)	Total Personnel – Cost for Department including Goods and Services (R'000) (R'000)	Number of Employees Employees	
05 Senior management (Levels >= 13) 05 Senior management (Levels >= 13) 05 Senior management (Levels >= 13)	11 595 255 595	4.3% 94.3% 94.3%	2 319 2 319 2 319	11 595 11 595 255 595	5 23 <b>년</b>	
09 Other 09 Other 09 Other	255 633 255 633	95.7% 95.7% 95.7%	2 519 1 111 1 111	255 633 255 633	230 230	
18 Contract Other 19 Edutract Other TOTAL	267 228 267 228 267 228	100% 100% 100%	3 430 3 430 3 430	267 228 267 228 267 228 267 228	235 235 235	

TABLE 4.3-Salaries, overtime, homeowners allowance and medical Aid by Programme

Programme	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Programme (R'000)
PRG 1:								Cost	(K.000)
BE ADMINISTRATION	82 252	30.8	230	0.2	3 899	4.2	8 897	9.6	92 424
PREADURE FOR	82 252 82 252	30.8 30.8	230 230	0.2 0.2	3 899 3 899	4.2 4.2	8 897 8 897	9.6 9.6	92 424 92 424
MARKERS & BOLON	66 864	25.0	218	0.3	1 111	1.5	4 102	5.5	75 116
BR 日: 日本 RLIAMENTARY	66 864 66 864	25.0 25.0	218 218	0.3 0.3	1 111 1 111	1.5 1.5	4 102 4 102	5.5 5.5	75 116 75 116
SER PARISHAMENTARY	88 756	33.2	541	0.5	3 132	3.1	3 301	3.3	99 688
SERVICES SERVICES	288 758	33: <u>0</u>	<u>9</u> 41	<b>6</b> : <b>3</b>		3:0	16 360	<b>9</b> :33	259 688
TOTAL	237 872 237 872	89.0 89.0	989	0.3 your vo <b>lde3</b> u	8 142	3.0 3.0	16 300 16 300	6.1 6.1	267 228 267 228

TABLE 4.4 Salaries, o	overtime. h	O Salaries as I's	s allowance	6 Overtime 8	l Aid by	SHOA as %1	d	Medical	Total
	Salaries	% of	Overtime	_ as % of _	_ HOA _	_ of _	iviedicai	Ass. as %	Personnel
Salary Bands	(R'000)	Personnel	(R'000)	Personnel	(R'000)	Personnel	Ass. (R'000)	of Personnel	Cost per Salary Band
Salary Bands	(R'000)	Cost	(R'000)	Cost	(R'000)	Cost	` '	Cost	(R'000)
Salary Bands Salary Bands	(R'000)	Cost	(R'000)	Cost	(R'000)	Cost	(R'000)	Cost	(R'000)
05 Senior	(κ υυυ)	Cost	(K 000)	Cost	(K 000)	Cost	(R'000)	r et sommer	Jaiai y Dáilu
05asegement		COST		COST		COST	(,	Cost	(R'000) (K 000)
(hekelesinde)	10 895	94.0	0.00	0.00	285	2.5	415	3.6	11 595
has beingren	2 <b>2</b> 6 893	98.9	0.00	0.00	7 285	2.5	15 <b>885</b>	8.2	2\$\$ 595
management <b>0.8e Odhera</b> (13) (Levels >= 13)	2 <b>26 977</b> 10 895	<b>84.8</b>	8:88	<b>8:88</b>	7 <b>285</b> 285	<b>2.5</b> 2.5	15 <b>485</b> 415	<b>3.6</b>	2 <b>55 595</b>
<b>Og Other</b>	226 977 226 977 237 872	88.8 89.0	0.00 <b>0.00</b>	0.00 0.00 <b>0.00</b>	7 857	3.1 3.1	15 885	6.2 6.2 <b>6.1</b>	255 633 255 633 <b>267 228</b>
18 Contract <b>DOTAL</b>					0 142	2.9	10 300		
<b>Other</b> Other	237 872	89.0	0.00	0.00	8 142	2.9	16 300	6.1	267 228
T8TAL	237 872	89.0 89.0	8:88	8:88	8 142	2:9	16 300	6.1 6.1	267 228 267 228

TABLE 4.5 Employment and vacancies by p	rogramme at end	d of period Number of	Vacancy Rate	Number of Posts Filled Additional
Programme Programme Programme	Posts	Posts Filled Posts Filled	(Includes Frozen Posts)	to the Establishment Establishment
PRG 1: LLR:ADMINISTRATION, Permanen PRG 2: LLR:ADMINISTRATION Permanen		Posts Filled 100.00 100.00	Posts) Posts) 8.00	Establishm@r@0
PAGTZ: PLARTENCHTORTINE TYBEIRE & MOHEN		1 <b>63.00</b>	<b>§.00</b>	6.66 8:88
PRO 3: LTR: PARLIAMENTARY SERVICES,	7 <u>3.60</u> 1 <b>89.00</b>	କୃତ୍ର. <u>ଡ</u> ିତ୍ର 2 <b>69.00</b>	5.00 1 <b>9.00</b>	0.00 <b>0.00</b>
PRG 3: LLR: PARLIAMENTARY SERVICES,  TOTAL TOTAL TOTAL	1 <b>89.00</b> 189.00	263.00 203.00	1 <u>9.80</u> 19.88	9:98 8:88

TABLE 4.6 Employment and vacancies by salary band at end of period

Salary Band Salary Band	Number of Posts Posts	Number of Posts Filled Posts Filled	Vacancy Rate (Includes Frozen Posts) Frozen Posts)	Number of Posts Filled Additional to the Establishment
Lower Skilled (Levels 1-2), Permanent	25.00	25.00	1.00	0.00
Sewer Skillestelleverle 112/Lers 129/14 ermanent	25.00	25.00	1.00	Establishine 10
General Minagenets 112) elemanan Permanent	1 <b><u>3</u>5.00</b>	1 <b><u>3</u>5.00</b>	1 <b>1.99</b>	9.99
Geniar Management (Levels >= 13), Permanent	159.00	<b>159.00</b>	1 <b>9.00</b>	9.99
Senior ivianagement (Levels >= 13); Permanent  OCTAL Permanent	188.00 158.00	188.00 158.00	19.00 17.00	<b>8.88</b>
TOTAL TABULAL7 Employment and vacancies by critical occu			19:88	8:88

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate (Includes Frozen Posts)	Number of Posts Filled Additional to the Establishment
FINANCIAL CLERKS AND CREDIT	POSIS	Posts rilled	Posts)	the Establishment
EXMATRIDAL ETREPRES ANN DECOREDIT	0.00	0.00	Posts)	0.00
FRIME DALE ER ERRET KIND OUT EDIT	0.00	0.00	0.00	0.00
TOTAL CONTROLLERS, Permanent TOTAL TOTAL	It's 10.000 o	nice, use 19:00 8:88	8:88 8:88	8:88 8:88



TABLE 4.8- Reasons why staff are leaving the Legislature

Termination Type	Number	Percentage of Total Resignations	Percentage of Total Employment	Total	Total Employment
01 Death, Permanent	2.00	28.57	0.00	0.00	0.00
02 Resignation, Permanent	0.00	0.00	0.00	0.00	0.00
03 Expiry of contract, Permanent	0.00	0.00	0.00	0.00	0.00
04 Transfers, Permanent	0.00	0.00	0.00	0.00	0.00
09 Retirement, Permanent	5.00	71.43	0.00	0.00	0.00
TOTAL	7.00	100.00	0.00	0.00	0.00

TABLE 4.9 - Total number of Employees with disabilities

Beneficiaries/ category	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with											
disabilities	0.00	0.00	0.00	0.00	0.00	2.00	0.00	0.00	2.00	0.00	2.00

### **TABLE 4.10-Terminations**

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
01 Top											
Management,											
Permanent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
02 Senior											
Management,											
Permanent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	.000	0.00	0.00
Other,											
Permanent	2.00	0.00	0.00	3.00	0.00	4.00	0.00	0.00	4.00	0.00	7.00
TOTAL	2.00	0.00	0.00	3.00	0.00	4.00	0.00	0.00	4.00	0.00	7.00



## **TABLE 4.11-Skills Development**

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Legislators, Senior Officials											
and Managers	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00
and Managers	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00
Professionals	13.00	0.00	0.00	0.00	0.00	13.00	0.00	0.00	0.00	0.00	13.00
Technicians and Associate											
Professionals	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00
Clerks	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Service and Sales Workers	3.00	0.00	0.00	0.00	0.00	7.00	0.00	0.00	0.00	0.00	3.00
Skilled Agriculture and Fishery Workers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
vvorkers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Craft and related Trades Workers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Plant and Machine Operators and	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assemblers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Elementary Occupations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employees with	2.25	0.00	0.00	0.00	0.00	0.05	0.00	0.00	0.00	0.00	0.25
disabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	18.00	0.00	0.00	0.00	0.00	29.00	0.00	0.00	0.00	0.00	29.00



TABLE 4.12- Performance Rewards by Race, Gender and Disability

Demographics	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)	
African, Female	96.00	99.00	80.00	3 728.99	44 393.00	
African, Male	85.00	90.00	80.00	3 732.31	49 764.00	
Asian, Female	0.00	99.00	0.00	0.00	0.00	
Asian, Male	0.00	0.00	0.00	0.00	0.00	
Coloured, Female	5.00	5.00	80.00	187.67	46 917.00	
Coloured, Male	1.00	1.00	100.00	46.74	46 741.00	
Total Blacks, Female	96.00	99.00	73.30	3 916.65	44 507.00	
Total Blacks, Male	85.00	98.00	75.20	3 779.05	49 724.00	
White, Female	0.00	0.00	0.00	0.00	0.00	
White, Male	0.00	0.00	0.00	0.00	0.00	
Employees with a disability	2.00	2.00	200.00	32.00	32 004.00	
TOTAL	181.00	196.00	148.50	7 695.70	56 935.00	

TABLE 4.13 - Performance Rewards by Salary Band for Personnel below Senior Management Service

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
09 Other	174.00	174.00	90.00	6 800.00	49 530.00
TOTAL	174.00	174.00	90.00	6 800.00	49 530.00

TABLE 4.14- Sick Leave for January 2023 to December 2023

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								
/Other	88.00	38.00	12.00	3.00	10.00	60.00	12.00	12.00
Other	88.00	60.00	102.00	76.0	10.00	231.00	130.00	702.00
TOTAL	194.00	00.00	00.00	0.00	22.00	720.00	135.00	903.00



TABLE 4.15- Annual Leave for January 2023 to December 2023

Salary Band	Total Days Taken	Average Days per Employee	Number of Employees who took leave
Contract Other	210.00	13.00	11.00
Other	2902.00	10.00	173.00
TOTAL	3112.00	23.00	184.00

TABLE 4.16 - Capped Leave for January 2023 to December 2023

Salary Band	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at end of period	Number of Employees who took Capped leave	Total number of capped leave available at end of period	Number of Employees as at end of period
Contract Other	0.00	0.00	0.00	0.00	0.00	0.00
Other	4.29	34.00	56.00	1.00	1 187.42	24.00
Senior management (Levels 13-16)	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	4.29	34.00	56.00	1.00	1 187.42	24.00

**TABLE 4.17-Leave Payouts** 

Total Estimated Amount (R'000)	Number of Employees	Average Estimated Payment per Employee (R)
244 336.66	2.00	61 084.16
27 900.00	1.00	27 900.00
272 236.66	3.00	88 984.16
	3 00	
	Amount (R'000)  244 336.66  27 900.00	Amount (R'000) Employees  244 336.66 2.00 27 900.00 1.00











# LIMPOPO LEGISLATURE VOTE 02 REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2023

The institution has a small revenue base and the determination of tariffs is not required as use is made of the standard tariffs which are determined at Provincial level. The revenue is mainly from the commission for the collection of deductions from staff members on behalf of the third parties. Percentage charged is agreed upon by the National Accountant General and insurance companies

### 2.3 Free Services

The institution does not offer free services that would have yielded significant revenue had a tariff been charged.

### 2.4 Inventories

The total inventories on hand at year-end are included in Note 8 of the Annual Financial Statements.

### 3. Capacity constraints

The implementation of the following critical and pressing projects will have financial implications in the next financial year: complying with the National Key Point requirements, finalizing the renovation of the Chamber and accommodation allowances of the Members. The Legislature is in the process of implementing the reviewed organizational structure in order to address the human resources gaps wherever they exist. The number of Members have increased from 49-64. These developments are critical as they have serious budget implications.

### 4. Utilisation of donor funds

The Legislature received no sponsorship/donation in this financial year.

### 5. Trading entities and public entities

There are no trading entities and public entities under the Legislature.

### 6.Organisations to whom transfer payments have been made

The institution has made transfers for the total amount of **R 119 088 million** to the African National Congress, Economic Freedom Fighters, Democratic alliance and Freedom Front Plus in accordance with the approved transfers in the relevant Appropriation Act/policy.

The transfers are made in terms of Section 116 (2) (C) of the Constitution to provide for financial assistance to each political party in proportionate to its representation, to enable the parties and their leaders to perform their functions effectively.

Each political party is expected to submit the audited financial statements at the end of the financial year.

### 7. Public private partnerships (PPP)

There are no PPP agreements entered into by the Legislature in the previous and the current financial year.



### 8. Corporate governance arrangements

During the year under review, I as the Accounting Officer had executed my responsibilities as specified in The Financial Management of Parliament and Provincial Legislatures Act (2009)

### Governance structures:

The following governance structures are in place to ensure that sound corporate governance is upheld in the Legislature: The Rules Committee, The Audit Committee and Management. These structures are critical in upholding and maintaining matters pertaining to governance in the institution.

### Code of conduct:

The code of conduct of employees of the institution is governed by the relevant HR policies on conditions of service and code of conduct as approved. These policies clearly spell out the obligations and the duties of employees of the Legislature and are communicated to the employees through the HR division as soon as they join the institution. The code of conduct applies to all employees and forms part of the employment contract/agreement signed by employees.

### Occupational Health and Safety:

The institution has an approved Health and Safety policy in place. The purpose of this policy is to establish standards and requirements of occupational Health and Safety for the Legislature in order to reduce the risk of both health and safety. An OHS Committee has been appointed to oversee this process.

### Audit Committee:

The Audit Committee has been established in terms of FMPPLA (2009), Chapter 7 (47). The above Committee has adopted formal terms of reference (Audit Charter). It assists and advices the Accounting Officer in fulfilling oversight responsibilities with regard to financial reporting, internal control and management of institutional risks. The Audit Committee held 6 meetings for the period under review and has indeed been independent and effective in discharging its responsibilities.

### Risk management:

The Risk Management Committee has been established in line with the requirements of FMPPLA (2009), 2 (7) (c) which stipulates that Parliament maintains effective, efficient and transparent systems of financial management, risk management, internal control and internal audit. Risk assessment was conducted in the year under review.

Fraud prevention is one of the management's top priorities as it is aligned to the principles of good governance. In the light of this, management strives to be proactive in preventing and detecting fraud by including it as part of the overall strategic plan implementation, communicating it to both staff and members and other stakeholders and establishing mechanisms to deal with fraud and corruption related cases. In order to address the above, there is an anti-fraud and corruption hotline in place. In the year under review, the Legislature operated within the regulatory requirements provided by the FMPPLA and SCM regulations. The procurement system is structured in such a way that it complies with the supply chain management system as stipulated in the relevant policies and Treasury regulations.

### 9. Discontinued activities/activities to be discontinued

No activity was discontinued in the year under review.



### 10.New/proposed activities

No new activities were introduced during the year under review.

### 11. Asset management

All assets bought during the year were recorded in the asset register. Assets verification was conducted during the financial year.

### 12. Inventories

Information on inventories is detailed in note 8 of the Annual Financial Statements.

### 13. Events after the reporting date

No event has taken place after the reporting date which will affect the AFS.

### 14.Information on predetermined objectives

Performance information is reported in Part B of the annual report. In the year under review, performance information was collected and consolidated as per the Limpopo Legislature guideline and procedures on performance information.

The 2023/24 annual report is a consolidation of four quarterly reports as verified and validated by the Internal Audit.

### 15. Prior modifications to audit reports

Although the Legislature did obtain a clean audit outcome in the 2022-23 financial year, an action plan was developed to address issues raised by the Auditor-General in that financial year. The implementation of the action plan was monitored throughout the quarters of the financial year.

### 16.Exemptions and deviations received from the National Treasury

No exemptions and deviations were received from the National Treasury during the year under review.

### 17.Interim Financial Statements

Interim financial statements were compiled and submitted to the Speaker as per provisions of FMPPLA.

### 18.Other

N/A.

### 19.Approval

The Annual Financial Statements set out on pages 57 to 94 have been approved by the Accounting Officer.

Dr Nkuna IS Acting Secretary



Report of the auditor-general to Limpopo Provincial Legislature on vote no. 2: Limpopo Legislature

Report on the audit of the financial statements

### Opinion

- 1. I have audited the financial statements of the Limpopo Legislature set out on pages 57 to 94, which comprise the statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
- 2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Limpopo Legislature as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Financial Management of Parliament and Provincial Legislatures Act 10 of 2009 (FMPPLA).

### Basis for opinion

- I conducted my audit in accordance with the International Standards on Auditing (ISAs). My
  responsibilities under those standards are further described in the responsibilities of the
  auditor-general for the audit of the financial statements section of my report.
- 4. I am independent of the legislature 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.

### Other matter

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

### Unaudited supplementary schedules

7. The supplementary schedule set out on pages 27 to 46 does not form part of the financial statements and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion thereon.



## LIMPOPO LEGISLATURE VOTE 02 REPORT ON THE AUDITOR GENERAL for the year ended 31 March 2024

### Responsibilities of the accounting officer for the financial statements

- 8. The accounting policy is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the FMPPLA; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- 9. In preparing the financial statements, the accounting officer is responsible for assessing the legislature'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 legislature or to cease operations, or has no realistic alternative but to do so.

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

- 10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- 11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 6, forms part of our auditor's report.

### Report on the audit of the annual performance report

- 12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programme presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
- 13. I selected the following programme presented in the annual performance report for the year ended 31 March 2024 for auditing. I selected a programme that measures the legislature's performance on its primary mandated functions and that is of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 3 – Parliamentary services	21 to 26	Provide oversight over provincial and local government, law making, public participation, house proceedings, and hansard and language services.



- 14. I evaluated the reported performance information for the selected programme against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the legislature's planning and delivery on its mandate and objectives.
- 15. I performed procedures to test whether:
  - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.
  - there is adequate supporting evidence for the achievements reported.
- 16. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
- 17. I did not identify any material findings on the reported performance information for programme 3 parliamentary services.

### Other matters

18. I draw attention to the matters below.

### Achievement of planned targets

- 19. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements.
- 20. The table that follow provide information on the achievement of planned targets and list the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 21 to 26.

### Programme 3 - Parliamentary services

Targets achieved: 76% Budget spent: 95%

Key indicator not achieved	Planned target	Reported achievement
Number of departmental and public entities APP's and strategic documents analysed	120	117
Number of legislation facilitated	12	3
Number of NCOP legislation facilitated	30	21
Number of NCOP events coordinated	4	1
Number of educational workshops conducted	3	1



## LIMPOPO LEGISLATURE VOTE 02 REPORT ON THE AUDITOR GENERAL for the year ended 31 March 2024

### **Material misstatements**

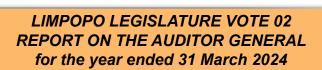
21. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for programme 3 – parliamentary services. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

### Report on compliance with legislation

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

### Other information in the annual report

- 26. The accounting officer is responsible for the other information included in the annual report which includes the audit committee's report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
- 27. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
- 28. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
- 29. 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

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

Polokwane

31 July 2024

AUDITOR-GENERAL SOUTH AFRICA

uditor - General

Auditing to build public confidence



### LIMPOPO LEGISLATURE VOTE 02 REPORT ON THE AUDITOR GENERAL for the year ended 31 March 2024

The annexure includes the following:

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

### Auditor-general's responsibility for the audit

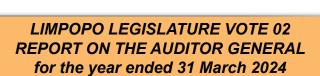
### Professional judgement and professional scepticism

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

### **Financial statements**

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

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



### Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and 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 LEGISLATURE VOTE 02 REPORT ON THE AUDITOR GENERAL for the year ended 31 March 2024

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Financial Management of Parliament and	Section 56
Provincial Legislatures Act 10 of 2009 (FMPPLA)	section 55(3)(d)
(TWITE)	Section 15(1) & (2)(b)
	Section 57(a)
	Section 56(1)
	Section 7(b)
	Section 36(a)
	Section 22(2)
	Section 7(e)
	Section 33(2)(a)
	Section 33(2)(b)
	Section 33(2)(e)
	Section 14(1)
	Section 14(2)(a)
	Section 14(2)(b)
	Section 14(2)(c)
	Section 14(2)(d)
	Section 14(2)(e)
	Section 13(b)
	Section 15(1)
	Section 52
	Section 15(2)(a)
	Section 15(2)(b)
	Section 15(2)( c)
	Section 15(2)(d)
	Section 53 (1)
	Section 53 (1)(b)
	Section 53 (1)( c)
	Section 20(5) and 21(2)
	Section 67(2)(a)
	Section 67(2)(b)
	Section 68(2)(a)
	Section 68(2)(b)
	Section 35(1)(a)
	Section 35(1)(b)
	Section 22(2)



Legislation	Sections or regulations
	Section 57(a)
Preferential Procurement Policy Framework Act	PPPFA 2 (1)(a)
5 of 2000 and regulations and instructions issued in terms of the act	PPPFA (1)
	PPPFA 21 (f)
	Regulations (/1)
	Regulations 6(8), 7(8), 10(1) & (2) & 11(1)
	Regulations 4(4) and 5(4).
	Regulations 5(1) & 5(3)
	Regulations 5(6)
	Regulations 5(7)
	Regulations 4(1) & 4(2)
	Regulations 9(1)
	Regulations 8(5)
	Regulation 8(2)
	Regulation 11 (2) & (3)
	NT Instruction 4 of 2015/16 par 3.4
	SBD 6.2 Issued 2015/16
Supply Chain Management Regulations issued	Regulation 6(1) (c).6(6), &6(7)
in terms of the Financial Management of Parliament Act, 2009 (Act No. 10 of 2009)	Regulations 11(2) and (3)
(	Regulation 8(2)
	Regulations 6(3) (e)
	Regulations 6(11)
	Regulations 6(8)(a)(ii)
	Regulations 7(9)(a)(vi)
	Regulations 9(1) (c)
	Regulations 7(8)(a)
	Regulations 8(1)
Prevention and Combating of Corrupt Activities Act	Section 34(1)



# LIMPOPO LEGISLATURE VOTE 02 ACCOUNTING OFFICER'S RESPONSIBILITIES AND APPROVAL for the year ended 31 March 2024

he accounting Officer is required by the Financial Management Act of Parliament and Provincial Legislature (Act 10 of 2009), to maintain adequate accounting records and is responsible for the content and integrity of annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standard Board. The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Accounting Officer acknowledges that he is ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in cost effective manner. The standard included the proper delegation of responsibilities within a clearly defined framework, effective accounting procedure and adequate segregation of duties to ensure an acceptable level of risk. These control are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The annual financial statements set out on pages 57 to 94, which have been prepared on the going concern basis, were approved by the accounting officer on 31 May 2024 and were signed on its behalf by:

Dr Nkuna IS	•	•	• •
The Acting Secretary			



Figures in Rand thousand	Note(s)	2024	2023 Restated*
Assets			
Current Assets			
Inventories	8	530	567
Operating lease asset	7	337	175
Receivables from exchange transactions	9	235	302
Prepayments		158	10
Cash and cash equivalents	11	50,984	47,245
	_	52,244	48,299
Non-Current Assets			
Property, plant and equipment	3	46,253	33,410
Intangible assets	4	2,320	2,456
Heritage assets	5	528	528
	_	49,101	36,394
Total Assets	_	101,345	84,693
Liabilities			
Current Liabilities			
Finance lease obligation	12	1,249	824
Payables from exchange transactions	14	27,017	23,785
Payable from non exchange transaction	15	-	2,068
Provisions	13	22,797	19,081
	_	51,063	45,758
Non-Current Liabilities			
Finance lease obligation	12	369	312
Provisions	13	36,947	33,183
		37,316	33,495
Total Liabilities	_	88,379	79,253
Net Assets		12,966	5,440
Accumulated surplus	_	12,966	5,440



# Limpopo Legislature Annual Financial Statements Of the year ended 31 March 2024

Figures in Rand thousand	Note(s)	2024	2023 Restated*
Revenue			
Revenue from exchange transactions			
Interest received		5,470	4,673
Other income		105	111
Actuarial gains		7,914	10,420
Total revenue from exchange transactions		13,489	15,204
Revenue from non-exchange transactions			
Transfer revenue			
Annual appropriation		437,417	392,975
Statutory appropriation		55,000	53,974
Service in kind rental income		11,403	10,657
Total revenue from non-exchange transactions	_	503,820	457,606
Total revenue	16	517,309	472,810
Expenditure			
Employee related costs	18	(229,882)	(199,142)
Remuneration of members	17	(55,867)	(55,475)
Transfer payments - Other	19	(119,117)	(124,645)
Depreciation and amortisation	3	(11,976)	(8,723)
Impairment loss	20	(26)	69
Finance costs	21	(168)	(92)
Loss on disposal of assets and liabilities		(940)	(753)
General expenses	22	(78,116)	(58,946)
Repairs and maintenance	23	(2,292)	(3,373)
Service in kind rental expense	24	(11,403)	(10,657)
Total expenditure	_	(509,787)	(461,737)
Surplus for the year	_	7,522	11,073



# **LIMPOPO LEGISLATURE VOTE 02** Limpopo Legislature LIMPOPO LEGISLATURE VOTE 02 Annual Financial Statements for STATEMENT NOTE CHANGES IN NET ASSETS for the year ended 31 March 2024 Statement of Changes in Net Assets

Figures in Rand thousand	Accumulated surplus	Total net assets
Balance at 01 April 2022 Changes in net assets	(5,623)	(5,623)
Surplus for the year	11,063	11,063
Total changes	11,063	11,063
Opening balance as previously reported Adjustments	5,467	5,467
Prior year adjustments (Refer to Note 31)	(22)	(22)
Restated* Balance at 01 April 2023 as restated* Changes in net assets	5,445	5,445
Surplus/Deficit for the year	7,521	7,521
Total changes	7,521	7,521
Balance at 31 March 2024	12,966	12,966

Note(s)



# Limpopo Legislature Annual Financial Statements for the year ended 31 March 2024

Figures in Rand thousand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Interest income		5,470	4,673
Receipts	_	511,839	447,060
		517,309	451,733
Payments		(488,239)	(446,930)
Net cash flows from operating activities	25	29,070	4,803
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(18,117)	(8,856)
Proceeds from sale of property, plant and equipment	3	1,548	378
Purchase of other intangible assets	4	(7,273)	(4,697)
Net cash flows from investing activities	_	(23,842)	(13,175)
Cash flows from financing activities			
Finance lease payments		(1,321)	(1,015)
Finance costs		(168)	(91)
Net cash flows from financing activities	_	(1,489)	(1,106)
Net increase/(decrease) in cash and cash equivalents		3,739	(9,478)
Cash and cash equivalents at the beginning of the year		47,245	56,722
Cash and cash equivalents at the end of the year	11	50,984	47,244



Limpopo Legislature

Annual Financial Statements for the year end LIMPORO LEGISLATURE VOTE 02

STATEMENT OF COMPARISON OF BUDGET AND AC

Statement of Comparison of Budget and Actual Amounts
for the year ended 31 March 2014 OF BUDGET AND ACTUAL AMOUNTS
Actual Amounts
ded 31 March 2024

Budget on Cash Basis		t me year t		viai CII ZUZ4		
Figures in Rand thousand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis		Reference
	<del>.</del>			_		
Cash Flow Statement						
Cash flows from operating activ	vities					
Receipts						
Other income	150	-	150	1,653	1,503	collection is due to the sale
Interest income	3,600	-	3,600	5,470	1,870	of assets The difference is due to more interest earned on unspent
Annual appropriation	481,212	_	481,212	481,212	_	funds
Statutory appropriation	55,000	-	55,000	- ,	-	
	539,962	-	539,962	543,335	3,373	
Payments						
Employee costs	(293,013)	2,450	(290,563	) (263,627)	26,936	underspending of R 26.936m on COE is due to the savings
Good and Services	(99,134)	(2,150)	(101,284	) (89,711)	11,573	on vacant post. The variance of R 11.573m is due to the shorted programme of the legislature in the last quater (recess) due to the preparation of election .The savings is mainly on S&T, venue and facilities
Transfer Payments	(121,383)	-	(121,383	<b>)</b> (119,403)	1,980	The variance of R1.980m is due to the savings on social contribution for employee who go on retirement.
	(513,530)	300	(513,230	) (472,741)	40,489	
Net cash flows from operating activities	26,432	300	26,732	70,594	43,862	

Cash flows from investing activities



Limpopo Legislature

Annual Financial Statements for the year ended of Marcin 2024 SLATURE VOTE 02

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Statement of Comparison of Budget and Actual Amounts

Statement of Comparison of The year ended 31 Marcin 2022

Budget on Cash Ba	CIC

Figures in Rand thousand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis		Reference
Purchase of property, plant and equipment	(22,682)	(300)	(22,982)	(22,931)	51	The variance is insignificant
Net increase/(decrease) in cash and cash equivalents	3,750	-	3,750	47,663	43,913	
Cash and cash equivalents at the end of the year	3,750	-	3,750	47,663	43,913	
Reconciliation						
Net cash from (used) operating						
Basis difference Depreciation and amortisation Other income Loss on sale of assets				11,986 (7,123) 940		
Timing difference Receivables Prepayment Inventories				69 (3) 37		
Provision Payables				(7,480) 5,121		
Net cash from (used) financing						
Basis difference Finance cost				(226)		
Actual Amount in the Cash flow statement				50,984		



Limpopo Legislature LIMPOPO LEGISLATURE VOTE 02

Annual Financial Statements for the year ended 21 March 2024

Accounting Policies for the year ended 31 March 2024

### 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 56(1) of the Financial Management of Parliament and Provincial legislatures Act.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

### 1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the entity.

### 1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

### 1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

### Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the key assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including list entity specific variables, i.e. production estimates, supply and demand.

### **Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 13 - Provisions.

### Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.



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### 1.4 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- · it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment is carried at cost or deemed cost less accumulated depreciation and any impairment losses.

Work in Progress included in the Property, Plant and Equipment is carried at a cost and not depreciated as it is not yet in use.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and Equipment	Straight line	15 - 25 years
Motor vehicles	Straight line	10 - 20 years
Office equipment	Straight line	15 - 20 years
Computer equipment	Straight line	6 - 20 years
Security equipment	Straight line	15 - 20 years
Finance lease assets	Straight line	2 years
Library books	Straight line	6 - 12 Years years
Plant and Machineray	Straight line	15 years
Motor vehicle	Residual Value	30%

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

The entity assesses at each reporting date whether there is any indication that the entity is expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.



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for the year ended 31 March 2024

### 1.4 Property, plant and equipment (continued)

Details of the repairs and maintenace is displayed under note 25.

### 1.5 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software licenses	Straight line	1 year

### 1.6 Heritage assets

Assets are resources controlled by an entity as a result of past events and from which future economic benefits or service potential are expected to flow to the entity.

Carrying amount is the amount at which an asset is recognised after deducting accumulated impairment losses.

Class of heritage assets means a grouping of heritage assets of a similar nature or function in an entity's operations that is shown as a single item for the purpose of disclosure in the annual financial statements.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.



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### 1.6 Heritage assets (continued)

An impairment loss of a cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount

An impairment loss of a non-cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

An inalienable item is an asset that an entity is required by law or otherwise to retain indefinitely and cannot be disposed of without consent.

Recoverable amount is the higher of a cash-generating asset's net selling price and its value in use.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Value in use of a cash-generating asset is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Value in use of a non-cash-generating asset is the present value of the asset's remaining service potential.

The entity separately discloses expenditure to repair and maintain heritage assets in the notes to the financial statements (see note ).

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note).

### Recognition

The entity recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the entity, and the cost or fair value of the asset can be measured reliably.

### Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

### Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

After recognition as an asset, a class of heritage assets, whose fair value can be measured reliably, is carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses.

If a heritage asset's carrying amount is increased as a result of a revaluation, the increase is credited directly to a revaluation surplus. However, the increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same heritage asset previously recognised in surplus or deficit.

If a heritage asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in surplus or deficit. However, the decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that heritage asset.

### Transfers - Political Parties and municipalities

Transfers include all payments to the Political Parties represented in the Legislature and the municipalities for the payment of license for the vehicles.

Transfers are measured at the cost.



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### 1.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types
  of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash:
- a residual interest of another entity; or
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

Legislature makes provision for doubtful debts based on debts that are outstanding for more than 3 years.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.



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### 1.7 Financial instruments (continued)

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- · derivatives;
- contingent consideration of an acquirer in a transfer of functions between entities not under common control to which
  the Standard of GRAP on Transfer of Functions Between Entities Not Under Common Control (GRAP 106) applies
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
  - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
  - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
  - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
  - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

### Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.



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ACCOUNTING POLICIES

for the year ended 31 March 2024

### 1.7 Financial instruments (continued)

### Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The entity measures a financial asset and financial liability initially at its fair value [if subsequently measured at fair value].

The entity first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the entity analyses a concessionary loan into its component parts and accounts for each component separately. The entity accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

### Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

### Cash and cash equivalents

Cash includes cash on hand and cash with the banks. Cash equivalents are short term in nature, highly liquid and are registered with banking instituitions which is subject to an insignificant risk of change in use.

The entity measures cash and cash equivalents at amortised cost.

### 1.8 Taxation

### Tax expenses

Limpopo Legislature is exempt from the income tax in line with Section 10 of the Income Tax.

### 1.9 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

### Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the entity's incremental borrowing rate.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.



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### 1.9 Leases (continued)

### Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

#### 1.10 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution trough a non-exchange transaction; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

### 1.11 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.

### 1.12 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.



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### 1.12 Employee benefits (continued)

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

### Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the
  absences is due to be settled within twelve months after the end of the reporting period in which the employees
  render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognise the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

### **Remuneration of Members**

Remuneration of Members are all forms of consideration given by the entity in exchange for services rendered by the Mebers.

Members gratuity are Members benefits payable as a results of termination to be the Member of the Legislature and this benefit is measured at cost and is determined by using the current Notch of the Member of the Legislature. Members are only entittle for this benefit when they served atleast one full term

Remuneration of members are measured at cost determined by the Government Gazzete approved by the Premier.



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#### 1.12 Employee benefits (continued)

#### Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognise the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid
  exceeds the contribution due for service before the reporting date, an entity recognise that excess as an asset
  (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a
  cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

#### 1.13 Provisions and contingencies

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- 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 can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

A provision is used only for expenditures for which the provision was originally recognised.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 28.

#### 1.14 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

#### 1.15 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the Legislature receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

#### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.



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#### 1.15 Revenue from exchange transactions (continued)

#### Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor
  effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
   and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### Interest

Revenue arising from the use by others of entity assets yielding interest when:

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

Interest is recognised, in surplus or deficit, using the effective interest rate method.

#### 1.16 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the entity can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

#### Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

#### **Appropriations**

Appropriation is recognised as revenue from non-exchange transaction when it is tabled at the Legislature.

#### Services in-kind

The entity recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the entity's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the entity disclose the nature and type of services in-kind received during the reporting period.



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ACCOUNTING POLICIES

for the year ended 31 March 2024

#### 1.17 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

#### 1.18 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

#### 1.19 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

#### 1.20 Irregular expenditure

Irregular expenditure as defined in section 1 of the FMPPLA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

#### 1.21 Budget information

Entity is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

The approved budget is prepared on a modified cash basis and presented by economic classification linked to performance outcome objectives.



Annual Financial Statements for the year MRQRONLEGISLATURE VOTE 02 **ACCOUNTING POLICIES** Accounting Policies

for the year ended 31 March 2024

#### 1.21 Budget information (continued)

The approved budget covers the fiscal period from 01/04/2023 to 31/03/2024.

The annual financial statements and budget are on a different basis of accounting therefore a comparison with the budget amount for the reporting period have been included in the statement of budget and actual amount. The amounts included in the statement of budget and actuals are cash.

#### 1.22 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Legislature shall disclose the remuneration of management per person and in aggregate, for each class of management, in the following categories: fees for services as member of management, basic salary, bonus and performance related payments; etc.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.

#### 1.23 Events after reporting date

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

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

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

#### 1.24 Offsetting

Assets, liabilities, revenues & expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP. The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated

#### 1.25 Prepayments

A prepaid expense is an expenditure paid for in one accounting period, but for which the underlying assets will not be consumed until a future period.



Annual Financial Statements for the year PALEGISLATURE VOTE 02

ACCOUNTING POLICIES

for the year ended 31 March 2024

#### 1.25 Prepayments (continued)

A prepaid expense is carried on the Statement of Financial Position of the Limpopo Legislature as a Current asset until its consumed.

#### 1.26 Changes in Accounting Policies, Estimates and Errors

Changes in accounting policies that are effected by management have been applied retrospectively in accordance with GRAP 3: accounting policies, estimates and error requirements, except to the extent that it is impractical to determine the period-specific effects or the cumulative effect of the change in policy. In such cases the Legislature shall restate opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatements is practical.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements. Details of changes in estimates are disclosed in the Notes to the financial statements where applicable.



Annual Financial Statements for the year ended 31 March 2024 TURE VOTE 02

Notes to the Annual Figure of Statements

Figures in Rand thousand for the year ended 31 March 2024 2023

#### 2. New standards and interpretations

#### 2.1 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2024 or later periods:

#### GRAP 25 (as revised): Employee Benefits

#### **Background**

The Board issued the Standard of GRAP on Employee Benefits (GRAP 25) in November 2009. GRAP 25 was based on the International Public Sector Accounting Standard on Employee Benefits (IPSAS 25) effective at that time. However, GRAP 25 was modified in some respects where the Board decided the requirements of the International Accounting Standard on Employee Benefits (IAS® 19) were more appropriate. Specifically, the Board:

- Eliminated the corridor method and required recognition of actuarial gains and losses in full in the year that they arise
- Required the recognition of past service costs in the year that a plan is amended, rather than on the basis of whether they are vested or unvested.

Since 2009, the International Accounting Standards Board® has made several changes to IAS 19, including changes to the recognition of certain benefits, and where these changes are recognised. The IPSASB made similar changes to its standard and as a result of the extent of changes, issued IPSAS 39 on Employee Benefits to replace IPSAS 25 in 2016.

When the Board consulted locally on the proposed amendments to IPSAS 25 in 2016, stakeholders welcomed the amendments to align IPSAS 25 to IAS 19 and supported the changes that resulted in IPSAS 39.

In developing GRAP 25, the Board agreed to include the guidance from the IFRS Interpretation on IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IFRIC 14®) partly in GRAP 25 and partly in the Interpretation of the Standards of GRAP on The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IGRAP 7).

#### Key amendments to GRAP 25

The Board agreed to align GRAP 25 with IPSAS 39, but that local issues and the local environment need to be considered. As a result of this decision, there are areas where GRAP 25 departs from the requirements of IPSAS 39. The Board's decisions to depart are explained in the basis for conclusions.

The amendments to GRAP 25 are extensive and mostly affect the accounting for defined benefit plans. A new renumbered Standard of GRAP (e.g. GRAP 39) will not be issued, but rather a new version of the current GRAP 25.

The effective date of these revisions have not yet been set.

It is unlikely that the revisions will have a material impact on the entity's annual financial statements.

#### iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction

#### **Background**

The Board issued the Standard of GRAP on Employee Benefits (GRAP 25) in November 2009. GRAP 25 was based on the International Public Sector Accounting Standard on Employee Benefits (IPSAS 25) effective at that time. However, GRAP 25 was modified in some respects where the Board decided the requirements of the International Accounting Standard on Employee Benefits (IAS® 19) were more appropriate. Specifically, the Board:

- Eliminated the corridor method and required recognition of actuarial gains and losses in full in the year that they
  arise.
- Required the recognition of past service costs in the year that a plan is amended, rather than on the basis of whether they are vested or unvested.



Annual Financial Statements for the year ended 31 March 2024 LIMPOPO LEGISLATURE VOTE 02

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Notes to the Annual Financial Statements year ended 31 March 2024

#### 2. New standards and interpretations (continued)

Since 2009, the International Accounting Standards Board® has made several changes to IAS 19, including changes to the recognition of certain benefits, and where these changes are recognised. The IPSASB made similar changes to its standard and as a result of the extent of changes, issued IPSAS 39 on Employee Benefits to replace IPSAS 25 in 2016.

When the Board consulted locally on the proposed amendments to IPSAS 25 in 2016, stakeholders welcomed the amendments to align IPSAS 25 to IAS 19 and supported the changes that resulted in IPSAS 39.

In developing GRAP 25, the Board agreed to include the guidance from the IFRS Interpretation on IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IFRIC 14®) partly in GRAP 25 and partly in the Interpretation of the Standards of GRAP on The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IGRAP 7).

The effective date of these revisions have not yet been set.

It is unlikely that the revisions will have a material impact on the entity's annual financial statements.

#### Guideline: Guideline on the Application of Materiality to Financial Statements

The objective of this guideline: The objective of this Guideline is to provide guidance that will assist entities to apply the concept of materiality when preparing financial statements in accordance with Standards of GRAP. The Guideline aims to assist entities in achieving the overall financial reporting objective. The Guideline outlines a process that may be considered by entities when applying materiality to the preparation of financial statements. The process was developed based on concepts outlined in Discussion Paper 9 on Materiality – Reducing Complexity and Improving Reporting, while also clarifying existing principles from the Conceptual Framework for General Purpose Financial Reporting and other relevant Standards of GRAP. The Guideline includes examples and case studies to illustrate how an entity may apply the principles in the Guideline, based on specific facts presented.

It covers: Definition and characteristics of materiality, Role of materiality in the financial statements, Identifying the users of financial statements and their information needs, Assessing whether information is material, Applying materiality in preparing the financial statements, and Appendixes with References to the Conceptual Framework for General Purpose Financial Reporting and the Standards of GRAP & References to pronouncements used in the Guideline.

The guideline is encouraged to be used by entities.

It is unlikely that the standard will have a material impact on the entity's annual financial statements.

#### GRAP 104 (as revised): Financial Instruments

Following the global financial crisis, a number of concerns were raised about the accounting for financial instruments. This included that (a) information on credit losses and defaults on financial assets was received too late to enable proper decision-making, (b) using fair value in certain instances was inappropriate, and (c) some of the existing accounting requirements were seen as too rules based. As a result, the International Accounting Standards Board® amended its existing Standards to deal with these issues. The IASB issued IFRS® Standard on Financial Instruments (IFRS 9) in 2009 to address many of the concerns raised. Revisions were also made to IAS® on Financial Instruments: Presentation and the IFRS Standard® on Financial Instruments: Disclosures. The IPSASB issued revised International Public Sector Accounting Standards in June 2018 so as to align them with the equivalent IFRS Standards.

The revisions better align the Standards of GRAP with recent international developments. The amendments result in better information available to make decisions about financial assets and their recoverability, and more transparent information on financial liabilities.

The most significant changes to the Standard affect:

- Financial guarantee contracts issued
- Loan commitments issued
- Classification of financial assets
- Amortised cost of financial assets



Annual Financial Statements for the year ended 31 March 2024
LIMPOPO LEGISLATURE VOTE 02

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Notes to the Annual Financial Statements
For the year ended 31 March 2024

#### 2. New standards and interpretations (continued)

- Impairment of financial assets
- Disclosures

The effective date of the revisions is not yet set by the Minister of Finance.

The entity expects to adopt the revisions for the first time when the Minister sets the effective date for the revisions.

It is unlikely that the standard will have a material impact on the entity's annual financial statements.

#### **GRAP 1 (amended): Presentation of Financial Statements**

Amendments to this Standard of GRAP, are primarily drawn from the IASB's Amendments to IAS 1.

Summary of amendments are:

#### Materiality and aggregation

The amendments clarify that:

- information should not be obscured by aggregating or by providing immaterial information;
- materiality considerations apply to all parts of the financial statements; and
- even when a Standard of GRAP requires a specific disclosure, materiality considerations apply.

#### Statement of financial position and statement of financial performance

The amendments clarify that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements.

#### **Notes structure**

The amendments add examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need not be presented in the order listed in GRAP 1.

#### Disclosure of accounting policies

Remove guidance and examples with regards to the identification of significant accounting policies that were perceived as being potentially unhelpful.

An entity applies judgement based on past experience and current facts and circumstances.

The effective date of this amendment is for years beginning on or after 01 April 2025.

The entity expects to adopt the amendment for the first time in the 2025/2026 annual financial statements.

It is unlikely that the amendment will have a material impact on the entity's annual financial statements.



## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Limpopo Legislature
Annual Financial Statements for the year ended 31 March 2024

Notes to the Annual Financial Statements

Figures in Rand thousand

#### 3. Property, plant and equipment

	2024			2023			
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	
Plant and machinery	1,030	(142)	888	1,030	(69)	961	
Furniture and fixtures	7,729	(4,425)		6,673	(4,445)		
Motor vehicles	18,040	(5,330)	12,710	22,288	(7,197)	15,091	
Office equipment	1,910	(1,139)	771	2,028	(1,196)	832	
IT equipment	26,572	(11,212)	15,360	21,810	(10,580)	11,230	
Security equipment	5,042	(2,739)	2,303	4,449	(2,641)	1,808	
Work in Progress	9,197	-	9,197	_		-	
Library books	1,120	(961)	159	1,081	(937)	144	
Finance lease assets	7,976	(6,415)	1,561	6,173	(5,057)	1,116	
Total	78,616	(32,363)	46,253	65,532	(32,122)	33,410	

#### Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Plant and machinery	961	-	-	(73)	-	888
Furniture and fixtures	2,228	1,252	(30)	(136)	(10)	3,304
Motor vehicles	15,091	1,295	(2,201)	(1,475)	`-	12,710
Office equipment	832	60	(36)	(73)	(12)	771
Limpopo Legislature	11,230	5,574	(194)	(1,246)	(4)	15,360
SAGNULLY PRIMINEDARY Statements for the year ended 31 March 2024	1,808	701	(32)	(174)	-	2,303
Work In Progress	-	9,197	-	-	-	9,197
LNbotestoothe Annual Financial Statements	144	39	-	(24)	-	159
Finance lease assets	1,116	1,803	-	(1,358)	-	1,561
	33,410	19,921	(2,493)	(4,559)	(26)	46,253

#### 3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2023	27					
	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Plant and machinery	989	41	-	(69)	-	961
Furniture and fixtures	1,665	761	(30)	(183)	15	2,228
Motor vehicles	10,662	5,762	(132)	(1,201)	-	15,091
Office equipment	848	105	(66)	(77)	22	832
IT equipment	11,036	2,091	(832)	(1,065)	-	11,230
Security equipment	2,021	23	(85)	(181)	30	1,808
Library books	98	71	-	(25)	-	144
Finance lease assets	871	1,281	-	(1,036)	-	1,116
	28,190	10,135	(1,145)	(3,837)	67	33,410

#### Pledged as security

No property, plant and equipment was pledged as security.

Compensation received for gains on property, plant and equipment – included in operating profit.

Assets subject to finance lease (Net carrying amount)

Finance lease assets \_\_\_\_\_\_1,561 \_\_\_\_\_1,116

#### Work In progress

Included in the work in progress amount to R9 197 000 is the cost to date for the installation of the chamber system, which includes item like equipment, cables, lights,screans and the installation cost.Furthermore the amount of R 493 000 is for installation of the fence at the legislature

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## **LIMPOPO LEGISLATURE VOTE 02** Limpopo Legislatures TO THE ANNUAL FINANCIAL STATEMENTS Annual Financial Statements for the year ended 31 March 2024

igures in Rand thousand				,	2024	2023
igares in rana mousana					2024	2023
. Intangible assets						
		2024			2023	
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying valu
Computer software, other	37,448	(35,128)	) 2,320	30,17	6 (27,720)	2,45
Reconciliation of intangible a	assets - 2024					
			Opening balance	Additions	Amortisation	Total
Computer software, other		_	2,456	7,273	(7,409)	2,320
Reconciliation of intangible a	assets - 2023					
			Opening balance	Additions	Amortisation	Total
Computer software, other		_	2,645	4,697	(4,886)	2,456
5. Heritage assets						
		2024			2023	
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying valu
Heritage asset	528	-	528	52	8 -	528
Reconciliation of heritage as	sets 2024					
					Opening balance	Total
Heritage asset				-	528	528
Reconciliation of heritage as	sets 2023					
					Opening balance	Total
Heritage asset				_	528	528
6. Change in accounting e	stimate					
None						
7. Operating lease asset (a	accrual)					
Current assets					337	



## **LIMPOPO LEGISLATURE VOTE 02** Limpopo Legislatureres TO THE ANNUAL FINANCIAL STATEMENTS Annual Financial Statements for the year ended 31 March 2024

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Figures in Rand thousand		2024	2023
8. Inventories			
Opening stock		567	664
Purchases Utilised		2,140 (2,177)	1,897 (1,994)
o timo o d		530	567
9. Receivables from exchange	e transactions		
Staff debtors		1,516	1,446
Allowance for doubtful debt		(1,281) <b>235</b>	(1,144) <b>302</b>
			302
Trade and other receivables age	eing		
The ageing of amounts are as follo	ows:		
Less than 3 months		10	2
Greater than 6 months Greater than 1 year but less than 2	2 years	90 10	125 85
Greater than 2 years but less than		43	111
Greater than 3 years		1,362	1,151
Reconciliation of provision for in	mpairment of trade and other receivables		
Opening balance		(1,144)	(1,066)
Provision for impairment		(137) (1,281)	(78) (1,144)
10. Receivables from non-exch	nange transactions		(-,,
Service in kind receivables		11,403	10,657
Amortised service in kind receivab	oles	(11,403)	(10,657)
		<u> </u>	-
11. Cash and cash equivalents			
Cash and cash equivalents consis	t of:		
Standard Bank		50,984	47,245
The entity had the following ban	ık accounts		
Account number / description	Bank statement balances	Cash book balances	

Account number / description STANDARD BANK - Cheque Account -012 -926-205 50,984

Bank statement balances Cash book balances 31 March 2024 31 March 2023 31 March 2022 31 March 2024 31 March 2023 31 March 2022 47,247 56,722 50,984 47,247 56,722



# LIMPOPO LEGISLATURE VOTE 02 Limpopo Legislature TES TO THE ANNUAL FINANCIAL STATEMENTS Annual Financial Statements for the year ended 31 March 2024 for the year ended 31 March 2024

Figures in Rand thousand	2024	2023
12. Finance lease obligation		
Minimum lease payments due		
- within one year	1,355	885
- in second to fifth year inclusive	408	341
	1,763	1,226
less: future finance charges	(145)	(93)
Present value of minimum lease payments	1,618	1,133
Present value of minimum lease payments due		
- within one year	1,355	885
- in second to fifth year inclusive	408	341
	1,763	1,226
Non-current liabilities	369	312
Current liabilities	1,249	824
	1,618	1,136

#### 13. Provisions

#### Reconciliation of provisions - 2024

	Opening Balance	Additions	Utilised during the year	Total
Employee benefits - members increase	1,825	-	(1,825)	-
Gratuity benefits	9,841	(2,462)	(257)	7,122
Provision for bonuses	5,247	12,168	(4,883)	12,532
Post retirement benefits - Medical aid	33,851	5,130	(557)	38,424
Long service awards	1,500	426	(260)	1,666
	52,264	15,262	(7,782)	59,744

#### Reconciliation of provisions - 2023

	58,373	7,387	(13,110)	(386)	52,264
Long service awards	1,987	3	(490)	-	1,500
Post retirement benefits - Medical aid	33,829	312	(302)	12	33,851
Provision for bonuses	11,419	5,247	(11,224)	(195)	5,247
Gratuity benefit	11,138	-	(1,094)	(203)	9,841
Employee benefits - members increase	-	1,825	-	-	1,825
	Balance	Additions	the year	during the year	Total

	58,373	7,387	(13,110)	(386)	52,264
Non-current liabilities Current liabilities				36,947 22,797	33,183 19,081
			_	59,744	52,264



# LIMPOPO LEGISLATURE VOTE 02 Limpopo Legislature Tes To THE ANNUAL FINANCIAL STATEMENTS Annual Financial Statements for the year ended 31 March 2024 for the year ended 31 March 2024

**Notes to the Annual Financial Statements** 

Figures in Rand thousand 2024 2023

#### 13. Provisions (continued)

#### Long service award provision

The long service awards represents estimates of the entity's liability as valued by professional valuers with an effective valuation date of 31 March 2024. The entity values long service awards annually using One Pangaea Financial who has been appointed to estimate the present value of the long service award in the financial year under review.

The long service award consist of an obligation to pay out a bonus in the year of the employee attaining the required service. This obligation represents a liability to the employer.

#### Methodology:

Accrued liabilities are defined as the actuarial present value of all benefits expected to be paid in future based on service accrued to the valuation date and awards projected to retirement date.

In determining these liabilities, due allowance has been made for future award increases.

For each employee, this projection is based on the probability of being employed at each service award date, taking into account the assumed rates of withdrawal, early retirement and death.

In accordance with the requirements of GRAP 25, the Projected Unit Credit Method of funding has been applied.

The obligation is determinded by calculating the present value of the possible long service bonus awards payable throughout the employee's service guided by the approved HR Policy of Limpopo Legislature, paragraph 9.3.2 "Long service recognition bonus".

The benefits payable are illustrated in the table below:

Completed service (years)	Long service
	bonus awards
	(ZAR)
10	20,000
20	30,000

The key assumptions used in the valuation, with the prior year's assumptions shown for comparison, are summarised below:

	2024	2023
Long term, duration specific, discount rate	10.01%	8.63%
CPI	5.25%	4.36%
Net discount rate (CPI)	4.52%	4.09%

The following demographic assumptions were applicable over the prior and current valuation periods:

	25	5 48	35
	60	-	-
	55	1%	1%
	50	2%	2%
Withdrawal from service	40	6%	6%
	30	15%	10%
	20	24%	16%
Withdrawal from service	Examples at stated age		Male rates
Mortality Normal retirement age		SA85-90 63	



## LIMPOPO LEGISLATURE VOTE 02 Limpopo Legislatures TO THE ANNUAL FINANCIAL STATEMENTS Annual Financial Statements for the year ended 31 March 2024 for the year ended 31 March 2024

**Notes to the Annual Financial Statements** 

Figures in Rand thousand 2024 2023

#### 13. Provisions (continued)

#### Post employment health care

The post retirement benefit represents estimates of the entity's liability as valued by professional valuers with an effective valuation date of 31 March 2024. The entity values post retirement benefit annually using One Pangaea Financial who has been appointed to estimate the present value of the post retirement benefit in the financial year under review.

#### Methodology:

The liability is taken as the present value of the employer's share of active employee contributions projected into the future using the probability of survival to retirement age and beyond, taking into account the assumed rates of withdrawal and mortality.

In determining these liabilities, due allowance has been made for future award increases.

In accordance with the requirements of GRAP25, the Projected Unit Method of funding has been applied. The assumptions used are based on the following factors:

The demographic assumptions were consistent in the previous and current valuation period and are as follows;

Normal retirement age Employment age used for past service period			63 Years Active service entry ages
Assumptions  Age difference between spouses Proportion married in retirement		Active employees 3 years 90 %	Continuation pensioners 3 years Actual marital status used
Post employment health care assumptions Discount rate CPI Health care cost inflation Net discount rate		2024 14.88% 9.20% 10.70% 3.78%	2023 13.34% 7.72% 9.22% 3.77%
Decrement Assumption	Assumption Morality	Active employee SA85-90 (Normal)	Continuation Pensioners PA(90)
Withdrawal rates	Example at stated age	% 24 15	10
	40 50 55 60 <b>255</b>	2 1 -	2 1 -
	255	40	35



## LIMPOPO LEGISLATURE VOTE 02 Limpopo LegislatM@TES TO THE ANNUAL FINANCIAL STATEMENTS

Annual Financial Statements for the year for the year Polethe year 2024

#### **Notes to the Annual Financial Statements**

#### 13. Provisions (continued)

#### **Gratuity benefit provision**

The gratuity benefit represents estimates of the entity's liability as valued by professional valuers with an effective valuation date of 31 March 2024. The entity values gratuity benefits annually using One Pangaea Financial who has been appointed to estimate the present value of the gratuity benefit in the financial year under review.

An Office Bearer who has served a minimun of five years and whose service is terminated is entitled to receive a once off Gratuity equal to four times pensionable monthly salary, for each five year term, or a pro rata share of that for a part thereof, completed by the member. This benefits does not have any fund for contribution, it is just a benefits given to the members of legislarures when their service is terminated

The probability of being re-elected has been assumed to be 33%. This implies a probability of 11% to be re-elected twice, 4% to be re-elected three times, etc.

#### Methodology:

Accrued liabilities are defined as the actuarial present value of all benefits expected to be paid in future based on service accrued to the valuation date and awards projected to retirement date.

In determining these liabilities, due allowance has been made for future award increases.

For each employee, this projection is based on the probability of being employed at each service award date, taking into account the assumed rates of withdrawal, early retirement and death.

In accordance with the requirements of GRAP25, the Projected Unit Method of funding has been applied.

#### Key assumptions:

The assumptions used as at 31 March 2023 are based on the following factors:

Gratuity benefit assumptions	2024	2023
Discount rate	9.53%	8.35%
CPI	4.79%	4.29%
Salary inflation	5.79%	5.29%
Net discount rate (Salary)	3.54%	2.91%

The table below summarises the Office bearers set to receive the gratuity as at the current valuation date, 31 March 2024, as provided by the Limpopo Legislature.

Gratuities	2024	2023
Number of participants	38	37
Average age (years)	53.02	51.20
Average past service (years)	4.12	3.41
Average monthly salary (ZAR)	111793	108212

#### 14. Payables from exchange transactions

Trade payables	4.546	5.092
Service bonus accrual	6,443	5,428
Accrued leave pay	14,780	12,771
Other accrued expenses	1,246	476
Other creditors	2	18
	27,017	23,785



# LIMPOPO LEGISLATURE VOTE 02 Limpopo Legislature TO THE ANNUAL FINANCIAL STATEMENTS Annual Financial Statements for the year ended 31 March 2024 for the year ended 31 March 2024

Figures in Rand thousand	2024	2023
15. Payables from non exchange transaction		
10. Tayables from non exertainge transaction		
Over transfers payable		2,068
16. Revenue		
Interest received	5,470	4,673
Other income	105	111
Actuarial gains	7,914	10,420 392,975
Annual appropriation Statutory appropriation	437,417 55,000	53,974
Service in Kind Rental income	11,403	10,657
	517,309	472,810
The amount included in revenue arising from exchange transaction is as follows Interest received Positive Bank account	5,470	4.673
Other income	105	111
Actuarial gains	7,914	10,420
	13,489	15,204
The amount included in revenue arising from non-exchange transactions is as		
follows: Taxation revenue		
Annual appropriation	437,417	392,975
Statutory appropriation	55,000	53,974
	492,417	446,949
Service in Kind Rental Income	11,403	10,657
	503,820	457,606
Additional Note to the Revenue from non exchange transactions		
Current year receipts	492,417	446,949
Funds rolled over - retained funds	43,795	47,259
Actual Expenditure	(495,672)	(454,163)
	40,540	40,045
Departmental revenue earned over to next year	7,093	5,162
	47,633	45,207

#### Naration on additional note to the Revenue from non exchange transactions

The current year receipts is the revenue for the current year transferred and recognised as revenue

Funds rolled over is the retained earnings of the prior year that is rolled forward to the current year. It is not part of the current year revenue but prior year.

The Actual Expenditure is the actual cash expenditure.

The departmental revenue earned over to the next year is the actual cash received from the sale of assets, interest received and and replacement of the access cards.



## **LIMPOPO LEGISLATURE VOTE 02** TO THE ANNUAL FINANCIAL STATEMENTS teffer the year ended 31 March 2024

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Elquies in Bang inousang	2024	ZUZ3
Eigures in Rand (housand Eigures in Rand (housand	2024	ન્પ્રન્ય
LIUDIES II IVAIIU UUUSAUU	71174	7117.1

## 16. Revenue (continued)

### **8**8 Income

### Nature and type of services in-kind are as follows:

The service ink kind presented relate to the use of Public works building in Lebowakgomo. The building is used as office

### 17. Remuneration of members

Basic salary Basic salary Service Bonus Service Bonus Medical aid - Entity contribution	26.283 26.283 2,784	26,534 26,538 2,138
Service Bonus Medical and - Entity contribution Medical and - Entity contribution Defined Contributions plans Verified Contributions Verified Contributions Verified Contributions Verified Contributions Verified Contribution Verified Con	6,539 1,539 1,397 1,44 1,44	6,766 16,769 16,769 3,974
members grantly	<u> 55,867</u>	55,475

## 18. Employee related costs

Basic salary Basic salary Berroimance bonus and awards Performance bonus and awards Wedical aid - entity contributions	1327,546 1327,6531 146,5320 166,5320	117, <u>974</u> 5,081 16,117
Service bonuses Service bonus Service Service bonus Service Service bonus Service Service Service bonus Service Serv	10,528 10,518 17,286 17,286	90, 100 100 100 114,90 114,90 114,90
Overfilme payments Leave discounting Leave discounting Long service ponds	1:165 2:536 2:536 7.761	(2837) (8338) 7,165
Non-pensionable allowances Non-pensionable allowances	27:986 338:883	28;316 188;123

### 19. Transfer payments - Other

Provinces and municipalities Provinces and municipalities Non-profit institutions	28 119,888	3 <u>4</u> 1 <del>24</del> ,811
The state of the s	140 140	124 645
	118,118	164,645

### 20. Impairment of assets impairment of assets

Impairments Impairments Property, plant and equipment Property, plant and equipment	<del>2</del> 6	(69)
The impairment loss arose as a result of a condition assessment performed on the		

assets during the prior financial year. Assets were identified to be damaged and were impaired,

### 21. Finance costs

88

Einance leases Finance leases

Limpopo Legislature			
Arimipoio Gal			
TIM 100 10 1 Ed S. a. Hise year entered Porthes SLATURE VOTE 02	·· <del>·</del>		
Notes to the Antique Entancial Statement 2024. Notes to the Antique Entancial Statement 2024. Notes to the Antique Entancial Statement 2024.	VIS <sub>2024</sub>	2023	
Eighres in Rand thousand	3834	3833	
Figures in Rand thousand	2024	2023	
22 General expenses 22 ve General expenses Bankutsanges Bankutsanges Constitution of the control	1,367	1,121 1,12 <b>4</b>	
Signal (1873) expenses Edward (1875) expenses	1,36 <b>7</b> <b>4,367</b> 1,36 <b>7</b>	3,62 <b>8</b>	
ទីទាំន់ប៉ូរីគេប្រីesd professional fees ទី១៤៩ ខ្លែងប្រីទី ទី២ នេះ	2,32 <b>2</b> 2,3 <b>22</b>	2,63 <b>9</b> 3. <b>986</b>	
Egifs (it fait and professional fees  Long this grad professional fees	4;17 <u>7</u> 4;37 <u>2</u>	3,5 <b>78</b>	
Entre les les les les les les les les les le	2 3 2 3 5; 3 3 3	4:70	
<b>Vitalifiale high hease</b> nses Aleweye highe expenses <b>Christial and highers</b> is	5, <b>529</b> 8 <b>52</b> 0	4,9 <b>22</b> <b>4.922</b>	
The next results of the departmental activities	5',173 5',168 5',188	4; <b>102</b> 4; <b>983</b> 4; <b>983</b>	
্বেলাক্ষ্মাট্রকার্থনিত্তি বিষ্ণু part of the departmental activities নির্মান্ত্রটার বিষ্ণু ব	7,255 3 <b>0,25</b> 5	23, <b>33</b>	
Langue in Calvin 2004 part of the departmental activities Langue in Calvin 2004 part of the departmental activities	30;232 30;232	23,444	
Talland Subsistence  English (Subsistence)  English (Subsistence)	307.555 307.555 307.555	23,607	
San Miges (Figure 1998) Figure 1998 (Figure 1998) Page (Figure 1998)	3;288 3;468	2;558 2:558	
Constante (Media) Oyees) Constante (Media) Oyees) Constante (Media) Oyees			
	3,500	2; <b>25</b>	
	7,5 <b>55</b> 1:6 <b>35</b>	2(304) 1(244)	
descriptions of professional fees descri	7;395 78;385	2\296\ 58( <b>944</b> )	
Othan area and a second and a second area area.	78,688 78,446	58(944) 58 945	
23her Expenditure incurred to repair and maintain property, plant and equipment 23 Expenditure incurred to repair and maintain property, plant and equipment	<u> </u>	58 <u>945</u> 58,945	
Sefice examplished inchired to repair and maintain reoretty, plant and earlighent	134	862	
Mice Equipment — — — — — — — — — — — — — — — — — — —	2,1 <b>58</b> 2: <b>15</b> 2	2, <b>562</b>	
Motor Venicles III	2,792	3;86 <u>2</u>	
240to Service in Kind rental expense	<u>3:585</u> 2,292	3:972	
📥 in 🗲 ហេតុខ្លួច 🛊 🙀 ប្រជុំ 🛠 ប្រជុំ 🛠 ប្រជុំ 🛠 ប្រជុំ ខ្លួន ប្រជុង ខ្លួន ប្រជុង ខ្លួន ប្រជុង ខ្លួន ប្រជុង ខ្លួន ប្រជុំ ខ្លួន ប្រជុង ខ្លួន ប្តិខ្លួន ប្រជុង ខ្លួន ប្រជុង ខ្លួន ប្រជុង ខ្លួន ខ្លួន ប្រជុង ខ្លួន ប្រជុង ខ្លួន ប្រជុង ខ្លួន ប្រជុង ខ្លួន ប្រជុង ខ្លួន ប្រជុង ខ្លង	11,403	<b>3,374</b> 10,657	
Sains of losses arising from a change in fair value less point of sale costs Gains of losses arising from a change in fair value less point of sale costs The costs of losses arising from a change in fair value less point of sale costs The costs of losses are costs	11,403 11,483	10,657 18,657	
கூறு நகுகை குள்ளத்திரும் அதி	11,403	10,657	
\$5 rp Gash generated from operations Administrator for	7,521 7,521	11,063 11,063	
Zash generated from operations Ballustaeousaror amortisation	1 <b>7,92</b> 6	18,003	
Active the break section of the sec	17,926 11,936 11,936 11,936 11,936	8 (6(4)	
And the control of the same and accruals and accruals	11,948	<sup>0</sup> , <b>759</b> ) 8 <b>,799</b> )	
May ments produced the second accruals when the second accruals the second accrual to the	7(4)(2) 7(4)(2)	(0,299)	
Width the state of	7(452) 7(452) 7(458)		
WOY THE IS IN OCCUSIONED ASSETS AND ACCIUAIS  THE PROPERTY OF WILL CAUTE THE PROPERTY OF THE P	11(4) (4) (4) (4) (4) (4) (4) (4) (4) (4)	(0(2133) (6,163)	
Tankes in working leading lands are actions and the second	3(2質等)	(2, <b>232</b> )	
<b>Egyanyarant</b> a nakotxoraanta italiassakotto n Bayantaksiron excitande transactions Bayantaksiron excitantia italiassakotto n	(3( <b>955)</b> 23( <b>935</b> )	(2,2 <u>4,3</u> 3)	
Sain Cash generated from Operations Adjustments for ated from operations Adjustments for atendations Adjustments for ated from operations Adjustments for atendation of the formation of the	29,000	( <u>4,843)</u>	
	<u> </u>	( <b>½</b> ; <b>893</b> )	
26 Financial instruments disclosure 26 financial instruments disclosure	29,070	4,803	
Cate diniers cial financial enterdiscionare Cate dorige of financial instruments 37		89	
Categories of financial instruments 37  Categories of financial instruments 37			



## **LIMPOPO LEGISLATURE VOTE 02** Limpopo Legislat NOTES TO THE ANNUAL FINANCIAL STATEMENTS Annual Financial Statements for the year ended 31 March 2024

Figures in Rand thousand	2024	2023

#### 26. Financial instruments disclosure (continued)

2024		
Financial assets		
Cash and cash equivalents	At amortised cost 50,984	Total 50,984
Financial liabilities		
Trade and other payables from exchange transactions	At amortised cost 4,548	Total 4,548
2023		
Financial assets		
Cash and cash equivalents	At amortised cost 47,247	Total 47,247
Financial liabilities		
Trade and other payables from exchange transactions	At amortised cost 5,094	Total 5,094
27. Commitments		
Authorised expenditure		
Total capital commitments Already contracted for but not provided for	2,509	12,660

#### Authorised operational expenditure

These capital commitments relates to the SCM orders and contracts that will be financed by cash resources.

#### Operating leases - as lessee (expense)

#### Minimum lease payments due

	0.40	4 000
- in second to fifth year inclusive	279	950
- within one year	670	670

Operating lease payments represent rentals payable by the entity for certain of its office properties. Leases are negotiated for an average term of five years and are subject to a 8% escalation per annum. No contingent rent is payable.



# LIMPOPO LEGISLATURE VOTE 02 Limpopo Legislatures TO THE ANNUAL FINANCIAL STATEMENTS Annual Financial Statements for the year ended 31 March 2024 for the year ended 31 March 2024

**Notes to the Annual Financial Statements** 

Figures in Rand thousand 2024 2023

#### 28. Contingencies

The Legislature has a contingent liability in respect of legal claims. The Legislature is defending the matters. The entity's lawyers and management consider the likelihood of the action against the entity being successful as unlikely.

A claim was made against Legislature with regard to disputes over the payment of gratuity to the former member. The amount claimed is R 759 969.44 and the estiamted legal fees are R 300 000.

Other claim is a demand for the payment of salaries arrears for COPE support staff. The party does not have representation in the legislature and the claim is against the party. There is no probability that the support staff would win the case against the legislature. The legislature has filed papers to oppose the order to declare the Secretary to be in contempt of court. The estimated legal fees are R 500 000. Furthermore there is a claim for the former CFO claiming for the restatement after dismissal. The prospects of success for the applicant are non existence as she failed to follow proper process and the estimated legal fees are R 400 000.

**Legal Claims** 

1,960 2,060

**29. Service in Kind** South African Police Service

Public Works

Security Services provided by the police as the legislature is a National key point. Public works Service in Kind, Refer to note 10 for the presentation of the service in kind rental income and note 16 for the related service in kind rental expense and . The office in Parliamentary village is insignificant and members pays rental income of the residential houses.

The entity recognise services in-kind that are significant to its operation and/or service delivery objectives as assets and recognise related revenue when it is probable that the future economic benefits or services potential will flow to the entity and the fair value of the assets can be measured reliably. Where service in-kind are not significant to the entity's operations and/or service delivery objectives and/or do not satisfy criteria for recognition, the entity disclose the nature and type of service in kind.Based on the entity assessment the service in-kind above does not meet the recognition except Public works building in Lebowakgomo.Refer to note 16 for the revenue recognised from the service in kind and note 10 for the related rental under operating lease .



## LIMPOPO LEGISLATURE VOTE 02 **NOTES TO THE ANNUAL FINANCIAL STATEMENTS** Limpopo Legislature Annual Financial Statements for the year ended 31 March 2024

### Notes to the Annual Financial Statements

Figures in Rand thousand

#### 30. Related parties - Key management personnel

#### Executive

	Basic Salary	Pension fund employer contribution	Political Office bearer allowance	Bonuses	Car allowance	Acting allowance	Other benefits	Total
Executive Authority Office								
Speaker to the Legislature	1,139	283	120	95	-	-	461	2,098
Deputy speaker	899	229	120	75	348	-	27	1,698
Senior Management								
Chief Financial Officer	1,463	190	-	122	549	-	123	2,447
Acting Secretary to the Legislature	1,340	174	-	233	621	517	106	2,991
Legal advisor	1,340	174	-	112	419	-	131	2,176
	6,181	1,050	240	637	1,937	517	848	11,410
2023								

	Basic Salary	Pension fund employer contribution	Political office bearer allowance	Bonuses	Car allowance	Acting allowance	Committees fees	Total
Executive Authority Office								
Speaker to the Legislature	1,102	275	120	92	-	-	448	2,037
Deputy speaker	869	223	120	-	145	-	262	1,619
Senior Management								
Chief Financial Officer	1,296	168	-	232	489	-	110	2,295
Acting Secretary to the Legislature	-	-	-	-	17	40	40	97
Legal advisor	1,187	154	-	213	390	-	122	2,066
Secretary of the Legislature	1,896	-	-	264	519	-	267	2,946
	6,350	820	240	801	1,560	40	1,249	11,060

<sup>\*</sup> Other benefits comprise housing allowance and medical aid benefits



## LIMPOPO LEGISLATURE VOTE 02 Limpopo Legislature TO THE ANNUAL FINANCIAL STATEMENTS Annual Financial Statements for the year ended 31 March 2024 for the year ended 31 March 2024

**Notes to the Annual Financial Statements** 

Figures in Rand thousand 2024 2023

#### 31. Prior period error

The following prior period errors adjustments occurred. This was as a results of the error made on the debts. The debts were incorrectly raised.

#### Statement of financial position

2023

	Note	As previously	Correction of	Restated
		reported	error	
Trade and other receivables		324	(22)	302
Accumulated Surplus/dificit		5,467	22	5,445
		5,791	-	5,747

#### 2024

#### Statement of financial performance

#### 32. Risk management

#### Financial risk management

Due to the largely non-trading nature of activities and the way in which it is financed, the Legislature is not exposed to the degree of financial risk faced by operating business entities.

The Legislature recognises the need to implement Risk Management. The Accounting Officer accordingly maintains effective, efficient and transparent systems of risk management and internal control. Risk management is an integral part of the institutions activities to reduce risks to acceptable levels. Continued integration of risk management into key decision-making processes of the organisation was also achieved with the explicit inclusion of risk management principles into the Legislature's strategic and business planning processes.

#### Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through monitoring of the budget.

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments against available budget.

The table below analyses the entity's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 31 March 2024	Less than 1 Between 1 and Between 2 and Over 5 years  vear 2 years 5 years	
Trade and other payables	4,548	
At 31 March 2023	Less than 1 Between 1 and Between 2 and Over 5 years	
Trade and other payables	year 2 years 5 years 5,091	



# LIMPOPO LEGISLATURE VOTE 02 Limpopo Legislat weres to the Annual Financial Statements for the year ended 31 March 2024 Tor the year ended 31 March 2024

#### **Notes to the Annual Financial Statements**

Figures in Rand thousand 2024 2023

#### 32. Risk management (continued)

#### Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, trade and other receivables. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party. Trade receivables relate mainly to staff debtors that can be recouped from salary payments.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument 2024 2023
Cash and cash equivalents 50,984 47,247

#### Market risk

#### Interest rate risk

As the entity has no significant interest-bearing assets, the entity's income and operating cash flows are substantially independent of changes in market interest rates. Interest on receivables is insignificant. Interest accrued to the Legislature on deposits controlled by Provincial Treasury is not managed by the Legislature as it has no control over the allocation of the funds.

#### 33. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

#### 34. Events after the reporting date

None.

35. Unauthorised expenditure

None.

36. Fruitless and wasteful expenditure

None.

37. Irregular expenditure

None





## **ADDRESS**

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## **WEBSITE**



Scan here

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